KUMPULAN FIMA BERHAD
(197201000167) (11817-V)

Positioning for the Future

Annual Report 2024

www.fima.com.my

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Annual Report 2024

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52nd Annual General Meeting

will be held on a virtual basis via live streaming and online remote voting using Remote Participation and Electronic Voting facilities at https://meeting.boardroomlimited.my, from the Broadcast Venue at the Training Room, Kumpulan Fima Berhad.

3.00 p.m.

29 August 2024

Forward-Looking Statements

This Report contains certain forward-looking statements with respect to KFima's financial condition, results, operations and businesses. These statements and forecasts involve risk and uncertainty as they relate to events and depend on circumstances that occur in the future. While we endeavour to progress with our strategies and plans, there are various factors that could cause actual results or developments to differ materially from those expressed or implied by these forward-looking statements.

Feedback

We welcome your feedback, comments and enquiries on this Report. Please address any queries or comments to info@fima.com.my.

> **In driving our strategies, we seek to create long-term value for all our stakeholders through the optimisation of resource use, prudent financial and risk management, as well as embedding elements of sustainability within our business decisions and operations.**

Dato' Roslan Bin Hamir
Group Managing Director

WE ARE *KFIMA*

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About This Report

Kumpulan Fima Berhad ("KFima" or "Company") was incorporated by the Malaysian government on 24 February 1972 under the name Fima Sdn. Bhd. KFima's first business was the canning of pineapples when Pineapple Cannery of Malaysia Sdn. Bhd. was incorporated as KFima's wholly-owned subsidiary.

In 1975, KFima was converted to a public company and changed its name to Kumpulan Fima Berhad. In 1981, KFima became the controlling shareholder of Fima Metal Box Berhad, now known as Fima Corporation Berhad, a company listed on the Kuala Lumpur Stock Exchange (now known as Bursa Malaysia). In 1991, KFima underwent a management buy-out in line with the privatisation policy of the Malaysian government.

KFima's 2024 Annual Report ("Report") combines our financial reports and sustainability report to provide all our stakeholders with an overview of our business and activities, prospects and governance. This Report conveys our progress against our business strategies, where we endeavour to illustrate a comprehensive view of our businesses by analysing our performance against the Group's strategic objectives, highlighting successes and challenges experienced during the Financial Year Ended 31 March 2024 ("FYE2024").

The reporting period corresponds to our financial year, which runs from 1 April 2023 to 31 March 2024, unless otherwise stated. All references to KFima, the Group, the Company, the business,'our' and 'we' refer to Kumpulan Fima Berhad and its subsidiaries.

Reporting Principles

The preparation of this Report is made in adherence to:

- Bursa Malaysia Main Market Listing Requirements;
- Bursa Malaysia's Sustainability Reporting Guidelines;
- Malaysian Code on Corporate Governance 2021;
- Malaysian Financial Reporting Standards;
- International Financial Reporting Standards; and
- Global Reporting Initiatives (GRI) Standards: Core Option.

Materiality Process & Sustainability

This Report also provides information on the sustainability issues assessed as material to KFima, changes and trends in our operating environment and how we are presently addressing them. It identifies and quantifies the ways in which our sustainability practices and programmes deliver business value, support the communities in which we operate and protect our environment as contemplated under the UN Sustainable Development Goals. Material topics are identified and prioritised from a combination of stakeholder inputs, engagements with various teams from within the Group, regulations and guidelines, as well as sustainability trends.

The scope of our sustainability reporting in this Report covers the Group's wholly-owned operations and joint ventures that are at least 50% owned by KFima. Contractors, vendors and outsourced services are excluded from the scope of all performance indicators unless otherwise indicated.

Limited Assurance Statement

Group Internal Audit ("GIA") has conducted a limited assurance review of selected subject matters and performance indicators to be published in the Sustainability section of this Report. The objective was to ensure fair presentation and identify any issues requiring attention. Procedures involved testing a sample of source information for accuracy, examining evidence supporting the indicators and verifying calculation methodologies. The data collection process was also reviewed.

Non-financial data have inherent limitations and qualitative interpretations are subject to assumptions and judgments. Future projections and targets were not assessed. Based on the performed procedures, GIA is of the view that the reviewed indicators and related disclosures were found to be fairly prepared and presented in the Sustainability section.

GIA's Statement of Assurance is disclosed in the latter section of the Sustainability Report.

Aspire to Create Value

A — ***Accountability & Responsibility***
- We make business decisions based on vast experience, prudent judgment, and ownership of outcomes
- Committed and loyal to our clients and each other
- Integration of economic, social and environmental responsibility in all aspects and activities

S — ***Safety***
- Committed to providing a safe and healthy work environment for our employees and neighbours

P — ***Passionate***
- A strong commitment to delivering value to our customers and stakeholders

I — ***Innovation***
- Commitment to fostering creativity, embracing new ideas, and driving positive change

R — ***Reliability***
- Delivering consistent and dependable products, services, and experiences to customers

E — ***Ethics & Integrity***
- Honest and professional conduct in all interactions and through our commitment to managing our resources wisely

Vision

A dynamic organisation that drives sustainable growth and value

Mission

Drive the growth of our businesses and to be the industry partner of choice

Group Strategic Review

The Group's principal activities are organised into 4 divisions: Bulking, Plantation, Food and Manufacturing. The businesses are spread across Malaysia, Indonesia and Papua New Guinea. The Group currently employs 3,294 people.

Our Key Performance Objectives

KFima Group remains focused on providing sustainable value to our shareholders through 3 core performance objectives:

Profitable Revenue Growth

To grow revenue in a sustainable manner via expansion of existing operations, products, services, growing market share and expanding into new markets.

Solid Return on Capital Employed

Long-term contracts, investment and ownership of productive assets with focus on efficiencies, cost structure and improved returns.

Strong Cash Generation

Operational strategies are necessary elements for a business and are directed towards cash generation.

Expansion and growth are focused towards high quality investment with steady cash flows.

How We Do It

These objectives are enabled and supported by the following strategic drivers which provide a competitive advantage to the Company and act as a guideline to direct strategy formulation and implementation by the businesses within the Group.

Our 4 Strategic Drivers

Maintain Prudent Financial Profile

What it means

- Drive strong cash generation
- Maintain diligent monitoring of both operating and capital costs
- Capacity to accommodate growth

Strengthen Core Businesses

What it means

- Drive margin improvement by enhancing cost and production efficiency
- Grow market share through expansion of existing operations, products & services and entry into new markets

Leverage Market Opportunities

What it means

- Seek new market opportunities by leveraging on our industry knowledge & expertise to provide competitive advantage amid changing market and customer demands

Establish Strong Pillars for Future Growth

What it means

- Explore partnerships and investments in select new engines for growth
- Develop people to grow the talent pool
- Strong and good governance new markets

Our 3 Sustainability Values that Support these Objectives and Strategic Drivers:

Environmental

Environmental & Social Responsibility in our Supply Chain

Social

Building & Trusting Relationships with Stakeholders

Health, Safety & Development of our Employees and Communities

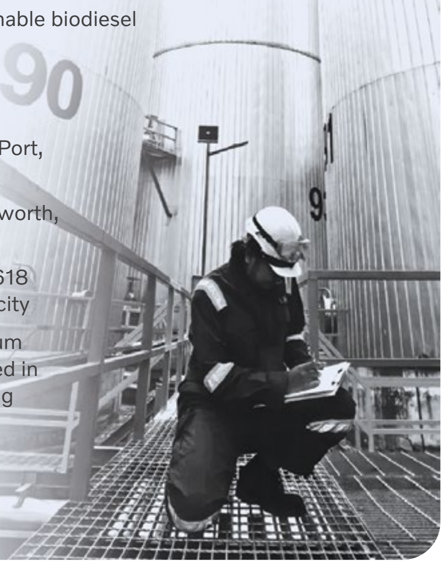
Governance

Governance & Responsible Business Practices

Operational & Resource Efficiency

Group Corporate Structure

Bulking division



BUILDING CAPACITY TO MAXIMISE VALUE

- Bulk handling and storage of various types of liquid and semi-liquid products, as well as transportation and forwarding
- Production of sustainable biodiesel

OUR CAPABILITIES

- 3 terminals in North Port, Port Klang
- 2 terminals in Butterworth, Penang
- 313 tanks with 477,618 cbm of storage capacity
- 60,000 MT per annum biodiesel plant located in North Port, Port Klang

Plantation division

SUSTAINING GROWTH

Oil palm and pineapple cultivation, including oil palm production and processing

OUR CAPABILITIES

- 16 estates in Malaysia and Indonesia
- 17,567 hectares of plantable landbank
- 15,963 hectares of planted area
- 14,145 hectares of mature area
- 45 MT/HR palm oil mill in Indonesia

Food division

STRENGTHENING CAPABILITIES

Manufacture and distribution of canned fish, including food packaging

OUR CAPABILITIES

- Manufactures and distributes canned mackerel, tuna and frozen loin
- Trading and packaging services of powdered beverages and condiments
- Besta, Besta McFlakes, Besta Choice and Besta White, Besta Delight, Instanco and Farmtree brands

Manufacturing division

STAYING AGILE

Production and trading of security and confidential documents

OUR CAPABILITIES

- One of the largest security printers in Malaysia
- Technical support team throughout Malaysia

Others (non-core)

Investment holdings, trading and property investment

How We Create Value

In driving our strategies, we seek to create long-term value for all our stakeholders through the optimisation of resource use, prudent

Key Performance Objectives

- Profitable revenue growth
- Solid return on capital employed
- Strong cash generation

Our Capitals

Intellectual Capital
Competitive advantage gained through our knowledge and intellectual property together with our brand and reputation

Financial Capital
Economic resources that fund our business, backed by a strong balance sheet that provides ability to attract capital

Social and Relationship Capital
The value we build through engagement, and working together with all stakeholders

Manufactured Capital
Our assets comprising manufacturing, processing, bulk storage facilities and capabilities, as well as tools/equipment for mechanisation and technology

Natural Capital
Natural assets and resources, specifically, land, energy, fuel and water

Human Capital
Experienced, diverse leadership team and employees

Governing The Value Creation Process

Divisional management handles the day-to-day operations and activities of their respective businesses whilst the Board of Directors are responsible for:

- Steering and setting strategic direction
- Approving policy and planning
- Overseeing and monitoring
- Ensuring accountability
- Driving the sustainability agenda

VISION

A dynamic organisation that drives sustainable growth and value

MISSION

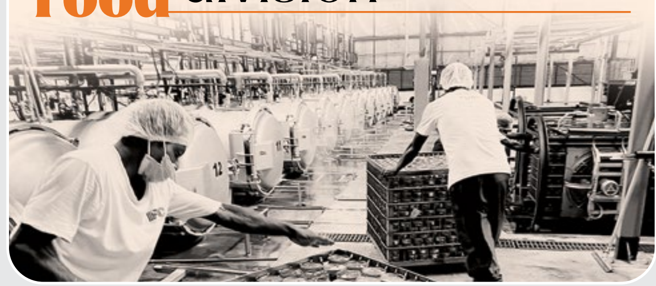
Drive the growth of our businesses and to be the industry partner of choice

PRIMARY OPERATIONS & ACTIVITIES

Bulking division

Plantation division

Food division



Manufacturing division

financial and risk management, as well as embedding elements of sustainability within our business decisions and operations.

4 STRATEGIC DRIVERS

- **MAINTAIN PRUDENT FINANCIAL PROFILE**
- **STRENGTHEN CORE BUSINESSES**
- **LEVERAGE MARKET OPPORTUNITIES**
- **ESTABLISH STRONG PILLARS FOR FUTURE GROWTH**

OUR PROFIT FORMULA

(+) Revenue Drivers

- Sales of fresh fruit bunches, crude palm oil and crude palm kernel oil
- Sales and supply of travel, transport and confidential documents
- Tank rental, freight forwarding transportation and tolling (for biodiesel)
- Sales of canned fish products, frozen loins, fishmeal, fish oil and non-fish products

(-) Cost Drivers

- Investment in growth
- Regulatory and compliance costs
- Salaries and employee benefits
- Raw material
- Negative exchange rate
- Development and project costs
- Finance costs
- Sourcing, procurement, logistics

OPERATING CONTEXT: FACTORS IMPACTING VALUE

- Challenging economic outlook
- Climate change
- Digital disruption
- Socio-political issues impacting our operations
- Cost inflation

CREATING VALUE FOR

- Customers
- Employees
- Shareholders & Investors
- Communities
- National & Local Governments
- Suppliers & Business Partners

Impacts/Outcomes

Intellectual Capital

Adherence to industry best practices and accreditation of international standards as well as investments in systems will have a positive impact in developing our product offerings

Financial Capital

Consistent delivery of returns and sustained market confidence

Social and Relationship Capital

We strive to maintain positive relations with our stakeholders through responsible business practices, and create value for customers and communities through investments in strategic CSR activities, job security, skills development and economic opportunities

Manufactured Capital

Investments in the development and maintenance of property, plants, facilities and equipment has provided us with the capacity to generate long-term returns

Natural Capital

We seek to offset the environmental impact of our activities via the responsible delivery of socio-economic benefits through our core activities

Human Capital

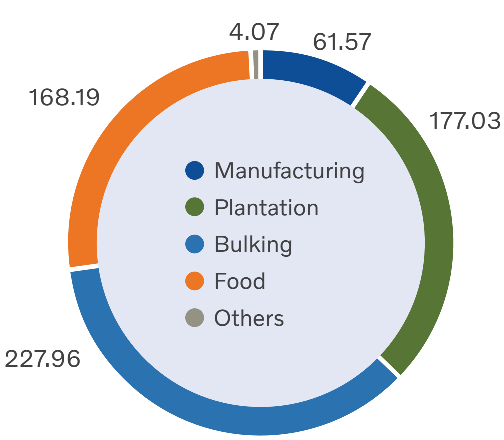
We rely on the skills and wellbeing of our employees to generate value. Providing a safe working environment, supporting local employment, fair labour practices and investments in training are critical to maintaining positive employee relationships

Five-Year Group Financial Highlights

Financial Year Ended 31 March (RM Million)	2024	2023	2022	2021	2020
REVENUE	638.82	709.75	683.50	497.79	503.25
PROFIT					
Profit before tax and zakat	122.55	119.29	185.31	91.85	51.83
Income tax expenses and zakat	39.88	42.15	34.35	30.13	24.36
Non-controlling interests	9.86	13.92	48.39	11.61	(1.75)
Profit after taxation and non-controlling interest	72.80	63.22	102.57	50.10	29.21
ASSETS AND LIABILITIES					
Total assets	1,736.00	1,619.85	1,577.18	1,285.68	1,253.51
Total liabilities	538.83	451.50	429.95	227.41	214.84
Non-controlling interests	239.37	250.85	255.13	234.47	236.90
Shareholders' funds	957.79	917.50	892.11	823.80	801.77
EARNINGS AND DIVIDEND					
Earnings per share (sen)					
Basic	26.44	22.92	37.05	17.96	10.40
Diluted	26.44	22.92	37.05	17.96	10.40
Gross dividend per share (sen)	12.00	12.00	15.00	12.00	9.00
Net dividend per share (sen)	12.00	12.00	15.00	12.00	9.00
SHARE PRICES					
Transacted price per share (RM)					
Highest	2.13	2.47	2.48	1.93	1.73
Lowest	1.75	1.91	1.83	1.13	1.21

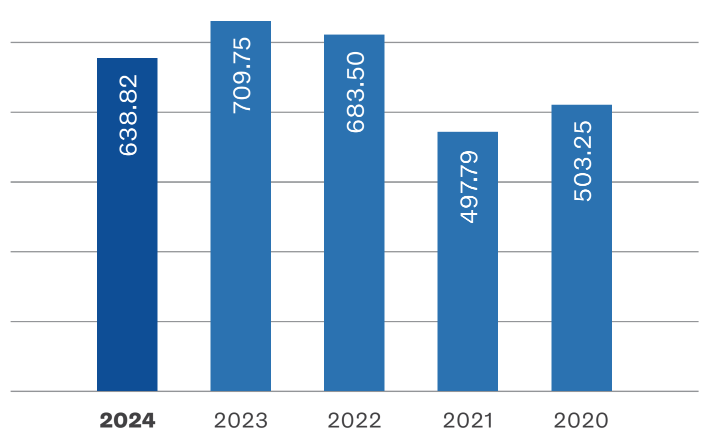
REVENUE BY SEGMENT

RM638.82 Million



REVENUE

(RM MILLION)

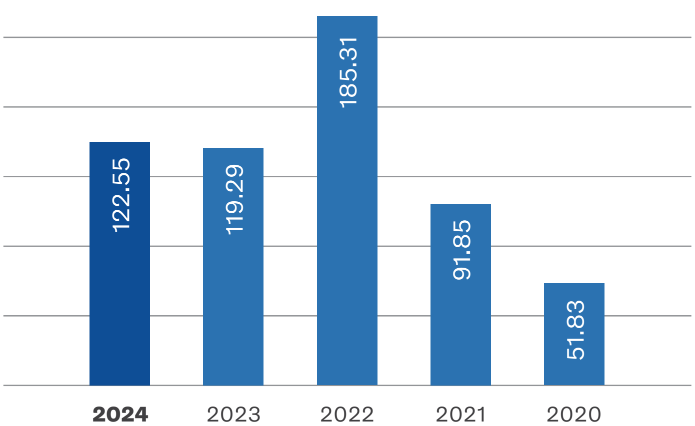


Five-Year Group Financial Highlights

Ladang Amgreen, Miri, Sarawak

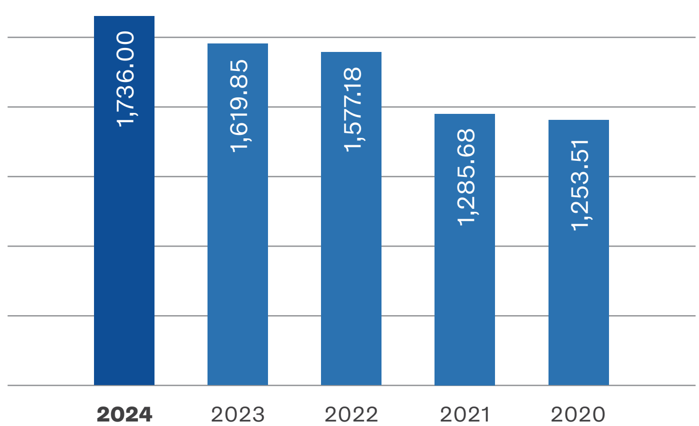
PROFIT BEFORE TAX AND ZAKAT

(RM MILLION)



TOTAL ASSETS

(RM MILLION)



“

It’s not just about being tactical; it’s about balancing short-term delivery and increasing the efficiency of our strategy while ensuring its sustainability to deliver long-term economic and social value creation.

Dato’ Idris Bin Kechot
Chairman

FROM THE *LEADERSHIP*

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Chairman's Statement

Dato' Idris Bin Kechot
Chairman

Dear Shareholders,

Our performance demonstrates once again the advantage of KFima's uniquely diversified and broad portfolio.

For the financial year ended 31 March 2024, ("FYE2024"), Group revenue was RM638.82 million, down 10.0% compared to RM709.75 million recorded in the previous year, driven by lower contribution across most of our core businesses except for bulking and biodiesel. Notably, our Bulking division reached a new revenue milestone, hitting an all-time high of RM227.96 million.

Group profit before tax and zakat ("PBT") for the year was RM122.55 million, up by 2.7% on the back of the record high PBT of RM87.10 million achieved by the Bulking division and improved contributions from the Food division. These gains offset the decrease in PBT of our Plantation and Manufacturing divisions. Plantation division was mainly impacted by lower prices and sales volumes of Crude Palm Oil (CPO) and Crude Palm Oil Kernel (CPKO) sold, while Manufacturing division's profitability was impacted by declining volumes across most of their product segments and change in order patterns.

The Group has continued to be significantly cash generative, with net operating cash generated from operating activities of RM156.04 million in the year. This has enabled the Group to maintain capital investment and continue to prioritise returns to shareholders.

Revenue	FYE2024 RM Million	FYE2023 RM Million
Bulking	227.96	185.25
Plantation	177.03	204.41
Food	168.19	186.10
Manufacturing	61.57	129.56
Others	4.07	4.43
Group Revenue	**638.82**	**709.75**

PBT	FYE2024 RM Million	FYE2023 RM Million
Bulking	87.10	62.10
Plantation	26.16	45.39
Food	13.37	4.79
Manufacturing	0.39	10.11
Others*	(4.47)	(3.10)
Group PBT	**122.55**	**119.29**

* *including associated companies*

While we experienced difficult market conditions in FYE2024 across all our business segments, there are several highlights that I would like to address, demonstrating the resilience of our business segments and the ongoing benefits of our multiyear strategy.

As I've mentioned in my statement to you last year, our Group's four business segments are currently at different strategic verticals. We believe that the best path forward to deliver sustainable top and bottom-line growth is therefore to concentrate on selectively investing in businesses that are defensive, cash-generative, and have stronger growth prospects, which we can acquire and build value. For businesses with lower industry attractiveness and/or competitive strengths, we will take proactive measures to protect our position and refocus our efforts, considering the market dynamics and structural changes in these segments.

"The Group has continued to be significantly cash generative, with net operating cash generated from operating activities of RM156.04 million in the year.

Within these guardrails, we had directed our resources towards accelerating our mechanisation efforts at our Malaysian estates and improving agronomic standards of our estates. We have continued to optimise the footprint of our bulking terminals in Port Klang and have kickstarted development at Tanjung Langsat to meet a growing demand base. We have also improved the yields of our biodiesel plant in Port Klang, while our subsidiary in Papua New Guinea had worked towards improving efficiencies within its value chain and released new product offerings. And although the secular declines in volumes and changes in order patterns had undermined the Manufacturing division's overall performance, it is worth noting that the division was able to maintain its core markets through contract extensions during the year.

To sum it up, despite broader factors and external headwinds that impacted our markets, in FYE2024 we had focused on what we can control. This included operating our assets efficiently, protecting our markets to the greatest extent and maintaining capital discipline by responsibly investing in our growth projects. It's not just about being tactical; it's about balancing short-term delivery and increasing the efficiency of our strategy while ensuring its sustainability to deliver long-term economic and social value creation.

Dividend

The Board has approved a single-tier interim dividend of 9 sen per share and special dividend of 3 sen per share for FYE2024. The interim and special dividends will be paid on 16 August 2024 and represents 45.4% of the Group's Profit After Tax and Non-Controlling Interests ("PATANCI"). This payout ratio is in line with the Group's dividend policy to pay at least 40.0% of PATANCI, subject to the Group's financial position.

Governance and the Board

Your Board sets the tone of integrity and accountability for the Group, and we recognise the essential role of governance in value creation and sustainability.

The KFima Board is active and engaged, interacting with management to support delivery and ensure ongoing oversight. This was affirmed by the Board effectiveness evaluation process undertaken for the current financial year. The process involved the completion of

Bulking Terminal, North Port, Port Klang

Chairman's Statement

questionnaires covering various aspects of Board, Committee and Director effectiveness. The evaluation results are considered by the Nomination and Remuneration Committee, and escalated to the Board.

A notable step in FYE2024 following recommendations from the previous year's Board evaluation was the establishment of an Investment Committee ("IC") comprising directors from KFima as well as from its listed subsidiary, Fima Corporation Berhad. The idea behind the IC is to ensure that we are not only meeting our goals as a Group but also to anticipate future challenges and opportunities. In an era where most businesses are either disruptive or being disrupted, the IC serves as a platform to scrutinise strategic proposals, engage in meaningful dialogue with management, and understand how they intend to build new 'muscles' in order to compete differently.

Another significant step resulting from last year's Board evaluation recommendation was the appointment of Encik Danny Hoe, our Independent Non-Executive Director, to the Risk Steering Committee and Group Sustainability Committee. I am confident that his contributions will further enhance the effective oversight of these committees in identifying and addressing risks, as well as advancing our sustainability agenda.

We've also devoted our attention to environmental, social, and governance (ESG) issues. By incorporating ESG criteria into our decision-making, we ensure that we consider not only the financial implications of our actions but also enables us to identify risks and opportunities more effectively, leading to better-informed and more sustainable business strategies.

ESG and Corporate Citizenry

Our journey toward a sustainable business model is continuous and ever evolving, influenced by and is integrated into our broader operating context. We are dedicated to ensuring that this journey is not merely a 'box-ticking' exercise but a fundamental element of how we conduct our business. The pressing issue of climate change and heightened scrutiny on labour relations for instance, compels us to reevaluate our operational methods, investment strategies, and engagement approaches, driving us to take proactive steps toward addressing these critical issues diligently and with the seriousness they deserve.

I am pleased to report that we have made significant strides to decarbonise our operations and reduce our carbon footprint through initiatives such as regenerative agricultural practices, solar power capacity expansion, tank insulation and plant efficiency projects. Guided by the principle that "whatever we can measure, we can manage", we have been diligently measuring the intensity of our resource consumption and usage. This inward-looking tool has proven successful and has helped us identify the necessary actions and interventions, allowing us to set more specific goals to improve our sustainability performance.

The Group had also conducted a human rights audit across all our divisions with specific focus on working hours, wages, and general labour practices, to identify gaps and take the necessary actions on areas that require improvement.

Percetakan Keselamatan Nasional Sdn. Bhd.

It is with regret that I must report one fatality in FYE2024. While we recognise the many progresses we have made during the year, this tragic incident underscores the importance of further enhancing our safety protocols and procedures to prevent future accidents and improve overall lost time injury rates within the Group.

We are also committed to building a culture where ethics and sustainability are integral. Through a Group-wide engagement process, we have revised policies and procedures including instituting procedures on conflict of interest, strengthened ethics awareness through training, and promoted a robust Whistle-Blowing system. These efforts aim to foster the corporate culture we envision: one that is ethical, and encourages problem-solving, collaboration, mutual respect and high performance.

These topics, along with a detailed account of our sustainability initiatives and achievements in FYE2024, are further elaborated in the Sustainability sections of this Annual Report.

"This current financial year will be about making further progress against our multiyear strategy and delivering on our key priorities that we believe will be the catalyst for organic growth and ultimately, consistent value creation for the long-term.

Employee Share Scheme

Our growth over the years is a direct result of the dedication and hard work of all our employees. As such, we are seeking shareholders' approval on the implementation of Long Term Incentive Plan ("LTIP") comprising the Employee Share Option Scheme and Share Grant Plan. The LTIP will enable our employees to align directly with the overall performance of the Group and to eventually realise gains from the appreciation in the value of KFima shares.

International Food Corporation Limited

Key Priority Areas and Outlook

This current financial year will be about making further progress against our multiyear strategy and delivering on our key priorities that we believe will be the catalyst for organic growth and ultimately, consistent value creation for the long-term.

Crop volumes from our Malaysian estates are projected to increase due to the age profile of our oil palms and improved labour availability. On the assumption that commodity prices will remain at current levels, we expect the division's performance to be satisfactory. The focus for now is to improve our estates' agronomic standards, accelerating our regenerative agriculture programmes, and completing the development and rehabilitation programmes at our Malaysian estates. We will continue with our mechanisation initiatives to improve operational efficiencies and reduce dependency on manual labour. The division has also recently embarked on an advanced analytics journey and are in the process of strengthening its data-driven decision-making process to drive operational performance.

Initial development activities at Tanjung Langsat Port for Phase 1 have begun in Q4 FYE2024, with the first handover of tanks anticipated by April 2025 although this timeline is contingent upon timely approvals from the authorities. In the circumstances, Bulking division's performance in this current financial year is expected to be favourable on the back of contributions from the newly completed tanks, and the corresponding rise in freight/haulage handling activities.

Despite facing several external headwinds particularly in H1 FYE2024, we remain optimistic about the prospects of our biodiesel segment. We have shifted our production focus to used cooking oil Methyl Ester and POME Methyl Ester, which are promising avenues for growth as demand for these products appears to be strong. The challenge now is to ensure a reliable supply chain for the feedstocks to mitigate the risk of production disruptions.

Chairman's Statement


Landing Craft Tank at Ladang Amgreen

We anticipate that our markets in Papua New Guinea will remain relatively resilient, with improving volume trends. To capitalise on this, the Food division's priority for the current year is to optimise their supply chain and unlock efficiencies. The division also has plans to launch new product offerings to build a diversified portfolio at various price points, which will help strengthen their shelf position and brand competitiveness in the market.

While we are diligently and patiently working to improve the Manufacturing division's performance and positioning, we are adopting a more cautious view of its outlook in this current financial year due to market dynamics related to the anticipated impact of governments' transition to digital solutions.

In addition, and considering the modest forecast for economic growth in the near term, all our operating units will continue working towards deriving cost efficiencies to support bottom-line growth, preserve margin profiles and reduce our carbon footprint. I'm seeing good progress on many of these dimensions, and we will continue to prioritise them going forward.

Acknowledgement

I wish to thank my colleagues on the Board for their diligent supervision and deliberations.

It is also very important for me and my fellow Board members to express our deepest gratitude to the employees of the Group. Their dedication and tremendous efforts in overcoming the challenges of the past year have been truly inspiring. The Board is so very thankful for their strong commitment, and as we look ahead to this current year and beyond, we are confident that we can count on their continued commitment to propel the Group forward.

The Board joins me also in thanking our valued shareholders, suppliers and business partners for their continued trust and loyalty.

Thank you.

Dato' Idris Bin Kechot
Chairman

Management Discussion & Analysis

> **With the increase of the Group's net earnings, ROE for FYE2024 was 6.9% compared to previous year's ROE of 6.6%.**

Dato' Roslan Bin Hamir
Group Managing Director

Key Financial Highlights

	FYE2024 RM Million	FYE2023 RM Million	Variance %
Revenue	638.82	709.75	(10.0)
Cost of Sales ("COS")	372.61	442.61	(15.8)
Gross Profit ("GP")	266.21	267.14	(0.3)
Earnings Before Interest and Taxation ("EBIT")	138.76	131.93	5.2
Profit Before Tax and Zakat ("PBT")	122.55	119.29	2.7
Profit After Tax ("PAT")	82.67	77.14	7.2
Profit Attributable to Equity Holders of the Company	72.80	63.22	15.2
Net Cash Flow Generated from Operating Activities	156.04	127.30	22.6
Total Asset	1,736.00	1,619.85	7.2
Total Liabilities	538.83	451.50	19.3
Capital Employed	1,584.08	1,463.83	8.2
Retained Earnings	593.37	553.61	7.2

	FYE2024 %	FYE2023 %	Variance %
Gross Profit Margin ("GP Margin")	41.7	37.6	4.1
Return on Shareholders' Equity ("ROE")	6.9	6.6	0.3
Return on Capital Employed ("ROCE")	8.8	9.0	(0.2)

Revenue

	FYE2024 RM Million	Contribution %	FYE2023 RM Million	Contribution %	Variance RM Million	Variance %
Bulking	227.96	35.7	185.25	26.1	42.71	23.1
Plantation	177.03	27.7	204.41	28.8	(27.38)	(13.4)
Food	168.19	26.3	186.10	26.2	(17.91)	(9.6)
Manufacturing	61.57	9.7	129.56	18.3	(67.99)	(52.5)
Others	4.07	0.6	4.43	0.6	(0.36)	(8.1)
Group Revenue	**638.82**	**100.0**	**709.75**	**100.0**	**(70.93)**	**(10.0)**

The Group revenue decreased by 10.0% to RM638.82 million in FYE2024 from RM709.75 million in the previous financial year's revenue, driven by lower contributions from Manufacturing, Plantation and Food divisions.

Bulking division achieved a record high of RM227.96 million in FYE2024, representing a 23.1% increase from last year's RM185.25 million. The division's impressive performance was primarily driven by substantial contributions from our liquid storage and transportation segments. In particular, the liquid storage segment's revenue rose by 35.0% year-on-year ("y-o-y"), growing from RM121.28 million to RM163.71 million. This growth was largely due to a 79.9% increase in contributions from biofuel. The transportation segment also saw significant growth, with revenue rising by 51.2% to RM11.84 million, compared to RM7.83 million in FYE2023. Other key factors contributing to the overall increase in the revenue included expansion of tankage capacity, favourable product mix, tank occupancy and rental rates, and improved throughput volumes.

Plantation division recorded revenue of RM177.03 million, a 13.4% decrease compared to last year mainly due to lower prices and sales volumes of Crude Palm Oil ("CPO") and Crude Palm Kernel Oil ("CPKO"). The average realised selling price of CPO decreased by 2.8% year-on-year to RM3,395 per MT (FYE2023: RM3,492 per MT), while CPKO declined by 9.1% to RM3,507 per MT (FYE2023: RM3,857 per MT). Volume of CPO sold was 32,368 MT, 12.3% lower compared to last year's 36,896 MT mainly due to lower production on the back of lower fresh fruit bunches ("FFB") production and third-party crop purchased by our Indonesian subsidiary.

FFB production from our Malaysian estates showed an improvement of 10.8% to 82,735 MT from 74,659 MT recorded in the previous year. Average yield per hectare also improved for most of our Malaysian estates.

Food division registered a revenue of RM168.19 million in FYE2024, a decrease of 9.6% compared to RM186.10 million recorded in the prior year. This decline was primarily driven by underperformance of the tuna segment, both in export and domestic canned tuna arising from supply chain constraints encountered in Q1 of FYE2024. The decrease significantly impacted the total sales volume of canned products, which fell by 32.9% to 550,376 cartons compared to 820,113 cartons sold in the previous year.

Manufacturing division's revenue declined by RM67.99 million from RM129.56 million to RM61.57 million in FYE2024 due to the marked decline in sales volumes across most product segments, particularly travel, transport and confidential documents.

Profitability

	FYE2024 RM Million	Contribution %	FYE2023 RM Million	Contribution %	Variance RM Million	Variance %
Bulking	87.10	71.1	62.10	52.1	25.00	40.3
Plantation	26.16	21.3	45.39	38.0	(19.23)	(42.4)
Food	13.37	10.9	4.79	4.0	8.58	179.1
Manufacturing	0.39	0.3	10.11	8.5	(9.72)	(96.1)
Others	(9.83)	(8.0)	(7.46)	(6.3)	(2.37)	(31.8)
Associated Companies	5.36	4.4	4.36	3.7	1.00	22.9
Group PBT	**122.55**	**100.0**	**119.29**	**100.0**	**3.26**	**2.7**

The Group's PBT increased by 2.7% to RM122.55 million for FYE2024, compared to RM119.29 million recorded in FYE2023, mainly due to higher contributions from the Bulking and Food divisions.

Bulking division's PBT increased to RM87.10 million in tandem with the improvement in revenue, marking a substantial 40.3% increase from the prior year's PBT of RM62.10 million. Notably, the division is the leading contributor to the Group's PBT, accounting for 71.1% of the total. In line with the increase in the division's revenue, the GP Margin rose from 53.9% achieved in the previous year to 57.4% in FYE2024, despite an increase in the COS from RM85.48 million to RM97.00 million.

Plantation division recorded PBT of RM26.16 million compared to RM45.39 million in the previous year, primarily due to lower prices and sales volumes for CPO and CPKO coupled with increased maintenance and cultivation expenditure, along with elevated estate development costs, all of which collectively impacted the division's PBT. PT Nunukan Jaya Lestari ("PTNJL"), the Group's Indonesian subsidiary's PBT declined from RM46.58 million to RM43.53 million in FYE2024.

Plantation estates in Malaysia which are presently in the development and partially mature phases registered a total pre-tax loss of RM11.44 million compared to RM7.25 million pre-tax loss recorded last year.

Consequently, the division's GP Margin also declined to 41.0% in FYE2024 (FYE2023: 47.9%).

Food division's PBT for FYE2024 recorded growth of 179.1% to RM13.37 million compared to RM4.79 million in the prior year. This growth was positively impacted by operating efficiencies, reduction of labour overheads and restructuring actions, resulting in a 18.1% decrease in cost of sales. Consequently, the division's GP Margin improved from 20.7% to 28.2%.

Manufacturing division's PBT decreased by 96.1% to RM0.39 million (FYE2023: RM10.11 million) in line with lower revenue posted for the year. This decline was primarily attributed to reduced demand across most product segments, particularly travel, transport, and confidential documents. The division registered a GP Margin of 23.7% during the year.

The **COS** of the Group for FYE2024 was RM372.61 million, RM70.00 million lower from the previous year. The sharp decrease was mainly attributable to lower production costs from Food and Manufacturing divisions due to lower levels of activity. Meanwhile, the Group's GP Margin increased from 37.6% to 41.7% in the year under review due to higher percentage of revenue contribution from Bulking division.

Share of Results of Associates increased slightly to RM5.36 million from RM4.36 million registered in the previous year on the back of contributions from Giesecke & Devrient Malaysia Sdn. Bhd. ("G&D Malaysia"). G&D Malaysia posted revenue and PAT of RM209.09 million and RM19.08 million (FYE2023: RM185.19 million and RM18.15 million) respectively, representing an improvement of 12.9% and 5.1% y-o-y respectively.

In line with the increase in PBT, the Group achieved PAT RM82.67 million (FYE2023: RM77.14 million). However, the Group's income tax expenses and zakat as of 31 March 2024 decreased from RM42.15 million to RM39.88 million.

The Profit Attributable to Equity Holders of the Company increased by 15.2% or RM9.58 million to RM72.80 million from RM63.22 million recorded in FYE2023. The basic net earnings per share for FYE2024 also increased to 26.44 sen based on the weighted average of 275.38 million shares (FYE2023: 22.92 sen based on the weighted average of 275.85 million shares).

Shareholders' Funds stood at RM957.79 million, up by 4.4% from last year in line with the increase in retained earnings. The retained earnings were RM593.37 million, RM39.76 higher than RM553.61 million registered last financial year.

With the increase of the Group's net earnings, **ROE** for FYE2024 was 6.9% based on the Group's total equity of RM1,197.17 million, compared to previous year's ROE of 6.6%.

ROCE for FYE2024 declined to 8.8% from 9.0% recorded in the previous year despite an increase in EBIT by 5.2% from RM131.93 million to RM138.76 million. Value of the assets employed by the Group stood at RM1,584.08 million (FYE2023: RM1,463.83 million) attributed to the increase in the Group's Total Assets by 7.2%.

Finance Cost and Liabilities

The Group's **Finance Cost** increased to RM16.22 million from RM12.64 million in FYE2023, largely due to higher borrowings and expenses related to the lease liabilities of the Plantation division. Interest expenses on borrowings rose by 97.3%, from RM2.25 million to RM4.45 million, primarily due to the construction of new tanks project in North Port. Additionally, the rise in CPO prices during the calendar year 2022 led to higher lease payments, as the lease agreements for two of our estates include variable payments based on the average CPO price.

The Group's **Total Liabilities** increased to RM538.83 million from RM451.50

million in FYE2023. As of 31 March 2024, the Group's gearing ratio stood at 0.45 times (FYE2023: 0.39 times). The increase in total liabilities was primarily attributed to the increase in long-term borrowings and deferred tax liabilities by 376.9% and 30.6% respectively.

Liquidity and Capital Resources

The Group's **Capital Expenditure ("CAPEX")** and working capital needs were funded through cash generated from operations and a combination of short-term bank credit facilities. In FYE2024, the Group invested a total of RM145.04 million in CAPEX. Specifically, RM102.11 million was allocated for the construction of new tanks as well as the purchase of new prime movers and trailers, maintenance and replacement of existing handling equipment, plant and machinery in North Port, Port Klang. RM25.42 million was allocated for the Plantation division's CAPEX, which mainly involved plantation development works and asset acquisition/replacement. Meanwhile, the Food division allocated RM3.86 million for the enhancement of their facilities, specifically for the construction of new mackerel cold room, warehouse expansion project and construction of new cooling tower. These investments aimed to upgrade and optimise their operational capabilities.

During the year under review, the Group maintained a solid financial position, with **Cash and Bank Balances** and **Financial Investments** totalling RM371.66 million (FYE2023: RM346.42 million), representing an increase of 7.3% compared to the previous year. In FYE2024, the majority of **Net Cash Used in Financing and Investing Activities** was allocated towards key initiatives, including the repayment of lease liabilities amounting to RM18.59 million, payment of dividends totalling RM33.05 million, and CAPEX expenditure of RM145.04 million. The Group's robust cash flow position underscores its capacity to fulfil financial obligations and pursue growth initiatives.

The Group's **Net Cash Generated from Operating Activities** for FYE2024 maintained a surplus position of RM156.04 million (FYE2023: RM127.30 million) primarily due to the increase in PBT along with a decrease in trade and other receivables as well as lower income taxes paid.

Free Cash Flow ("FCF") represents the cash generated by a company after accounting for the cash outflows required to support its operations and maintain its capital assets. The Group's FCF remained positive at RM11.0 million although lower compared to the previous year's FCF of RM32.08 million. FCF decreased primarily as a result of higher capital investments on property, plant and equipment (PPE), in particular the construction of new tanks, plantation development works, infrastructure, and asset acquisition or replacement.

Total Assets increased by 7.2%, reaching RM1,736.00 million compared to RM1,619.85 million last year. This growth is primarily attributed to the increase in property, plant and equipment from RM468.34 million last year to RM581.62 million in FYE2024.

Market Outlook

Malaysia

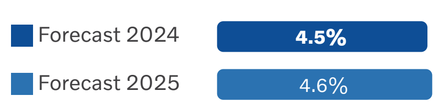
The Malaysian economy is projected to remain on a steady growth trajectory in 2024, backed by firm domestic demand, primarily through continued expansion in private sector spending. The Ministry of Finance expects growth of the Malaysian economy to accelerate to 4.0% - 5.0% in 2024 from 3.7% in 2023. However, risks to growth remain tilted to the downside given ongoing external challenges[1].

In the domestic capital market, activity will continue to be influenced by momentum in the domestic economy and corporate developments, with volatility likely to be driven primarily by uncertainties surrounding the global economy, particularly the direction of global monetary policy and evolving geopolitical tensions. Nevertheless, ongoing supportive policy actions such as the New Industrial Master Plan (NIMP) 2030 and the National Energy Transition Roadmap (NETR) are expected to provide a tailwind in the short- to medium-term, amid greater policy clarity and a continued commitment by the government towards improving medium-term economic growth prospects[1].

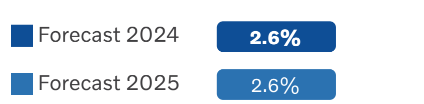
Market expectations remained broadly positive, projecting the benchmark FBMKLCI to end 2024 at around 1,600 points. Meanwhile, the domestic capital market is expected to remain orderly and will continue to play an integral role in supporting the economy, underpinned by firm macroeconomic fundamentals, ample domestic liquidity and a facilitative capital market framework[1].

CPO production is expected to stay below potential due to the El Nino event, which will likely reduce FFB production in the second half of the year. Ongoing geopolitical issues and global economic uncertainties are expected to keep commodity prices volatile[2]. Additionally, high stock levels in China and India will likely cause CPO prices to drop[3].

GDP Forecast[4]



Inflation Forecast[4]



Source.

1. *Securities Commission Malaysia - Malaysia Outlook 2024*
2. *NST - CPO price may remain volatile*
3. *The Edge Malaysia - High palm oil prices not sustainable; drop forecast in 2H2024 - Palm Oil Analytics*
4. *Asian Development Bank Outlook April 2024*

Indonesia

Indonesia's economic growth is forecasted to range between 4.80% to 5.20% y-o-y with the potential to dip below 5% due to the global economic slowdown trend influenced by geopolitical tensions, persistent inflation and high interest rates. High credit interest rates in Indonesia have impacted its economic growth and led to rising operational costs for businesses[5].

Inflation is expected to stabilise at around 3.0% in 2024, while the Rupiah exchange rate is projected to trade between IDR15,100-IDR15,600 against the US Dollar premised on controlled inflation and Bank Indonesia's monetary policy. However, the prolonged trend of high rates could push the Rupiah's value towards the upper end of its projected range[5].

Amidst the national leadership transition process following the recent presidential elections, foreign investment is likely to be subdued as investors adopt a 'wait and see' approach. Nonetheless, domestic consumption, spurred by election activities, is expected to bolster economic growth temporarily[5].

According to Gabungan Pengusaha Kelapa Sawit Indonesia (GAPKI) in 2024, Indonesia's palm oil industry will face several challenges due to global economic uncertainties. However, local consumption is expected to rise, driven by demand from the food, oleochemical, and biodiesel sectors, especially with the full implementation of the B35 biodiesel mandate. Palm oil production is expected to be stagnant, while export volumes may decrease due to higher local consumption[6].

GDP Forecast[7]

Forecast 2024	**5.0%**
Forecast 2025	5.0%

Inflation Forecast[7]

Forecast 2024	**2.8%**
Forecast 2025	2.8%

Source.

5. *CRIF- Industry Outlook in Indonesia 2024*
6. *Palm Oil Industry Performance In 2023 & Prospects For 2024 (GAPKI) (March 2024)*
7. *Asian Development Bank Outlook April 2024*

Papua New Guinea

The economy of Papua New Guinea ("PNG") is expected to improve in 2024 and 2025. The positive outlook is driven by improved prospects for the mining sector, the subregion's largest economy. Growth slowed to 2.0% in 2023 due to decreased production in the resource sector, but the report says PNG's economy is set to grow by 3.3% in 2024 due to resumption of production at the Porgera gold mine. The medium-term outlook for PNG's economy remains positive, with growth in 2025 forecast to further expand to 4.6%[10].

Inflation is expected to rise from 2.3% in 2023 to 4.5% in 2024 to then pick up even further to 4.8% in 2025 largely because of continued exchange rate depreciation and impact of the recent civil unrest. Costs for many consumer goods have soared, with prices for food and non-alcoholic beverages rising by 7.0% in 2023[10].

PNG contributes 14.5% of the world's tuna catches and benefits from a duty-free export agreement with the European Union. The PNG National Fisheries Authority plans to increase downstream processing of fisheries products to 50.0% by 2025[8]. This goal aligns with the rapid growth of the global canned fish market, which has a projected compound annual growth rate (CAGR) of 14.14%[9].

GDP Forecast[10]

Forecast 2024	**3.3%**
Forecast 2025	4.6%

Inflation Forecast[10]

Forecast 2024	**4.5%**
Forecast 2025	4.8%

Source.

8. *International Trade Administration (U.S. Department of Commerce) - Papua New Guinea - Country Commercial Guide*
9. *Reliable Business Insights - Canned Fish Market Outlook from 2024 to 2031*
10. *Asian Development Bank Outlook April 2024*


CURER
HOT SURFACE
DO NOT TOUCH
PINCH POINT
CAN CAUSE SEVERE
PERSONAL INJURY

SEGMENTAL REVIEW

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Bulking

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Plantation

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Food

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Manufacturing

Bulking division

Building Capacity to Maximise Value

REVENUE

RM227.96 Million

23.1% Increase Y-o-Y
(FYE2023: RM185.25 million)

PBT

RM87.10 Million

40.3% Increase Y-o-Y
(FYE2023: RM62.10 million)

Segmental Review

Bulking division

Liquid Storage

The Bulking division operates 5 liquid bulk terminals of which 3 are located at North Port in Port Klang and 2 in Butterworth, Penang. Presently, these terminals have 313 tanks with a combined storage tank capacity of 477,618 cbm (FYE2023: 412,865 cbm) and can handle a wide range of liquid cargoes ranging from palm oil products to biofuels, oleochemicals to specialty oils, as well as industrial chemicals and technical fats.

These terminals also provide storage facilities for import and export, transhipments, containerisation, local dispatch, heating, nitrogen blanketing and drumming of liquid products.

Transportation

Other value-added services provided by the Bulking division include customs declaration, freight forwarding, break-bulking, trucking and related logistics businesses.

Biodiesel

Fima Biodiesel Sdn. Bhd. ("FBiodiesel") owns and operate a 60,000 MT per annum biodiesel plant located at North Port in Port Klang. The plant which produces sustainable biodiesel is accredited with MSPO Supply Chain Certification Standard and is ISCC-EU compliant. Our biodiesel meets the EN14214 EU specifications.

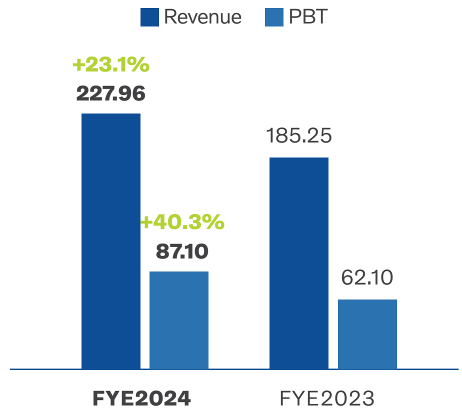
FYE2024 FOCUS AREAS

Optimising the footprint of our Port Klang terminals	Enhancing our service offerings to meet growing demand base	Energy efficiency	Accreditations and value chain transparency

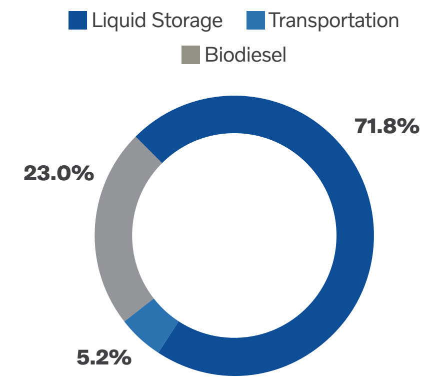
The division sustained its strong performance in FYE2024 achieving another all-time high. Revenue was RM227.96 million, a 23.1% increase compared to RM185.25 million in FYE2023. The increase in revenue was driven by several key factors, including expansion of tankage capacity, favourable product mix and rental rates, and improved throughput volumes.

The division's PBT for FYE2024 increased to RM87.10 million, marking a substantial 40.3% increase from the prior year's PBT of RM62.10 million. Notably, the division is the leading contributor to the Group's PBT, accounting for 71.1% of the total.

Revenue & PBT Performance (RM Million)



Revenue Contribution by Product (%)



Liquid Storage

The division's liquid storage segment delivered a strong set of results in FYE2024, with both revenues and PBT experiencing robust growth, underscoring significant progress towards our strategic objective to be a fully integrated logistics provider for liquid products. Revenue increased to RM163.71 million from the RM121.28 million recorded in the prior year. While PBT rose to RM84.33 million, up 44.7% from RM58.29 million reported in the prior year.

Segmental Review
Bulking division

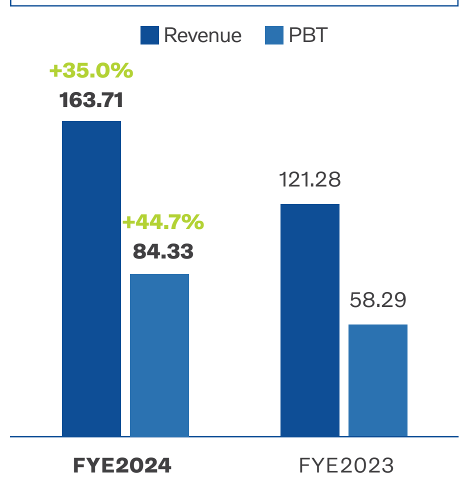
As of FYE2024, the combined storage capacity of our terminals in North Port, Port Klang, and Butterworth, Penang, is approximately 477,618 cbm (FYE2023: 412,865 cbm) and achieved average tank utilisation rate of 83.1% (FYE2023: 86.1%). The division's overall average tank utilisation rate was impacted by lower utilisation capacity in the Butterworth terminal. The division's overall average tank utilisation rate was impacted by lower utilisation capacity in the Butterworth terminal as the proportion of long-term contracts is significantly higher in North Port. Overall throughput increased 6.0% y-o-y, primarily driven by the biofuel, base oil, and molasses segments, which offset declines in edible oil, oleochemicals, industrial chemicals, and transportation segments. Notably, the biofuel segment contributed 34.5% of total throughput in FYE 2024.

The biofuel segment remains a significant growth driver of the division's growth in this current financial year. Revenue from this segment increased by 79.9% y-o-y to RM69.25 million, up from RM43.98 million in the prior year. In FYE2024, we had completed the construction of 43 new tanks, effectively increasing our capacity by 108,710 cbm. This expansion is underpinned by long-term contracts, making it immediately accretive to both top-line and bottom-line growth.

Building on this momentum, we are actively pursuing our capacity expansion plans in Port Klang, Selangor. In May 2024, we commenced the construction of an additional 45,900 cbm of storage capacity, slated for completion in Q1 of FY2026.

Furthermore, our development plans for a new terminal in Tanjung Langsat, Johor, are progressing steadily. Construction for Phase 1, which includes a storage capacity of 45,900 cbm commenced in Q4 of FYE2024, and, subject to the receipt of timely approvals from the local authorities, we expect it to be fully operational by Q1 of FYE2026.

Liquid Storage Segment - Revenue & PBT Performance (RM Million)



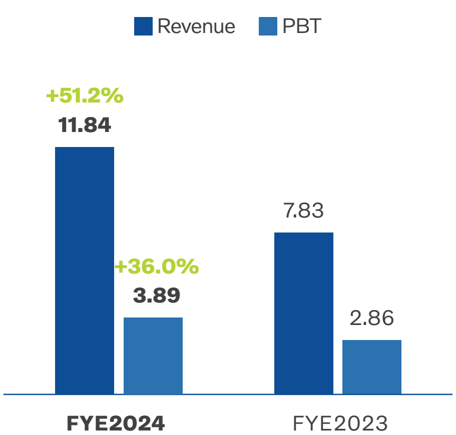
Segmental Review

Bulking division

Transportation

Transportation segment's revenue rose by 51.2% to RM11.84 million, compared to RM7.83 million last year, while PBT grew by 36.0% y-o-y to RM3.89 million (FYE2023: RM2.86 million). In FYE2024, the transportation segment saw a volume increase to 292,328 MT from 257,563 MT in FYE2023. Haulage operations contributed the most to this growth, with volumes rising to 207,300 MT from 159,840 MT in the previous year. This increase was driven by the completion of new tanks and the expansion of tank capacity. To support the robust growth of this segment and ensure we can effectively meet demand, we expanded our fleet by acquiring additional 3 prime movers and 35 trailers during the year.

Transportation Segment - Revenue & PBT Performance (RM Million)

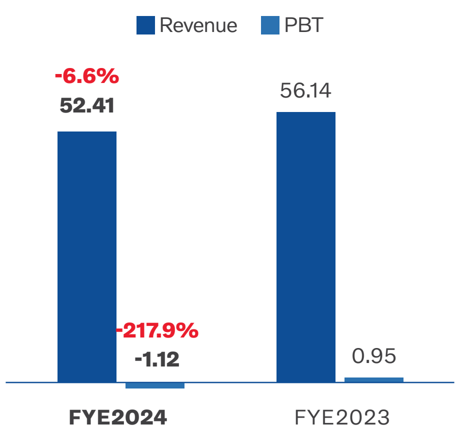


Biodiesel

In FYE2024, FBiodiesel's revenue decreased to RM52.41 million from RM56.14 million in FYE2023, due to lower sales of palm methyl ester and glycerine. The division recorded a loss of RM1.12 million compared to PBT of RM0.95 million in FYE2023. In FYE2024, the plant only producing approximately 10,231 MT (FYE2023: 11,090 MT) of refined oil.

Notably, there was no production in Q1 and Q2 of FYE2024 due to weak demand and shortage of feedstock as there was an increase in UCOME and other waste feedstock (UCO and POME oil) direct imports from Asian exporters into European ("EU") market. The increased in imports was driven by the demand and popular feedstock choices by EU producers/suppliers as they strive to meet the stricter environmental targets outlined by the Renewable Energy Directive II (RED), which in turn affected overall biodiesel prices. The market only began recovering, albeit cautiously, from mid-June 2023.

Biodiesel Segment - Revenue & PBT Performance (RM Million)



Sustainability Performance

In addition to improvements in our financial performance, we have also focused on enhancing our sustainability performance in FYE2024. Inter alia, we had reduced the carbon footprint of our business, with Scope 1 and 2 CO2 emissions declining by 3.9% to 18,170 tCO2e, down from 18,170 tCO2e recorded last year, despite increases in capacity and activities. All our new build tanks are insulated to enhance temperature control efficiency, minimising heat loss and optimising energy usage. We have already insulated 61 (or 19.4%) of our existing tanks, with

plans to insulate more in phases. While these actions are part of our broader decarbonisation strategy to optimise energy usage and reduce our carbon footprint, we are simultaneously providing sustainable products and solutions that align with the supply chain needs of our customers, most of whom also aim to limit their carbon footprint.

A more detailed account of our sustainability initiatives and achievements in FYE2024 can be found in the Sustainability sections of this Annual Report.

Capital Expenditure ("CAPEX")

During FYE2024, the division's CAPEX amounted to RM102.11 million which were allocated towards construction of new tanks, new trucks and trailers, as well as replacement of existing handling equipment, plants, and machinery. For

Segmental Review

Bulking division

this current financial year, our CAPEX is mostly weighted towards upgrading equipment and plant and machinery as well as new infrastructure to enhance safety and operational efficiency. Upgrades and improvement for tanks and infrastructure across all our terminals will be carried out in stages and coordinated with any planned developments to ensure terminal operations are not disrupted.

Phase 1 Development at Tanjung Langsat, Johor

Outlook

According to the Business Research Company's Global Market Report for 2024, the liquid bulk market size is projected to increase from USD60.58 billion in 2023 to USD65.3 billion in 2024, with a compound annual growth rate (CAGR) of 7.8%. This growth can be attributed to various factors such as shifts in energy consumption, regulatory changes, the emergence of the petrochemical industry, global trade expansion, and the impact of the industrial revolution[1].

In response to the increasing demand for storage of biofuel and feedstocks, major biofuel producers are expanding their production capacity, particularly for advanced products like sustainable aviation fuel. We are positioning ourselves to meet this growing demand. The last phase of development in Port Klang is expected to be completed in this current financial year, and Initial development activities at Tanjung Langsat Port for Phase 1 have begun in Q4 of FYE2023, with terminal operations anticipated to commence by April 2025. We will also continue exploring opportunities to handle other premium products to further diversify our portfolio and revenue streams, ensuring we remain well-positioned to capture growth opportunities in the dynamic bulk liquid market.

Despite the headwinds encountered in FYE2024, we maintain our positive outlook for the biodiesel segment, as we shift towards UCOME and Palm Oil Mill Effluent Methyl Ester ("POMEME"). These products present promising growth avenues given the strong demand for low-carbon fuels and feedstock solutions in the market. The challenge is ensuring a reliable supply chain for feedstocks to mitigate the risk of production disruptions.

We have confidence that the division can maintain the current momentum given our strong toolbox and portfolio of offerings. The market drivers are compelling and the medium-term outlook for the division, in our view, continues to be favourable.

Source.

1. *The Business Research Company – Bulk Liquid Global Market 2024 https://www.thebusinessresearchcompany.com/report/bulk-liquid-global-market-report*

Segmental Review
Bulking division

How We Create Value

NATURAL CAPITAL

Our activities generate positive financial and socio-economic benefits but also results in unavoidable extraction of land, water, energy consumption, waste and GHG emissions. We focus on mitigating the negative impacts of our activities on the environment.

Key Inputs

- Fuel consumption: **5.14 million litres**.
- Electricity consumption: **2,746 MWh** in FYE2024.
- Water consumption: **259 ML**.

Activities to Sustain Value in FYE2024

- Optimising energy consumption through monitoring of diesel/fuel intensity & efficiency, and identifying areas for improvement.
- Manage effluents effectively to mitigate environmental impact.
- Compliance to regulatory requirements on waste disposal and water discharge.
- Use of renewable energy.
- Minimising energy consumption and emissions by insulating storage tanks.
- Fabricated new tanks from stainless steel due to its durability, corrosion resistance and low maintenance requirements.
- Exploring other source of energy for heating activity in terminals i.e. gas.

Outcomes

- ✔ Improvement in boiler fuel oil intensity from 3.67 to 3.03 per tonne of heated product (L/MT) in FYE2024 despite increase in heated product volumes.
- ✔ Maintained diesel transportation efficiency at 0.43 per tonne/kilometre.
- ✔ 120 kWp of solar photovoltaic has been installed, generating a total of 126 MWh of solar energy in FYE2024.
- ✖ Electricity consumption increased by 25.3% to higher level of business activities.
- ✖ Water consumption increased by 9.3% due to more product handling by terminal.
- ✔ Lower GHG emissions intensity (tCO_2e/RM million revenue) recorded y-o-y, from 114.49 to 95.69.
- ✖ GHG emissions increased by 2.9% from 21,209 tCO_2e to 21,814 tCO_2e.
- ✔ Improved insulation in the tanks enhances efficiency, achieving a 40.0% to 50.0% reduction in heating time.

Trade-Offs

Capital Depleted:

- The upfront costs associated with implementing more efficient technologies, materials and equipment which reduces our carbon footprint will have a short-term impact on Financial Capital.

Capital Increased:

- Integrating measure-monitor-manage principle in our business operations will benefit Financial, Manufactured and Social & Relationship Capitals.
- Savings on energy costs through use of renewable energy and investments in more efficient technologies and equipment have the potential to deliver positive returns on investment (ROI) over time, positively impacting Financial Capital.
- Improved reputation and stronger customer relationships which will benefit Financial and Social & Relationship Capitals.

Outcomes Key

✔ Positive outcome (capital creation)

✖ Negative outcome (capital erosion)

Segmental Review

Bulking division

HUMAN CAPITAL

We rely on the skills, wellbeing and motivation of employees, contractors, and service providers to generate value. Providing a safe working environment, encouraging local employment, investing in training, and ensuring fair labour practices are critical to maintaining effective employee relationships.

Key Inputs

- 301 employees (Port Klang and Butterworth).
- Strong and diverse management team.
- Skills and competencies.
- Recognition and rewards.

Activities to Sustain Value in FYE2024

- Encouraging local employment.
- Competitive remuneration and benefits.
- Ensuring a safe, healthy and conducive work environment.
- Continuous training and development programmes for employees and other forms of engagement to keep employees motivated.
- Employee performance management system to help employees grow and improve.
- Career advancement opportunities, and a positive work environment to retain top talent.

Outcomes

- ✔ Improvement in the livelihoods of our employees.
- ✔ Creation of employment. Total new hires are 94 (FYE2023: 94).
- ✔ In FYE2024, lower turnover rate at 15.9% (FYE2023: 20.2%).
- ✖ Lost Time Injury Frequency Rate (LTIFR) for FYE2024 improved to 3.27 (FYE2023: 7.80).
- ✔ Continued emphasis on safety culture - zero fatalities in FYE2024.
- ✔ Higher training hours at 7,843 hours (FYE2023: 3,974 hours).

Trade-Offs

Capital Depleted:

- Short-term impact on Financial Capital arising from regulatory and compliance costs and investments in training programmes.

Capital Increased:

- Performance management, recognition and reward can boost morale and motivation positively impacts Social & Relationship Capital.
- Provision of competitive remuneration and conducive work environment positively impacts Social & Relationship Capital.
- Maintained goodwill and reputation.
- Nurturing our talent pool through ongoing investments in training will improve Financial and Intellectual Capitals in the long-term.

Outcomes Key

✔ Positive outcome (capital creation)

✖ Negative outcome (capital erosion)

SOCIAL AND RELATIONSHIP CAPITAL

We maintain positive relationships with employees, regulators and other stakeholders through the conduct of our operations and responsible stewardship. We focus on minimising negative community relationships and create value for customers and communities.

Key Inputs

- Maintain mutually beneficial relationships with employees, regulators and other stakeholders where we operate.
- Positive supplier and business partner relations as part of our supply chain management.

Activities to Sustain Value in FYE2024

- Customer-centric business model.
- Responsible business practices.
- CSR activities and welfare contributions.
- Enhance labour practices.
- Proactive engagement with regulators on industry-specific matters.
- Build a positive reputation and credibility for the organisation.

Outcomes

- ✓ No incidence of industrial action in FYE2024.
- ✓ Zero cases of discrimination reported.
- ✓ Retained key customers and markets segment. Higher proportion of long-term customers achieved in FYE2024.
- ✓ Market access and opportunities.
- ✓ Strong relationships lead to the development of long-term, mutually beneficial partnerships with key stakeholders.

Trade-Offs

Capital Depleted:

- Investment in strategic CSR efforts to drive meaningful community relationships over the long-term.
- Investment outlay to meet customers' specific requirements will affect Financial Capital.

Capital Increased:

- Positive reputation by delivery quality products or services positively impacts on Financial and Manufactured Capitals.
- Customer-centric operating model supports Financial, Manufactured and Social & Relationship Capitals over the long-term.
- Improved community and government relations will enable us to maintain our social licence to operate and positively impacts all Capitals.

Outcomes Key

✓ Positive outcome (capital creation)

✗ Negative outcome (capital erosion)

Segmental Review

Bulking division

MANUFACTURED CAPITAL

Financial investment in the purchase of Property, Plant, and Equipment has provided us with the capacity to generate longer-term returns.

Key Inputs

- 3 liquid bulk terminals in Port Klang.
- 2 liquid bulk terminals in Butterworth.
- 313 tanks with combined storage tank capacity of approximately 477,618 cbm.
- New terminal in Tanjung Langsat, Johor.

Activities to Sustain Value in FYE2024

- Spent RM102.11 million towards construction of additional 45,900 cbm and 45,900 cbm of storage capacity in Port Klang and Tanjung Langsat respectively, purchase of new trucks and trailers, as well as replacement of existing handling equipment, plants, and machinery.
- Optimise land usage and tank capacities through re-development of current terminals.
- Stainless steel tanks were constructed to enhance the lifespan of the tanks and to handle different products.

Outcomes

- ✔ Added 107,710 cbm of new storage capacity in Port Klang during the year.
- ✔ Land usage optimisation and tank capacity projects enable them to scale up operations and meet customer demands, positively impacting Financial and Social & Relationship Capitals in the long-term.
- ✔ Scheduled preventive maintenance of machinery ensures less downtime and enhances safety and efficiency of facilities and assets.
- ✔ Improved efficiencies which will support Social & Relationship and Financial Capitals.
- ✖ Depreciation, amortisation and impairment loss.

Trade-Offs

Capital Depleted:

- Investment in growth projects i.e. infrastructure upgrades/replacement and ongoing maintenance costs will impact Financial Capital.
- Unforeseen events such as accidents, natural disasters may require repairs or replacement which impact Financial Capital.

Capital Increased:

- Reduction in operational staff time, production downtimes and improved customer engagement all of which will enhance Social & Relationship and Financial Capitals.
- Upgrading automation improve productivity, quality and competitiveness.
- Employment opportunity and supporting local economies.

Outcomes Key

✔ Positive outcome (capital creation)

✖ Negative outcome (capital erosion)

INTELLECTUAL CAPITAL

The success of our business model depends on our capacity to innovate, our management systems, the strength of our brands and company culture.

Key Inputs

- Robust safety, quality and information management systems.
- Key personnel with subject-matter expertise.
- Brand equity.

Activities to Sustain Value in FYE2024

- Continued progress towards international standard accreditations.
- Continuous broadening of service and product basket.
- Offer cost-effective value adding solutions.
- Maintain high product and service quality standards to meet or exceed customer expectations.
- Continuous learning and development.
- Research and development (R&D).

Outcomes

✓ Maintained/obtained the following:

- Malaysian Sustainability Palm Oil Supply Chain Certification Standards (MSPO-SCCS)
- International Sustainability and Carbon Certification (ISCC)
- ISO 9001:2015 Quality Management Systems
- ISO45001:2018 Occupational Health and Safety Management Systems
- CIMAH Regulations – Fimachem Sdn. Bhd.,

all of which are important prerequisites of our key customers and markets.

✓ Retained key customers and market segments.

✓ Tank farm inventory management system enhances internal controls and improve the division's global reporting and analysis capabilities leading to improved productivity and cross-functional efficiencies.

✓ The division's fleet management system facilitates tracking and collection of data such as speed, fuel consumption, real-time positioning resulting improvement of our transportation diesel intensity.

Trade-Offs

Capital Depleted:

- Investment outlay on compliance costs will affect Financial Capital in the short-term but supports financial performance in the long-term.
- High cost of training and development as well as implementation of new technology which also affects Human, Social & Relationship and Financial Capitals.
- Technological advancements can render existing intellectual capital obsolete, leading to additional costs for upgrades or replacements which affect Financial Capital.

Capital Increased:

- Market credibility and goodwill which supports Social & Relationship and Financial Capitals.
- Customers satisfaction and long-term customer loyalty.
- Improved productivity and process efficiencies, which will benefit Natural, Manufactured, Social & Relationship and Financial Capitals.

Outcomes Key

✓ Positive outcome (capital creation)

✗ Negative outcome (capital erosion)

Segmental Review

Bulking division

FINANCIAL CAPITAL

Access to financial capital through our shareholders, investors, and lenders with consistent delivery of investor returns and sustained market confidence.

Outcomes

- Revenue up by 23.1% y-o-y to RM227.96 million.
- PBT up by 40.3% y-o-y to RM87.10 million.
- Sustained strong cash flow position giving us the capacity to invest in new infrastructure and/or accommodate any expansion plans.
- Consistent dividend payouts.

Trade-Offs

Capital Depleted:

- Higher interest expenses due to increase in borrowings to support growth and expansion. However, the long-term benefits of this growth are expected to outweigh the financial impact which also benefit Social & Relationship Capital.

Capital Increased:

- Strong financial position allows us to flex in line with market demands and pursue new business opportunities as and when they arise.
- Profitability margins increased by 53.9%.

Key Inputs

- Strong cash flow.
- Access to credit facilities/bank borrowings.
- Capital investment decisions.

Activities to Sustain Value in FYE2024

- Disciplined financial management and capital allocation practices.
- Implement risk management practices to identify, assess and mitigate risks.
- Evaluate investment opportunities that align with the company strategic objectives.

Outcomes Key

Positive outcome (capital creation)

Negative outcome (capital erosion)

Plantation division

Sustaining Growth

REVENUE

RM177.03 Million

13.4% Decrease Y-o-Y
(FYE2023: RM204.41 million)

PBT

RM26.16 Million

42.4% Decrease Y-o-Y
(FYE2023: RM45.39 million)

Segmental Review

Plantation division

Business Overview

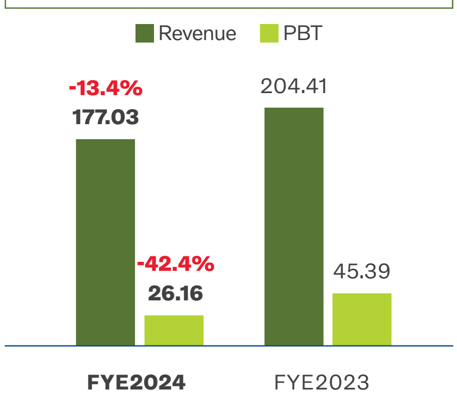
The Group now owns and operates 16 estates in Malaysia and Indonesia with a total plantable landbank area of 17,567 hectares (FYE2023: 17,526 hectares) of which 15,963 hectares (FYE2023: 14,981 hectares) and 156 hectares (FYE2023: 149 hectares) have been planted with oil palm and pineapple respectively. 14,145 hectares (FYE2023: 13,690 hectares) of the oil palm are mature. The Group also owns a 45 MT/HR palm oil mill in Indonesia.

FYE2024 FOCUS AREAS

- Improve operational cost efficiencies and effectiveness through stringent monitoring, increased usage of ICT and mechanisation
- Good agricultural practices in all our operations
- Replanting programme using high yielding oil palm planting materials
- Retain 100% Malaysia Sustainable Palm Oil ("MSPO") certification
- Implement training programmes for newly recruited workers to ensure their successful integration into the workforce, and to provide them with the necessary tools and competencies
- Improve accessibility to facilitate mechanisation to improve crop evacuation efficiency

Total FFB production in FYE2024 declined marginally by 2.02% y-o-y to 200,546 MT from last year's 204,688 MT. The division's average yield also decreased to 14.18 MT per mature hectare compared to 14.95 MT in FYE2023. This decline in average yield was primarily due to low crop production patterns in our Indonesian estates, mitigated by the 10.8% increase in FFB production in our Malaysian estates, rising from 74,659 MT to 82,735 MT.

Revenue & PBT Performance (RM Million)



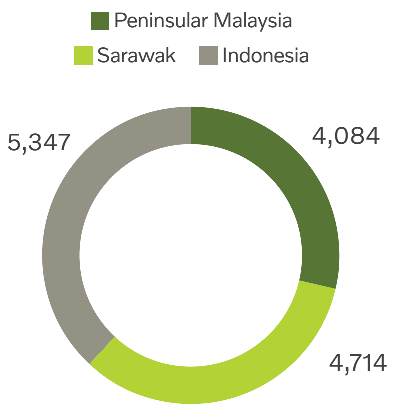
In line with the decline in FFB production in our Indonesian estates and lower third-party crop purchased, CPO production declined by 17.4% y-o-y to 31,584 MT (FYE2023: 38,220 MT) while CPKO production also decreased by 9.3% to 2,969 MT from 3,272 MT produced last year.

The division recorded revenue and PBT of RM177.03 million and RM26.16 million respectively, marking a decrease of 13.4% and 42.4% respectively. The decrease in the average price realised for CPO and CPKO from RM3,492 and RM3,857 per MT to RM3,395 and RM3,507 respectively also impacted our revenue and PBT contributions during the year under review.

> **The increasing global demand for ESG performance has heightened awareness of the strategic importance of sustainability in palm oil production. Our strategies focus on implementing regenerative agricultural practices and achieving efficient estate operations, considering both intensity and operational cost. These efforts are crucial for sustaining and improving both yield per hectare and company revenue.**

Mohd Fahmy Bin Mahmud, Plantation Controller

Oil Palm Matured Area (Hectares)



Plantation Indonesia

FFB produced by our Indonesian subsidiary, PT Nunukan Jaya Lestari ("PTNJL"), reduced by 9.40% to 117,811 MT compared to last year's 130,029 MT. FFB yield per mature hectare decreased by 8.82% to 21.94 MT (FYE2023: 24.04 MT). FFB purchased from third parties also declined to 34,551 MT from 46,379 MT recorded in the previous year. Despite these reductions, our oil extraction rate ("OER") improved from 20.41% to 20.72% due to the significant reduction in oil loss per sample at the final effluent, from 0.79% to 0.55%, following the installation of a decanter and enhancements to the oil recovery process through the modification of the oil skimmer at the sludge pit that were completed in FYE2023.

Plantation Malaysia

FFB production from our Malaysian estates have improved from 74,659 MT to 82,735 MT. This rise is attributed to more areas reaching maturity coupled with the availability of more harvesters and the implementation of mechanisation for in-field collection. The total mature area expanded to 8,798 hectares from 8,308 hectares in the previous financial year. Consequently, the average FFB yield per mature hectare increased to 9.40 MT from 8.99 MT recorded last year. Looking ahead, we anticipate further improvements in FFB production as more areas progress towards prime age in the coming years.

Ladang Fima Cendana, Kemaman, Terengganu

Ladang Fima Cendana's FFB production recorded a significant increase of 24.0% to 11,239 MT (FYE2023: 9,061 MT). In addition, the average yield per mature hectare improved to 16.84 MT from 13.57 MT recorded in the prior year. Continuous improvements in road conditions, combined with our mechanisation efforts using motorised wheelbarrows, allowed for better crop evacuation. Along with the availability of sufficient harvesters, these efforts contributed to the increase in FFB production. Another initiative undertaken by the estate was to improve the establishment of *Nephrolepis biserrata* and soft grasses in the fields to enhance soil conditions and water infiltration as well as reducing the weed palm circle to mitigate surface run-off.

During FYE2024, there were no reported cases of elephant intrusions and, the estate successfully completed the replacement of palms over 36 hectares to replace palms damaged by elephants in the previous year.

Ladang Bunga Tanjong, Jeli, Kelantan

Total FFB production increased 54.3% to 8,871 MT compared to 5,751 MT recorded last year, The average yield per mature hectare also improved from 6.52 MT to 7.01 MT compared to the prior year attributed to the expansion of the mature area, which reached 1,265 hectares, marking a substantial 43.4% increase from the previous year. The availability of harvesters played a significant role in the increase in the estate's FFB collection.

In this current financial year, the estate's focus will be on improving the areas with marginal soil. To tackle this, the estate has adopted a dual approach by applying bio-organic fertiliser to enhance soil fertility and utilising compacted polymer fertiliser to reduce nutrient losses caused by surface run-off and leaching. We expect to see improvements in this current financial year.


Ladang Fima Cendana

Segmental Review
Plantation division

Ladang Fima Dabong, Kuala Krai and Ladang Fima Aring, Gua Musang, Kelantan

The area under cultivation in Ladang Fima Dabong totalled 191 hectares, all of which are mature. FFB harvested doubled from 526 MT last year to 1,049 MT although the yield per mature hectare is 5.49 MT, slightly lower than last year's figure of 5.57 MT.

Meanwhile, mature areas at Ladang Fima Aring reached 254 hectares from 243 hectares last year. However, FFB harvested, and yields declined y-o-y to 941 MT from 1,091 MT, respectively and 3.71 MT from 4.49 MT, respectively. The decrease in production is attributed to unproductive palms that were damaged by elephant intrusions.

Following the remedial actions taken by management in FYE2024 which included inter alia the implementation of biological pest control, and regular maintenance of fencing and trenches, the estate has managed to reduce the damage caused by elephant intrusions. In any event, all damaged palms have to be replaced, and this will inevitably affect the timelines of the estate's overall development programmes.

Ladang Amgreen, Miri, Sarawak

FFB production for the estate increased to 43,064 MT from 40,122 MT registered last year. Additionally, the average FFB yield per mature hectare improved to 9.14 MT in FYE2024 from 8.51 MT recorded in the previous year. This upward trend in crop production is expected to be sustained in the current financial year.

This increase in yield is attributed to various factors, including the introduction of mechanisation initiatives involving the use of crawler and hook lift lorries. Furthermore, in Q2 FYE2024, the estate introduced task-based activities and amalgamated estate operations which improved the efficiencies and productivity of the estate's FFB production and collection processes.

Ladang Amgreen new tugboat

Additionally, the acquisition of a new tugboat and barge in Q2 FYE2024 has resolved the challenge of efficiently transporting FFB and fertiliser to and from the estate. Previously, the volume of crops that could be evacuated was limited due to the use of only one landing craft tank for transporting FFB, fertiliser and other estate goods. Now, with the new tugboat and barge, the estate is able to handle larger volumes; and more specifically, improving the efficiency of fertiliser delivery which in turn enhances the timeliness of the fertiliser application processes.

The estate was once again affected by flooding which occurred in December 2023. This time however, the estate has proactively implemented measures which included the construction of stop-off bunds along the main and collection drains, covering an area of 3,119 hectares to mitigate disruptions to harvesting and maintenance activities. These stop-off bunds regulate the flow of water from dome areas to low lying areas thus minimising the impact of the flooding. We are happy to report that as a result of these initiatives and despite flooding in low-lying areas and along the main road near the river, estate vehicles were still able to pass and FFB evacuation and work-related activities were largely uninterrupted. This initiative also helps to retain the water table at the dome area during the drought season, thereby improving nutrient uptake and soil moisture retention.

Ladang Kota Tinggi, Ladang Ayer Baloi and Ladang Ayer Hitam, Johor

FFB production from our three estates increased by 2.8% to 16,037 MT compared to 15,607 MT in the previous year. This increase in FFB production is primarily attributed to improvements in the yield per mature hectare in Ladang

Kota Tinggi and Ladang Ayer Hitam. Both estates recorded higher yields compared to last year, with 20.24 MT and 15.07 MT per mature hectare, respectively, largely attributed to the availability of more harvesters.

Ladang Ayer Baloi achieved lower yield of 12.03 MT per mature hectare, marking a 4.6% decrease compared to the previous year. The estate faced significant challenges due to Ganoderma disease, which led to a reduction in stand per hectare and ultimately resulted in lower yields. During the year, we conducted several trials aimed at treating Ganoderma to extend the lifespan of affected palm trees.


Ladang FCB Kuala Betis

Ladang Ayer Hitam's participation in the Ruminant Enhancement Programme is progressing satisfactorily. The estate is also planning to plant *napier grass* on a 50 acres plot to provide a sustainable feed source for the growing cattle herd. Looking ahead, we see the potential for larger scale integration of cattle-rearing into our operations, which could provide additional revenue streams for the estate.


Durian planting at Ladang Fima Sg. Siput

Ladang Fima Sg. Siput, Perak

As at 31 March 2024 and despite the challenges posed by difficult terrain, total planted area stands at 432 hectares, up from 339 hectares recorded last year. In the circumstances, several initiatives have been undertaken to enhance development of the estate, including planting legume cover crops post-construction of the terraces, desilting ponds and waterways, in compliance with Detailed Environmental Impact Assessment approval conditions.

The estate has also continued its durian cultivation efforts, featuring variants such as Musang King, Black Thorn and Tekka. To-date, 5 acres have been dedicated to this endeavour. In addition to durian cultivation, we are also identifying alternative crops suitable for the hilly terrains to optimise land use particularly in areas where oil palm planting is less feasible.

Ladang FCB Kuala Betis, Gua Musang, Kelantan

Area under cultivation at Ladang FCB Kuala Betis totalled 1,486 hectares, of which 683 hectares are mature. Throughout FYE2024, we successfully completed replanting programmes covering 803 hectares. Development of 706 hectares is currently underway to expand our plantation area, with completion anticipated by FY2025/2026. Following this, the 683 hectares is scheduled for replanting in FY2026/2027. Currently, the estate main focus is harvesting on areas that have higher stand per hectare and easy access for infield collection to optimise efficiency and productivity.

Segmental Review

Plantation division

Group MD visit to Ladang Ayer Hitam

Total FFB produced decreased by 38.6% to 1,535 MT from 2,500 MT in the prior year. The average yield per hectare also decreased to 2.25 MT from 3.66 MT recorded last year, mainly due to lower crop production in the rehabilitated areas. In FYE2024, we had prioritised the rehabilitation of more viable areas to improve yield potential. Adverse weather conditions in December 2023 further impacted the estate's harvesting operations, as a result of damage to several bridges, culverts, and main access roads which in turn hindered crop evacuation.

For this current financial year, focus will be given on improving drainage systems and road conditions in flood-prone areas. We are also focusing on optimising harvesting operations to reduce the cost of FFB produced. For the newly planted areas attention will be on maintenance activities, including manuring, weeding, and ablation. In new development areas, efforts will be concentrated on accelerating development work, including planting. We are also accelerating establishment of legume cover crops and soft grasses in all areas to maintain soil moisture and reduce surface runoff.

As part of our efforts to minimise chemical usage in managing the rat population through biological pest controls, the estate has successfully installed 10 barn owl boxes, effectively covering an area of 100 hectares to reduce the need for chemical interventions.

To facilitate the development of both Ladang FCB Aring and Ladang FCB Kuala Betis, a 7 hectare nursery with 86,800 seedlings, has been established at Ladang FCB Kuala Betis. This initiative aims to achieve cost savings by producing seedlings internally and reducing dependency on contractors for planting work.

Ladang FCB Aring, Gua Musang, Kelantan

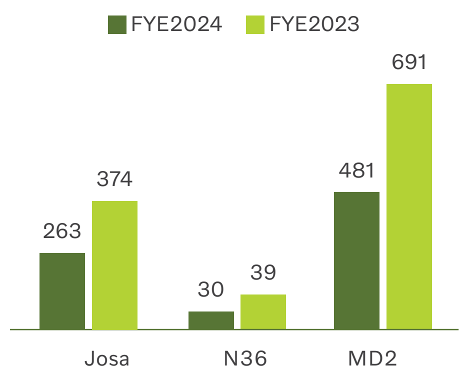
Development efforts at Ladang FCB Aring have been on track despite facing challenges such as adverse weather conditions and occasional incidents of elephant intrusion. The estate has applied biological pest controls, which has proven effective in mitigating the frequency of elephant intrusions. During the year under review, approximately 2,094 palms were damaged due to these intrusions. As of 31 March 2024, a total of 365 hectares have been planted, and the estate has initiated development works for Phase 2, approximately 567 hectares.

Pineapple

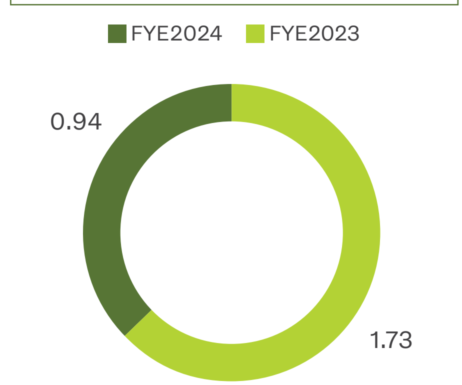
In FYE2024, our Johor estates expanded their pineapple harvesting area to 201 acres, a 8.6% increase from the previous year's 185 acres. Despite the expanded acreage, pineapple production declined by 30.0% to 774 MT compared to the previous year's 1,104 MT.

Management is actively working to improve yields by enhancing soil fertility through the application of bio-organic fertilisers, revisiting the type of fertilisers and pesticide used, and applying beneficial bacteria during planting to increase the microbe population in the soil and optimise nutrient uptake.

Pineapple Production (MT)



Pineapple Segment Revenue (RM Million)



Segmental Review
Plantation division

Capital Expenditure ("CAPEX")

CAPEX in FYE2024 was RM25.42 million compared to RM20.66 million last year, RM18.35 million accounted towards estate development expenditure, particularly at Ladang FCB Kuala Betis and Ladang FCB Aring in Gua Musang, Kelantan which are presently in the development phase. The infrastructure for these areas has been designed to facilitate infield mechanisation.

A new tugboat and barge were acquired in October 2023 for Ladang Amgreen to enhance the efficiency of their FFB evacuation and fertiliser deliveries. As a result, estate can maintain the harvested crop freshness, achieve lower rejection rates and secure higher OER from third party mills. Moreover, the tugboat and barge have largely resolved the estate's previous issues with fertiliser delivery and have improved the timeliness of its fertiliser application programmes.

Sustainability Standards Certifications

All our Malaysian estates have successfully completed Malaysia Sustainable Palm Oil ("MSPO") surveillance audits. Selected employees have been sent for MSPO 2.0 training to ensure that we have the necessary competencies to maintain, support our MSPO certification and meeting international sustainability standards, especially concerning elements such as traceability, deforestation and good labour practices.


Ladang Amgreen, Miri, Sarawak

We are also intensifying our efforts to drive down our carbon footprint by improving our harvesting operations. This includes amalgamating harvesting operations, basing tasks on specific activities, stationing tractors in designated field areas across several estates, and reorganising tractor routes for in-field collection. In addition, we have embarked on an advanced analytics journey and are in the process of strengthening our data-driven decision-making process to drive operational performance.

The Indonesian Sustainable Palm Oil ("ISPO") audit on PTNJL remains status quo pending regularisation of PTNJL's HGU before the ISPO certification process can be resumed.

Outlook

In 2024, Malaysia CPO production is expected to increase marginally by 1.1% to 18.75 million tonnes from 2023's production due to an improvement in the labour situation and increased fertiliser application. However, CPO production is expected to remain below potential due to the El Nino event, which is expected to affect FFB production in the second half of this year[1]. Nevertheless, the geographical diversity of the Group's estates across Peninsular Malaysia, East Malaysia and Indonesia, helps mitigate this risk.

In the Q1 of 2024, the price of CPO rose to RM4,000 MT. Amid persistent geopolitical concerns and global macroeconomic uncertainties, commodity prices are expected to remain volatile in the near term. Palm Oil Analytics predicts that CPO prices will likely drop due to high stock levels in China and India, putting pressure on prices[2]. In the long-term however, we believe the growth prospects

Segmental Review

Plantation division

of the division will remain stable, given palm oil's versatility and importance as a raw material for both the food and non-food sectors.

For this current financial year, the division anticipates an increase in crop production from its Malaysian estates as more areas reach maturity. With 59.6% of the division's palm trees averaging 4-18 years of age, the palms on the Group's estates will significantly increase their yield as they mature. We are planning to step up our already ongoing mechanisation initiatives to further reduce our dependency on manual/foreign labour, and to drive productivity and cost-efficiency.

Source.

1. *CPO price may remain volatile* *https://www.nst.com.my/business/economy/2024/03/1031461/cpo-price-may-remain-volatile*
2. *High palm oil prices not sustainable; drop forecast in 2H2024 — Palm Oil Analytics* *https://theedgemalaysia.com/node/703606*

5-Year Oil Palm Plantation Statistics

Year	FYE2024	FYE2023	FYE2022	FYE2021	FYE2020
Palm Age Profile (HA)					
> 19 years	5,709	4,375	2,200	124	124
10-18 years	2,464	3,011	4,975	6,599	7,214
4-9 years	5,972	6,304	5,881	5,668	5,195
	14,145	13,690	13,056	12,391	12,533
Rehab	-	-	-	-	-
Replanting	-	-	-	-	-
Immature	1,818	1,291	1,373	1,500	2,037
Total Planted Area	**15,963**	**14,981**	**14,429**	**13,891**	**14,570**
Total FFB (MT)					
FFB Production	200,546	204,688	210,487	205,859	198,323
FFB Purchased	34,551	46,379	47,233	34,339	40,257
	235,097	**251,067**	**257,720**	**240,198**	**238,580**
Yield Per Hectare (MT)	14.18	14.95	16.12	16.03	15.82
CPO Production (MT)	31,584	35,783	38,220	35,424	40,934
Oil Extraction Rate (%)	20.72	20.41	21.10	21.08	21.68
Average CPO Price Realise (RM/MT)	3,395	3,492	3,914	2,883	2,127

How We Create *Value*

NATURAL CAPITAL

Our activities generate positive financial and socio-economic benefits but also result in unavoidable extraction of land, water, energy consumption, waste and GHG emissions. We focus on mitigating the negative impacts of our activities on the environment.

Key Inputs

- 16 estates in Malaysia and Indonesia.
- Total plantable landbank of 17,567 hectares.
- Our operations rely on fuel, water and electricity to run their activities.

Activities to Sustain Value in FYE2024

- Optimising energy consumption through monitoring of water/diesel/fuel intensity & efficiency, and identifying areas for improvement.
- Climate change adaption and mitigation through regenerative agricultural practices and mechanisation.
- Compliance to regulatory requirements, standards, practices and ESG metrics.
- Use of renewable energy.
- Converting waste into energy resource.

Outcomes Key

✓ Positive outcome (capital creation)

✗ Negative outcome (capital erosion)

Outcomes

✓ Waste generated lower by 15.2% y-o-y from 190,233 MT to 161,368 MT in FYE2024.

✓ FFB production from our Malaysian estates improved favourably from 74,659 MT to 82,735 MT.

✓ 24.0% and 7.3% y-o-y improvement in FFB collection at Ladang Fima Cendana and Ladang Amgreen, respectively through the deployment of motorised wheelbarrows which enhanced crop evacuation.

✓ Minimised chemical use by employing biological controls for pest management.

✓ Expanded the planting of legume cover crops and soft grasses at our Malaysian estates to maintain soil moisture and reduce surface run off.

Fuel intensity per tonne of FFB produced (L/MT):

- ✗ Malaysia: 3.73 (FYE2023: 3.11)
- ✓ Indonesia: 2.85 (FYE2023: 2.92)

✗ GHG emissions increased by 3.8% from 7,686 tCO_2e to 7,977 tCO_2e.

✗ Higher GHG emissions intensity (tCO_2e/RM million revenue) recorded y-o-y, from 37.61 to 45.06.

✓ Water consumption reduced by 37.0%. Water intensity per tonne of FFB processed (L/MT), improved from 0.48 to 0.28.

✓ Our current total solar photovoltaic capacity is 55 KWp. Since its installation in 2019 in the estates, we have generated a total energy output of 166 MWh.

✓ In Indonesia, palm biomass is used as feedstock to power the cogeneration plant that supplies electricity to the oil mill and nearby communities. In FYE2024, energy generated from palm biomass was 3,030 MWh.

✓ Completion of replanting programmes covering 803 hectares in Ladang FCB Kuala Betis.

Trade-Offs

Capital Depleted:

- The upfront costs associated with implementing more efficient technologies, materials and equipment which reduces our carbon footprint will have a short-term impact on Financial Capital.
- Higher fuel consumption on the back of higher levels of activity will impact Financial Capital.
- Investments to reduce our carbon footprint and protect biodiversity as well as compliance costs will have a short-term impact on Financial Capital.
- Investments to rehabilitate low-yielding areas will increase working capital utilisation and have a short-term impact on Financial Capital.

Capital Increased:

- Integrating measure-monitor-manage principle in our business operations will benefit Financial, Manufactured and Social & Relationship Capitals.
- Completion of plantation development works will strengthen the division's Financial Capital in the long-term.
- Savings on fertiliser through conversion of palm biomass into compost/organic fertiliser and energy costs through use of renewable energy will support Financial Capital.
- Good reputation through sustainable business practices e.g. supply of electricity to nearby communities will benefit Financial and Social & Relationship Capitals over the long-term.

Segmental Review

Plantation division

HUMAN CAPITAL

We rely on the skills, wellbeing and motivation of employees, contractors, and service providers to generate value. Providing a safe working environment, encouraging local employment, investing in training, and ensuring fair labour practices are critical to maintaining effective employee relationships.

Key Inputs

- 1,732 employees.
- Strong and diverse management team.

Activities to Sustain Value in FYE2024

- Encouraging local employment.
- Competitive remuneration and benefits.
- Ensuring a safe, healthy and conducive work environment.
- Continuous training & development programmes to employees and other forms of engagement to keep employees motivated.
- Enhance labour practices and ensuring that all relevant labour standards are adhered to.
- Employee performance management system to help employees grow and improve.

Outcomes

- ✔ 100% of our Malaysian estates are MSPO certified. Zero non-compliance issues were noted in the human rights reviews conducted in FYE2024.
- ✔ Achieved 48.4% and 99.5% of local headcount ratio in our Malaysia and Indonesia operations respectively with zero cases of discrimination reported.
- ✔ Creation of employment. Total new hires are 510 (FYE2023: 574).
- ✔ Improved retention rate and decrease in turnover rate at 25.1% (FYE2023: 36.7%).
- ✖ One fatality in FYE2024. However, the local Department of Occupational Safety and Health investigated the incident and determined that there were no elements of wrongdoing by the estate.
- ✖ Lost Time Injury Frequency Rate (LTIFR):
  - Malaysia: 4.27 (FYE2023: 1.44)
  - Indonesia: 19.17 (FYE2023: 11.82)
- ✖ Lower training hours at 4,669 hours (FYE2023: 6,233 hours).

Trade-Offs

Capital Depleted:

- Short-term impact on Financial Capital arising from regulatory and compliance costs, and mechanisation initiatives as well as training programmes.

Capital Increased:

- Performance management, recognition and reward can boost morale and motivation positively impacts Social & Relationship Capital.
- Retention of headcount, salaries and benefits, and improvement in earnings due to mechanisation positively impacts Social & Relationship Capital.
- Over the long-term investments in mechanisation to improve efficiency and productivity will strengthen Financial, Social & Relationship and Natural Capitals.
- Maintained goodwill and reputation.

Outcomes Key

✔ Positive outcome (capital creation)

✖ Negative outcome (capital erosion)

SOCIAL AND RELATIONSHIP CAPITAL

We maintain positive relationships with employees, regulators and other stakeholders through the conduct of our operations and responsible stewardship. We focus on minimising negative community relationships and create value for customers and communities.

Key Inputs

- Positive employee relationships.
- Maintain mutually beneficial relationships with employees, regulators and other stakeholders where we operate.

Activities to Sustain Value in FYE2024

- Continuous engagement with regulators e.g. MPOB/GAPKI and local authorities/ governments.
- CSR activities and welfare contributions.
- Use expertise and other resources to give back to communities e.g. development and infrastructure projects.
- Fair labour practices.
- Local procurement and economic empowerment.

Outcomes

- ✓ Zero cases of discrimination reported.
- ✓ PTNJL established a *Lembaga Kerjasama Bipartit*, a joint committee that serves as a forum for regular dialogue between workers and management to discuss pertinent issues on workplace matters.
- ✓ Better understanding of environmental/ industry regulations especially on newly developed estates.
- ✓ Continuous engagement with regulators and local authorities where we operate which will have a positive long-term effect on all Capitals.
- ✓ Stable supply chain.

Trade-Offs

Capital Depleted:

- Despite the initial financial outlay, investment in strategic CSR efforts will drive meaningful community relationships over the long-term.

Capital Increased:

- Improved community and government relations.
- Maintain our social licence to operate which will benefit Financial and Social & Relationship Capitals over the long-term.
- Efficient supply chain management will support Financial and Manufactured Capitals.

Outcomes Key

✓ Positive outcome (capital creation)

✗ Negative outcome (capital erosion)

Segmental Review

Plantation division

MANUFACTURED CAPITAL

Financial investment in the purchase of Property, Plant, and Equipment has provided us with the capacity to generate longer-term returns.

Key Inputs

- 45 MT/HR palm oil mill in Indonesia.
- 16 estates in Malaysia and Indonesia.
- Estate offices and facilities.
- Tools/equipment for mechanisation & technology.

Activities to Sustain Value in FYE2024

- Spent RM25.42 million on CAPEX on plantation development works/ infrastructure and purchase/replacement of assets.
- Progressed on our mechanisation initiatives to increase productivity/ efficiency.
- Employ geospatial technologies to facilitate efficient land use and development planning.

Outcomes

- ✓ Enhanced safety and efficiency of assets.
- ✓ The new tugboat and barge purchased by Ladang Amgreen have enhanced the efficiency of FFB evacuation and fertiliser deliveries.
- ✓ Maximising the planting density of potential areas as well as in the planning of optimal routes for harvesting which positively impacts Financial and Human Capital.
- ✓ Adoption of best estate management practices support climate action and biodiversity conservation which benefits Natural Capital.
- ✗ Depreciation, amortisation and impairment loss.

Trade-Offs

Capital Depleted:

- Investment in mechanisation equipment/ tools and technology costs will impact Financial and Natural Capitals through the consumption of fuel.

Capital Increased:

- More efficient harvesting and evacuation process due to mechanisation and effective land planning will strengthen Financial Capital in the long-term.
- Mechanisation improves employee productivity and their earnings potential thus supporting Social & Relationship Capital.

Outcomes Key

✓ Positive outcome (capital creation)

✗ Negative outcome (capital erosion)

INTELLECTUAL CAPITAL

The success of our business model depends on our capacity to innovate, our management systems, the strength of our brands and company culture.

Key Inputs

- Robust safety, quality and information management systems.
- Production and processing of palm oil.
- Land ownership rights.
- Industry best practices.
- High yielding planting materials.

Activities to Sustain Value in FYE2024

- Continued progress towards international standard accreditations.
- Application for land title of planted areas (Indonesia).
- Implementation of best estate management practices.
- Continuous learning and development.
- Data-driven decision-making process to drive operational performance.

Outcomes

- ✔ Maintained/obtained accreditations, important prerequisites of our key customers and markets.
- ✔ Rollout of upgraded estate management system across our Malaysian estates provides more visibility and control over estate operations across different locations.
- ✔ 100% of our Malaysian estates are MSPO certified.
- ✔ Selected employees have been sent for MSPO 2.0 training to ensure that we have the necessary competencies to maintain, support our MSPO certification and meeting international sustainability standards.
- ✘ Protracted time in processing land title (Indonesia). As a result, ISPO accreditation for Indonesian estate is still pending.
- ✔ High yielding planting materials will support Financial Capital in the long run.

Trade-Offs

Capital Depleted:

- Investment outlay on compliance costs (e.g. certifications) and high yielding planting materials will affect Financial Capital in the short run but supports profitability in the long-term.
- High cost of training and development as well as implementation of new technology which also affects Human, Social & Relationship and Financial Capitals.
- Technological advancements can render existing intellectual capital obsolete, leading to additional costs for upgrades or replacements.

Capital Increased:

- Market credibility and goodwill which supports Social & Relationship and Financial Capitals.
- Improved productivity and process efficiencies through close monitoring of operational expenses, maintenance and consumption of resources which will support Natural, Manufactured and Financial Capitals.

Outcomes Key

✔ Positive outcome (capital creation)

✘ Negative outcome (capital erosion)

Segmental Review

Plantation division

FINANCIAL CAPITAL

Access to financial capital through our shareholders, investors, and lenders with consistent delivery of investor returns and sustained market confidence.

Outcomes

- ✗ Revenue down by 13.4% y-o-y to RM177.03 million.
- ✗ PBT down by 42.4% y-o-y to RM26.16 million.
- ✓ Most of our Malaysian greenfield estates are now financially self-sustaining.
- ✓ Consistent dividend pay outs (PTNJL).

Trade-Offs

Capital Depleted:

- Higher operational costs including increased maintenance, cultivation expenditure, estate development costs have resulted in increased working capital utilisation and reduced profit margins.

Capital Increased:

- Higher long-term financial returns to company and shareholders.

Outcomes Key

✓ Positive outcome (capital creation)

✗ Negative outcome (capital erosion)

Key Inputs

- Strong cash flow.
- Access to credit facilities/bank borrowings.

Activities to Sustain Value in FYE2024

- Disciplined financial management and capital allocation practices.

Food **division**

Strengthening Capabilities

REVENUE

RM168.19
Million
9.6% Decrease Y-o-Y
(FYE2023: RM186.10 million)

PBT

RM13.37
Million
179.1% Increase Y-o-Y
(FYE2023: RM4.79 million)

Segmental Review

Food division

Manufacture & Distribution of Canned Fish and Frozen Loins

The Group's involvement is via its subsidiary in Papua New Guinea ("PNG"), International Food Corporation Limited ("IFC") which manufactures and distributes canned mackerel, canned tuna and frozen tuna loins for both export and domestic markets.

Canned mackerel and tuna under IFC's flagship brand "Besta", "Besta McFlakes", "Besta Choice", "Besta Delight" and "Besta White" are produced primarily for the PNG and Pacific Region markets while frozen tuna loins and private label canned tuna are exported to the European Union. IFC has also forayed into trading, beverages and meat products, all under the "Besta" brand.

The Group's associated company, Marushin Canneries (M) Sdn. Bhd. manufactures and markets canned sardine, tuna and mackerel in Malaysia under the brand name "KING CUP".

Food Packaging

KFima's 100% owned subsidiary, Fima Instanco Sdn. Bhd. ("FISB") is principally involved in the trading of products under its own "Instanco" and "Farmtree" brands. FISB also provides contract packing services of powdered beverages and condiments for third parties.

FYE2024 FOCUS AREAS

Cost and operational efficiency improvements to optimise our existing footprint	Distribution network expansion	Diversify product offerings	Strengthen strategic alliances/ partnerships to ensure resilient supply chains

The division recorded revenue of RM168.19 million in FYE2024, 9.6% lower compared to RM186.10 million recorded in the prior year. Notably, there were no canned tuna exports while domestic canned tuna sales volume decreased by 19.2%. The main factor contributing to the foregoing was caused by supply chain constraints encountered in Q1 of FYE2024. The decline in these sub-segments impacted the total sales volume of canned products, which decreased by 32.9% to 550,376 cartons compared to 820,113 cartons sold in the previous year.

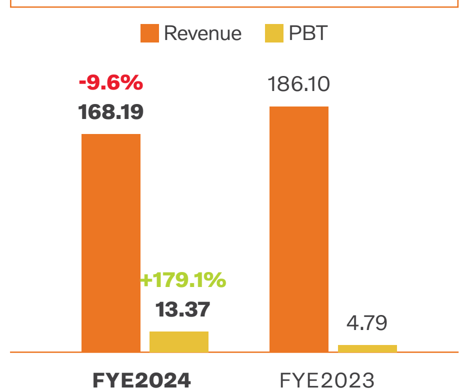
These declines offset the improvements in the performance of other sub-segments, namely domestic canned mackerel and export tuna loins. In Q2 FYE2024, we have adjusted the prices for our domestic canned products to account for the depreciation of the PNG Kina against US dollar and Malaysian Ringgit. As a result, revenue increased by 0.4% y-o-y. Export tuna frozen loins revenue registered increases of 32.5% compared to last year on the back of higher volumes and increased prices.

Revenue from our trading segment (non-core) reduced by 25.9% mainly due to decreased sales of our Besta Jelly Juice beverage, fish oil and fishmeal. The decline in fish oil and fishmeal aligns with the lower fish processed during the year under review and we remain optimistic about the demand for fish oil and fishmeal moving forward, given the growth in global aquaculture.

The division faced several significant challenges stemming from the external landscape during FYE2024. The sharp increase in raw material prices and freight rates put pressure on margins, while foreign exchange liquidity constraints led to difficulties and delays in procuring essential raw materials for production.

In response to these challenges, the division had taken decisive actions to resolve the supply chain issues and expect the same to be fully resolved in this current financial year. Additionally, price adjustments in selected SKUs have been implemented to mitigate the impact of rising input costs and maintain profitability.

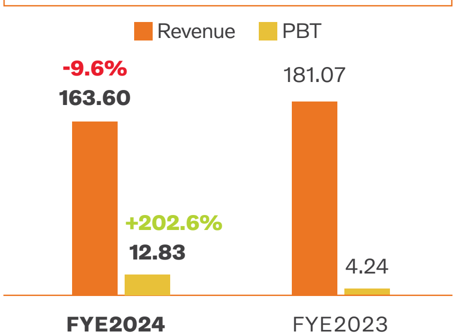
Revenue & PBT Performance (RM Million)



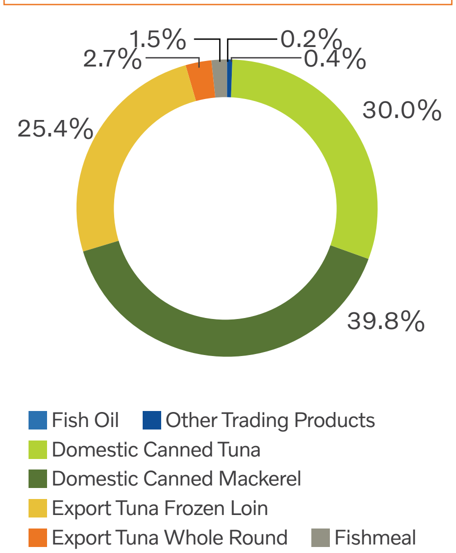
Segmental Review
Food division

As a result of these efforts, the division's PBT for FYE2024 grew to RM13.37 million compared to RM4.79 million in the prior year. This improvement was further supported by operating efficiencies, reduction of labour overheads and restructuring actions, resulting significant decrease in cost of sales. However, the division incurred higher forex loss of RM7.08 million (FYE2023: RM2.83 million), primarily due to the weakening of the PNG Kina against US dollar and Malaysian Ringgit. Specifically, the US dollar and Malaysian Ringgit appreciated by approximately 8.6% and 1.4%, respectively, compared to the previous year.

IFC : Revenue & PBT Contribution (RM Million)



IFC : Revenue Contribution by Product



Capital Expenditure ("CAPEX")

In FYE2024, IFC's CAPEX totalled RM3.68 million. Major CAPEX projects during the financial year included the construction of a new mackerel cold room, a warehouse expansion project and the construction of a new cooling tower. Increasing the capacity of new cold room allows us to store and maintain a larger fish inventory, minimising the risk of stock-outs and production disruptions.

The expanded warehouse will enable us to increase our inventory levels, streamline storage, and enhance logistical efficiency, ensuring seamless operations and meeting growing demand effectively. The new cooling tower is crucial for maintaining optimal temperatures during the production process, promoting energy efficiency and minimising water consumption, all of which support our sustainability agenda.

To complete our tuna expansion project, we have acquired new pressure cookers and constructed a new tuna line. We have also upgraded our Enterprise Resource Planning (ERP) system to better support our operations and business growth.

Food Packaging

Our Malaysian subsidiary, Fima Instanco Sdn. Bhd. ("FISB") recorded revenue of RM4.59 million revenue (FYE2023: RM5.03 million) and PBT of RM0.54 million (FYE2023: RM0.55 million).

The decline in FISB's y-o-y performance is primarily attributed to the contract-packing segment, which saw a 14.5% decrease to RM3.17 million from RM3.70 million recorded in FYE2024. This decrease is mainly due to a reduction in demand volume from FISB's existing customer base. The contract-packing segment remains the leading contributor to FISB's revenue, accounting for 69.0% of the total.

FISB's trading segment is expected to remain soft throughout this current financial year, which may continue to impact FISB's sales. However, there is an

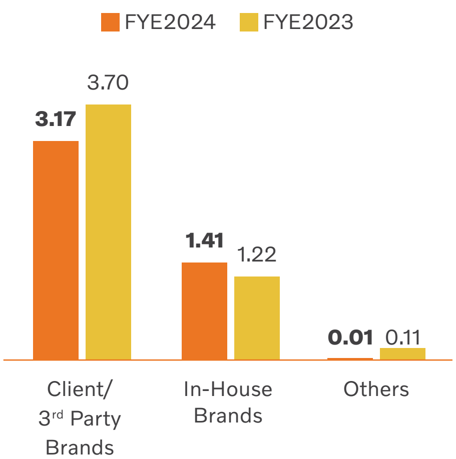
Segmental Review

Food division

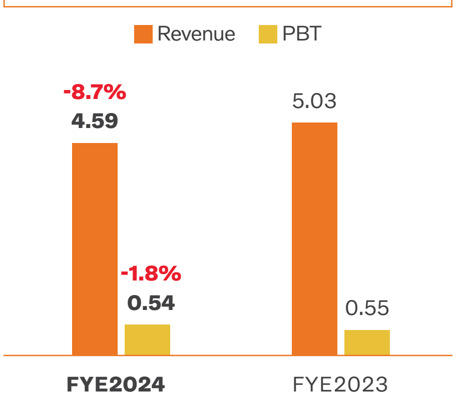
expectation of a pickup in the contract-packing segment, which could offset some of the softness in the trading segment.

By the end of this current financial year, FISB operations and office will complete its move to a new premise. The relocation allows for making improvements in the layout to enhance production efficiency and safety, leading to more streamlined operations. The move is also expected to result in potential electricity savings attributed to more efficient energy usage facilitated by better infrastructure within the new premise.

FISB : Revenue by Category (RM Million)



FISB : Revenue & PBT Contribution (RM Million)



Outlook

Looking ahead, IFC is strategically focused on expanding its market share for its top-selling tuna products—Besta McFlakes, Besta Choice, and Besta Delight. The value proposition of our flagship Besta brand resonates strongly with PNG consumers, and our market share remains healthy. We see significant opportunities to further expand the household penetration of our brands by diversifying our customer base and focusing on margin-accretive channels.

In line with this growth strategy, IFC is preparing to officially launch a new premium mackerel product, 'Papa Flakes' (180g), within this current financial year. Production is now underway following a successful trial launch. Earlier in February, IFC had introduced the Besta brand UHT milk in 5 flavours, which has so far garnered favourable feedback and generated inquiries for repeat orders. IFC will launch a new range of Besta instant noodles in 3 flavours this June, to provide consumers with convenience and a wider variety of affordable meal options. Moreover, instant noodles have a long shelf life, which helps reduce food waste.

Another priority is to optimise our supply chain and unlock efficiencies. Subsequent to the FYE2024 year-end, we had acquired a 2 piece-can making machine to reduce dependency on external suppliers. This acquisition is also expected to enhance our supply chain resilience, mitigates risk of delays and safeguard against potential disruptions in our production operations. Moreover, with the completion of the new cold room we are now able to store a larger quantity of fish inventory. This provides a buffer against fluctuations in catch rates and ensures a steady supply for production, enabling us to meet demand effectively.

We believe once these plans are in place, the division will be in a much better position to grow market share and drive incremental demand via new distribution and product offerings, and we are committed to executing both initiatives in this current financial year.

How We Create *Value*

NATURAL CAPITAL

Our activities generate positive financial and socio-economic benefits but also result in unavoidable extraction of fisheries resources, land, water, energy consumption, waste and GHG emissions. We focus on mitigating the negative impacts of our activities on the environment.

Key Inputs

- More than 4,600 MT of responsibly sourced tuna and mackerel purchased in FYE2024, all within fisheries management regulations.
- We rely on fuel, water and electricity to run our activities.

Activities to Sustain Value in FYE2024

- Implemented water stewardship and energy measures.
- Ensure transparency of supply chain.
- Responsible procurement.
- Process fish trimmings into value-added products (fish oil, fishmeal).
- 9,808 MT of fish processed in FYE2024.
- Other food products.
- Construction of a new cooling tower.

Outcomes

- ✓ Operations retained MSC Chain of Custody accreditation.
- ✗ Increase in generator set diesel intensity from 75.83 to 105.10 per tonne of fish processed (L/MT) in FYE2024.
- ✗ Increase in boiler diesel intensity from 110.38 to 116.03 per tonne of fish processed (L/MT) in FYE2024.
- ✗ Higher in GHG emissions intensity (tCO2e/RM million revenue) from 37.80 to 42.24 in FYE2024.
- ✗ Increase in water intensity from 23.73 to 26.85 per tonne of fish processed (L/MT) in FYE2024.
- ✓ FAD-free catch is 99.5% compared to 67.3% in FYE2023.
- ✓ Fish oil and fish meal are a revenue source for Food division that will also benefit Financial Capital.
- ✓ The cooling tower is essential for maintaining optimal temperatures during the production process, promoting energy efficiency and reduce water consumption in the long run.

Trade-Offs

Capital Depleted:

- The upfront costs associated with implementing more efficient technologies, materials and equipment which reduces our carbon footprint will have a short-term impact on Financial Capital.
- The decline of fish populations and loss of biodiversity will negatively impact on Financial and Human Capitals.

Capital Increased:

- Savings on energy costs through use of renewable energy and investments in more efficient technologies and equipment have the potential to deliver positive returns on investment (ROI) over time, positively impacting Financial Capital.
- Sustainable fishing practices and responsible sourcing contribute to marine ecosystem and will impact Manufactured and Financial Capitals.

Outcomes Key

✓ Positive outcome (capital creation)

✗ Negative outcome (capital erosion)

Segmental Review

Food division

HUMAN CAPITAL

We rely on the skills, wellbeing and motivation of employees, contractors, and service providers to generate value. Providing a safe working environment, encouraging local employment, investing in training, and ensuring fair labour practices are critical to maintaining effective employee relationships.

Key Inputs

- 980 employees including support staff.
- Strong and diverse management teams.
- Health and safety measures.
- Regular opportunities for learning and skill enhancement
- Support teams across Papua New Guinea (PNG)

Activities to Sustain Value in FYE2024

- Encouraging local employment.
- Competitive remuneration and benefits.
- Ensuring a safe, healthy and conducive work environment.
- Continuous training and development programmes to employees and other forms of engagement to keep employees motivated.
- Employee performance management system to help employees grow and improve.

Outcomes

- ✔ Creation of employment. Total new hires are 237 (FYE2023: 240).
- ✔ In FYE2024, lower turnover rate at 7.3% (FYE2023: 27.9%).
- ✔ Continued emphasis on safety culture - zero fatalities in FYE2024.
- ✖ Lower training hours at 461 hours (FYE2023: 638 hours).

Trade-Offs

Capital Depleted:

- Short-term impact on Financial Capital arising from regulatory and compliance costs, investments in training programmes.
- Loss of skilled workers due to turnover and attrition which impact Manufactured and Social & Relationship Capital.

Capital Increased:

- Performance management, recognition and reward can boost morale and motivation positively impacts Social & Relationship Capital.
- Retention of headcount of permanent employees, provision of competitive remuneration and conducive work environment positively impacts Social & Relationship Capital.
- Maintained goodwill and reputation.
- Nurturing our talent pool through ongoing investments in training will improve Financial and Intellectual Capitals in the long-term.

Outcomes Key

✔ Positive outcome (capital creation)

✖ Negative outcome (capital erosion)

SOCIAL AND RELATIONSHIP CAPITAL

We maintain positive relationships with employees, regulators and other stakeholders through the conduct of our operations and responsible stewardship. We focus on minimising negative community relationships and create value for customers and communities.

Key Inputs

- Maintain mutually beneficial relationships with employees, regulators and other stakeholders where we operate.
- Positive supplier and business partner relations as part of our supply chain management.

Activities to Sustain Value in FYE2024

- Provide opportunities for local businesses.
- Collaboration with customers/distributors on product expansion.
- Responsible business practices.
- Enhance labour practices.
- CSR activities and welfare contributions.
- Proactive engagement with regulators on industry-specific matters.

Outcomes

- ✓ Positive work environment and employee engagement.
- ✓ Increased retail reach of new and existing BESTA products through 27 active distributors.
- ✓ Zero cases of discrimination reported.
- ✓ Our supply chain management ensures that we have a sizeable inventory of raw materials, enabling us to reasonably mitigate supply chain interruptions and maintain production.
- ✓ Localisation of supply chain to purchase of goods and services from local businesses, wherever feasible.

Trade-Offs

Capital Depleted:

- Short-term impact on Financial Capital arising from training and compliance costs.
- Investments in strategic CSR efforts to drive meaningful community relationships over the long-term.
- Investment outlay to meet market's specific requirements will affect Financial Capital in the short-term.

Capital Increased:

- Improved community, supplier and government relations enable us to maintain our social licence to operate and positively impacts all Capitals.
- Efficient supply chain management supports Manufactured and Financial Capitals.
- Investments made to meet customers' specific requirements can be a key differentiator in our markets and can generate long-term benefits, such as increased customer satisfaction, and potentially higher margins which positively impacts all Capitals.

Outcomes Key

✓ Positive outcome (capital creation)

✗ Negative outcome (capital erosion)

Segmental Review

Food division

MANUFACTURED CAPITAL

Financial investment in the purchase of Property, Plant, and Equipment has provided us with the capacity to generate longer-term returns.

Key Inputs

- Integrated fish canning facility:
  - Tuna
  - Mackerel
  - Can Making plant
  - Fish meal & crude fish oil plant
- Production capacity of 120mt/day.
- 3 cold storage facilities.
- Waste water treatment plant.

Activities to Sustain Value in FYE2024

- Spent RM3.68 million on CAPEX for refurbishment and upgrading works.
- Construction of a new mackerel cold room and cooling tower, and warehouse expansion.

Outcomes

- ✔ The generator sets provided electricity to specific areas of our operations to ensure consistent energy supply.
- ✔ Scheduled preventive maintenance of machinery ensures less downtime as well as enhance safety and efficiency of assets.
- ✖ 0.9% increase y-o-y in diesel consumption.
- ✔ The cooling tower is essential for maintaining optimal temperatures during the production process, promoting energy efficiency and reduce water consumption.
- ✔ The new mackerel cold room and expanded warehouse addresses capacity constraints and to streamline storage/logistics.
- ✖ Depreciation, amortisation and impairment loss.

Trade-Offs

Capital Depleted:

- Investment in systems and infrastructure upgrades/replacement, and ongoing maintenance costs will impact Financial Capital.
- Usage of diesel-operated generator sets have a negative impact on Natural Capital.

Capital Increased:

- Reduction in operational/production downtimes and improved process efficiencies will benefit Social & Relationship and Financial Capitals.
- Expansion of cold room capacity will improve our cost positioning and support a stable supply chain which in turn will benefit Financial Capital.
- Employment opportunity and supporting local economies.

Outcomes Key

✔ Positive outcome (capital creation)

✖ Negative outcome (capital erosion)

INTELLECTUAL CAPITAL

The success of our business model depends on our capacity to innovate, our management systems, the strength of our brands and company culture.

Key Inputs

- Robust management system/framework.
- Robust safety and quality management systems.
- Value of our brand and reputation.

Activities to Sustain Value in FYE2024

- Continued progress towards international standard accreditations.
- Portfolio/Product Development.
- Continuous training and development programmes.

Outcomes

- ✅ Besta retained its status as one of PNG's top brands.
- ✅ Launched 5 flavour of Besta UHT milk in FYE2024.
- ✅ We are subjected to quarterly and yearly audits by independent third-party organisations to maintain the certifications and international standards.
- ✅ Successfully maintained/obtained the following accreditations:
  - ✓ British Retail Consortium
  - ✓ Business Social Compliance Initiative
  - ✓ Dolphin Safe
  - ✓ GMP
  - ✓ HACCP
  - ✓ Halal
  - ✓ International Featured Standard Food
  - ✓ Kosher Certification & Supervision
  - ✓ Marine Stewardship Council
  - ✓ National Fisheries Association

  all of which are important prerequisites of our key customers and markets.
- ✅ Zero incidences of critical non-conformance.

Trade-Offs

Capital Depleted:

- Investment outlay on compliance costs (e.g. certifications) and high yielding planting materials will affect Financial Capital in the short run but supports profitability in the long-term.
- Technological advancements can render existing intellectual capital obsolete, leading to additional costs for upgrades or replacements which affect Financial Capital.

Capital Increased:

- Market credibility and goodwill which supports Social & Relationship and Financial Capitals.
- Improved productivity and process efficiencies.

Outcomes Key

✅ Positive outcome (capital creation)

❌ Negative outcome (capital erosion)

Segmental Review

Food division

FINANCIAL CAPITAL

Access to financial capital through our shareholders, investors, and lenders with consistent delivery of investor returns and sustained market confidence.

Key Inputs

- Internally funding.
- Access to credit facilities/bank borrowings.

Activities to Sustain Value in FYE2024

- Disciplined financial management and capital allocation practices.

Outcomes

- ✗ Revenue down by 9.6% y-o-y to RM168.19 million.
- ✓ PBT up by 179.1% y-o-y to RM13.37 million.
- ✓ Resilient and efficient balance sheet with strong cash flows, giving us the capacity to invest in new infrastructure and/or accommodate any expansion plans.
- ✓ Higher stock levels of materials maintained.

Trade-Offs

Capital Depleted:

- The increase in raw material prices and freight rates put pressure on margins which will also affect Human, Social & Relationship and Manufactured Capitals.
- Foreign exchange liquidity constraints led to difficulties and delays in procuring essential raw materials for production which will also affect Human, Social & Relationship and Manufactured Capitals.

Capital Increased:

- Access to capital for facility upgrades and market diversification, enabling to seize growth opportunities.
- Profitability margins improved to 28.2%.

Outcomes Key

✓ Positive outcome (capital creation)

✗ Negative outcome (capital erosion)

Manufacturing division

Staying Agile

REVENUE

RM61.57 Million

52.5% Decrease Y-o-Y
(FYE2023: RM129.56 million)

PBT

RM0.39 Million

96.1% Decrease Y-o-Y
(FYE2023: RM10.11 million)

Segmental Review

Manufacturing division

Business Overview

The division produces a wide range of products and services which include travel documents, licences, and other security and confidential documents for the local and overseas markets.

FYE2024 FOCUS AREAS

Focus on core security printing operations	Customer recovery and portfolio retention	Local and international strategic partnerships	Focus on manufacturing strengths with a shift towards end-to-end solutions

Revenue for the financial year ended 31 March 2024 (FYE2024) was RM61.57 million, which represents a y-o-y decrease of 52.5% from the RM129.56 million reported in the previous year. The division's travel, transport, and confidential document segments continue to experience significant market volume decline due to digitisation and evolving order patterns. As a consequence of digitisation, some of our products have been downgraded to lower or medium-security documents, resulting in lower prices and increased competition. Revenue from the travel documents segment declined by 47.1% from last year's on the back of lower volumes and the expiry of a supply contract for travel documents while the foreign travel documents subsegment decreased by 58.6%. The confidential document segment also reported a 47.4% y-o-y decline, attributed to reduced procurement from existing customers.

Similarly, revenue from the transport documents segment also experienced a decline by 55.5%, mainly due to the implementation of digital road tax and licences in line with the government's push towards digitising certain processes and documents.

Given the decline in revenue, the division recorded PBT of RM0.39 million, compared to RM10.11 million in the previous year.

The share of results of associate company, Giesecke & Devrient Malaysia Sdn. Bhd. increased by 5.2% y-o-y from RM3.63 million in FYE2023 to RM3.82 million on the back of the higher revenue of RM209.09 million achieved compared to RM185.19 million in the previous year.

We have made good progress in integrating more renewable energies into our operations to upgrade, both our power efficiency and power cost advantages. This resulted in a significant increase in our total power consumption from renewable sources in FYE2024. We generated 432 megawatt hours ("MWh") compared to 149 MWh in FYE2023. This transition has enabled us to successfully reduce our electricity consumption and Scope 2 carbon emissions by 440 MWh and 636 tCO2e respectively.

Outlook

In this current financial year, we anticipate that revenue for transport documents will remain low. Increased competition in the industry is also expected to put pressure on the division's performance and margins. However, we see potential opportunities in the travel and confidential documents subsegments to drive revenue growth, and we are working diligently towards that end.

Segmental Review

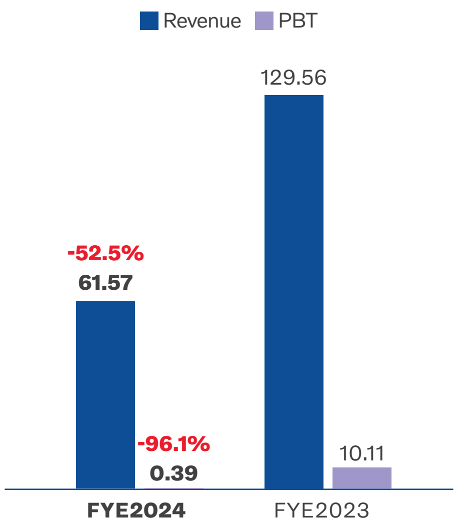
Manufacturing division

To position the division for recovery and future growth, we remain committed to achieving a leaner cost structure. Over the past few years, we have dedicated significant efforts to streamlining our operating model and reducing our cost base. One key initiative in this regard was the relocation to a new facility complex in Bangi, Selangor, which was nearly completed during the year under review. This new complex now serves as the division's headquarters, consolidating all production, printing, and warehousing operations under one roof, including a dedicated security printing manufacturing facility. The efficient production layout and centralised operations at the new facility are expected to enhance our operational efficiency and further reduce overhead costs. During the year, we reduced the size of our workforce mainly through non-renewal of contracts to right-size our business amidst lower levels of economic activity. This action was necessary to align our cost structures with volumes and reset our cost base, which we believe will position us favourably from the eventual upturn in our end markets.

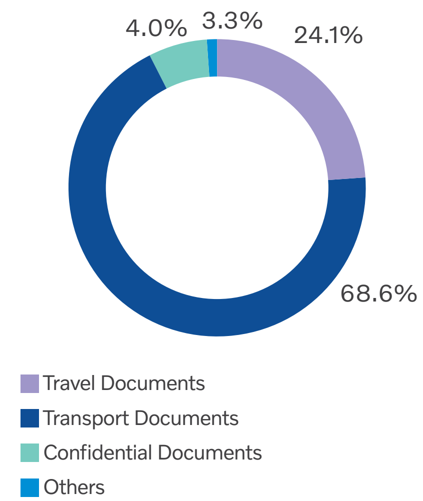
Furthermore, we are prioritising key customers and quality revenue generated from both new and traditional security document products vis-a-vis ongoing enhancements to our business development and sales model, aimed at better aligning with market needs and protecting our market share.

We will invest in technology and digital innovations within segments of our business where we believe they will drive growth. This includes both direct investment and strategic partnerships aimed at enhancing our capabilities and readiness to capitalise on future opportunities for expansion.

Revenue & PBT Performance (RM Million)



Revenue Contribution by Product (%)



Segmental Review

Manufacturing division

How We Create Value

NATURAL CAPITAL

Our activities generate positive financial and socio-economic benefits but also result in unavoidable extraction of land, water, energy consumption, waste and GHG emissions. We focus on mitigating the negative impacts of our activities on the environment.

Key Inputs

- Electricity consumption: 1,991 MWh in FYE2024.
- Solar energy generation: 432 MWh.

Activities to Sustain Value in FYE2024

- Responsible procurement and practices.
- Compliance to regulatory requirements.
- Use of renewable energy and transition to 'greener' machinery/equipment.
- Installed additional 300 kWp of solar photovoltaic capacity.

Outcomes

- ✓ Achieved a 189.9% increase in solar energy generation to 432 MWh by installing an additional 300 kWp of solar PV capacity.
- ✗ Y-o-Y increase in GHG emissions intensity (tCO2e/RM million revenue) from 15.89 to 25.20 mainly due to reduction in revenue despite lower GHG emission recorded.
- ✓ Utilises 100% Forest Stewardship Council-certified paper in the production of transport documents.
- ✓ Our new facility complex in Bangi utilised energy-efficient equipment and machineries to run our operations.
- ✓ Electricity consumption decreased by 18.1% from 2,431 MWh to 1,991 MWh in FYE2024.

Trade-Offs

Capital Depleted:

- Investments in the development adoption of green technologies and sustainable practices to reduce our carbon footprint will have a short-term impact on Financial Capital.

Capital Increased:

- Integrating measure-monitor-manage principle in our business operations will benefit Financial, Manufactured and Social & Relationship Capitals.
- Savings on energy costs through use of renewable energy in the long-term and will positively impact Financial Capital.
- Improved reputation and stronger customer relationships which will benefit Financial and Social & Relationship Capitals.

Outcomes Key

✓ Positive outcome (capital creation)

✗ Negative outcome (capital erosion)

Segmental Review
Manufacturing division

HUMAN CAPITAL

We rely on the skills, wellbeing and motivation of employees, contractors, and service providers to generate value. Providing a safe working environment, encouraging local employment, investing in training, and ensuring fair labour practices are critical to maintaining effective employee relationships.

Key Inputs

- 219 employees.
- Strong and diverse management team.
- Strong technical support teams across Malaysia.

Activities to Sustain Value in FYE2024

- Encouraging local employment.
- Competitive remuneration and benefits.
- Ensuring a safe, healthy and conducive work environment.
- Continuous training and development programmes to employees and other forms of engagement to keep employees motivated.
- Employee performance management system to help employees grow and improve.

Outcomes

- ✔ Improvement in the livelihoods of our employees.
- ✔ Number of new hires were lower in FYE2024 as we aligned our workforce with current levels of economic activity.
- ✔ Positive work culture with skilled workforce. Zero disruption to production days due to industrial action.
- ✔ Collective agreement with trade union was renewed during the year.
- ✔ Continued emphasis on safety culture - zero fatalities in FYE2024.
- ✖ Lower training hours at 1,204 hours (FYE2023: 2,880 hours).
- ✖ Recorded 3 injuries in FYE2024.

Trade-Offs

Capital Depleted:
- Short-term impact on Financial Capital arising from regulatory & compliance costs and investments in training programmes.

Capital Increased:
- Retention of headcount of permanent employees, provision of competitive remuneration and conducive work environment positively impacts Social & Relationship Capital.
- Maintained goodwill and reputation.
- Nurturing our talent pool through ongoing investments in training will support Financial and Intellectual Capitals in the long-terms.
- Our ongoing commitment to maintaining positive relationships with our employees and ensuring fair and equitable working conditions.

Outcomes Key

✔ Positive outcome (capital creation)
✖ Negative outcome (capital erosion)

Segmental Review

Manufacturing division

SOCIAL AND RELATIONSHIP CAPITAL

We maintain positive relationships with employees, regulators and other stakeholders through the conduct of our operations and responsible stewardship. We focus on minimising negative community relationships and create value for customers and communities.

Key Inputs

- Maintain mutually beneficial relationships with employees, regulators and other stakeholders where we operate.
- Positive supplier and business partner relations as part of our supply chain management.

Activities to Sustain Value in FYE2024

- Customised training programmes for customers and regulators.
- PROTÉGÉ and Industrial Collaboration Programme.
- Responsible business practices i.e. accreditation of ISO37001: 2016 Anti Bribery Management System.
- Proactive engagement with regulators on industry-specific matters.
- CSR activities and welfare contributions.

Outcomes

- ✅ No incidence of industrial action in FYE2024.
- ✅ Zero cases of discrimination reported.
- ✅ Established trust with customers, business partners and regulators.
- ✅ Maintained strong relationships with key customers.
- ✅ Since 2018, 114 university graduates have undergone PROTÉGÉ programme.
- ✅ Our supply chain management ensures that we have a sizeable inventory of raw materials, enabling us to reasonably mitigate supply chain interruptions and maintain production.

Trade-Offs

Capital Depleted:

- Short-term impact on Financial Capital arising from training and compliance costs.
- Investments in strategic CSR efforts to drive meaningful community relationships over the long-term.
- Upfront investment outlay to meet customers' specific requirements will affect Financial Capital in the short-term.

Capital Increased:

- Improved community and government relations will enable us to maintain our social licence to operate and positively impacts all Capitals.
- Efficient supply chain management will support Manufactured and Financial Capitals.
- Nurturing future talent pool supports Human and Intellectual Capitals.
- Investments made to meet customers' specific requirements can be a key differentiator in our markets and can generate long-term benefits, such as increased customer satisfaction, and potentially higher margins which positively impacts all Capitals.

Outcomes Key

✅ Positive outcome (capital creation)

❌ Negative outcome (capital erosion)

Segmental Review
Manufacturing division

MANUFACTURED CAPITAL

Financial investment in the purchase of Property, Plant, and Equipment has provided us with the capacity to generate longer-term returns.

Key Inputs

- Security and confidential printing document facilities.
- New security facility complex in Bangi.
- More than 20 printing machines.
- 63 million security documents printed.
- Technology tools.

Activities to Sustain Value in FYE2024

- Spent RM13.31 million on CAPEX for hardware, R&D projects and computer/machinery maintenance and relocation to a new facility complex.
- Employ technology to achieve operational efficiency namely:
  - a tracking system detailing progress of products delivered to customers on real-time basis.
  - equip IT support staff with mobile devices to access, store and report information.

Outcomes

- ✔ Long-term synergies and cost savings by centralising Manufacturing's operations under one roof that will benefit Financial Capital.
- ✔ Scheduled preventive maintenance of machinery ensures less downtime and better planning on stock of parts.
- ✔ Enhanced safety and efficiency of assets.
- ✔ Improved efficiencies and customer engagement which will support Social & Relationship and Financial Capitals.
- ✖ Product substitution due to new technologies/processes.
- ✖ Depreciation, amortisation and impairment loss.

Trade-Offs

Capital Depleted:
- Investment in ICT equipment/tools, systems and infrastructure upgrades/replacement, and ongoing maintenance costs will impact Financial Capital.

Capital Increased:
- By relocating to a new facility, we can optimise our operations and streamline processes, leading to increase efficiency and productivity which in turn can positively impact Financial Capital.
- Reduction in operational staff time, production downtimes and improved customer engagement all of which will benefit Social & Relationship and Financial Capitals.
- Use of ICT tools will facilitate reporting and data accuracy, and process efficiencies.

Outcomes Key

✔ Positive outcome (capital creation)

✖ Negative outcome (capital erosion)

Segmental Review

Manufacturing division

INTELLECTUAL CAPITAL

The success of our business model depends on our capacity to innovate, our management systems, the strength of our brands and company culture.

Key Inputs

- Robust safety, quality and information management systems.
- Brand and strong reputation.
- Strategic partnerships and alliances.
- R&D capabilities to develop solutions and respond to emerging customer preferences.
- Industry best practices.
- Key personnel with subject-matter expertise.

Activities to Sustain Value in FYE2024

- Continued progress towards international standard accreditations.
- Portfolio/product development i.e. digital based and other niche solutions and services.
- R&D collaboration with technical partners.
- Offer cost-effective value adding solutions.
- Continuous learning and development.

Outcomes

✓ Maintained our competitive edge through new product development e.g. digital certificate, data matching, and travel documents, ID Cards Personalisation Systems and after sales service e.g. Forensic Services; and R&D to enhance product features and/or to extend product lifecycle, which benefits Financial, Manufactured and Social & Relationship Capitals.

✓ Maintained strong relationships with key customers.

✓ Certified and compliant:
- ISO 27001:2013 Information Security Management.
- ISO 9001:2015 Quality Management System.
- ISO 14298:2013 Graphic Technology-Management of Security Printing Processes.
- ISO37001:2016 Anti Bribery Management system.

all of which are important prerequisites of our key customers and markets.

Trade-Offs

Capital Depleted:
- Investment outlay on compliance costs and R&D will affect Financial Capital in the short-term but supports financial performance in the long-term.
- High cost of training and development as well as implementation of new technology which also affects Human, Social & Relationship and Financial Capitals.
- Technological advancements can render existing intellectual capital obsolete, leading to additional costs for upgrades or replacements.

Capital Increased:
- Market credibility and goodwill which supports Social & Relationship and Financial Capitals.
- Improved productivity and process efficiencies which will benefit Natural, Manufactured, Social & Relationship and Financial Capitals.

Outcomes Key

✓ Positive outcome (capital creation)

✗ Negative outcome (capital erosion)

Segmental Review

Manufacturing division

FINANCIAL CAPITAL

Access to financial capital through our shareholders, investors, and lenders with consistent delivery of investor returns and sustained market confidence.

Key Inputs

- Strong cash flow and cash position.
- Access to credit facilities/bank borrowings.

Activities to Sustain Value in FYE2024

- Disciplined financial management and capital allocation practices.
- Strong and proactive relationships with our principals.
- Evaluate investment opportunities that align with the company strategic objectives.

Outcomes

- ✗ Revenue down by 52.5% y-o-y to RM61.57 million.
- ✗ PBT down by 96.1% y-o-y to RM0.39 million.
- ✓ Consistent dividend payouts.
- ✓ Resilient balance sheet with strong cash flows.
- ✗ As a consequence of digitisation, some of our products have been downgraded to lower or medium-security documents, resulting in lower prices and increased competition.

Trade-Offs

Capital Depleted:

- The decline in demand volumes due to digitisation and evolving order patterns is impacting revenue and PBT.
- Margin pressures due to increase competition from new and existing players in certain product segments.

Capital Increased:

- Strong financial position allows us to flex in line with market demands and pursue new business opportunities as and when they arise.
- Profitability margins maintained at 23.7%.

Outcomes Key

✓ Positive outcome (capital creation)

✗ Negative outcome (capital erosion)

Our Highlights

Reduction in
Scope 2 and 3 emissions

Higher energy consumption
from our renewable energy source

Employee turnover rate improved from
30.1% to **17.3%**

Higher total training hours from 14,820 hours to
16,000 hours

Higher FAD-free catch during the year to
99.5%

The Group's local procurement rate is over
90.0%

SUSTAINABILITY REPORT

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Sustainability Report

Introduction

At KFima we are steadfast in our commitment to driving profitable and sustainable growth that delivers enduring value to all our stakeholders. To this end, we have defined our priorities and established strategic targets for addressing the issues deemed most critical by both our stakeholders and ourselves. We also concentrate our efforts on areas where our capabilities can have the most significant impact and are dedicated to devising practical solutions that are economically viable and environmentally sustainable. Our endeavours support our broader objective of generating societal benefits and actively contributing to nation-building.

Our Approach

The Group recognises that our capacity to achieve sustained growth and secure the future prosperity of the communities in which we operate is directly linked to our responsible stewardship of both human and natural resources. This is reflected in our commitment to the sustainability principles of ethical practices, continuous innovation, environmental protection, the health and safety of our employees, customers, and inclusive growth. We have established an actionable framework comprising five interconnected approaches in order to implement real change. By examining the interactions within this framework, and guided by the principle that "whatever we can measure, we can manage", we are steadily transforming our aspirations into concrete actions and interventions. These data-driven approach provide us with insights into our current position and the more specific goals that we need to accomplish to fully integrate sustainability imperatives with our long-term business objectives and value creation efforts.

Our initiatives are guided by our sustainability policies which are upheld by both KFima and its stakeholders. Implementation of these policies is overseen by the Board of Directors, who are responsible for setting the course of our sustainability journey. Assessments are conducted to identify key issues that are of material importance to our stakeholders and us. These issues are then correlated with the United Nations Sustainable Development Goals ("SDGs") to select relevant indicators. These indicators assist us in measuring and reporting our contributions across environmental, social, and governance ("ESG") aspects of sustainable development.

- Stakeholder Engagement
- Sustainability Governance
- Sustainability Development Goals (SDGs)
- Materiality Matters
- Task Force on Climate-Related Financial Disclosures (TCFD)

Stakeholder Engagement

KFima acknowledges that its diverse operations across various industries and regions necessitate a robust approach to stakeholder engagement. Our objective is to foster resilient and trusting relationships with all groups influenced by or influencing our business activities. Through proactive engagements, we aim to understand their perspectives and concerns regarding our operations, and collaboratively address any potential social, environmental, or economic impacts.

Our approach to stakeholder interaction varies based on the significance of their input and our business needs, ranging from periodic consultations to regular updates, or more frequent engagements when necessary.

Below is an outline of our stakeholder groups, their primary concerns, and how we engage and respond to each group, to ensure transparency and mutual benefit in all our interactions.

Stakeholders	Engagement Platform	Key Concerns	Our Response
Employees 	• Employee Engagement Survey • Performance and career development reviews • Labour union meetings and negotiations • Virtual meetings • Internal communications	• Job security and wages • Conducive workplace • Career development and growth development • Occupational safety and health and well-being • Human rights	• Investing in the attraction, retention, and professional development of a highly skilled and talented workforce. • Offering a range of job opportunities and career advancement paths, along with competitive salary and benefits packages. • Establishing grievance mechanisms and a confidential Whistle-Blowing Policy to address and resolve employee concerns and complaints effectively. • Investing in and enforcing Occupational Safety and Health Management Systems to ensure the health and safety of all employees. • Complying with the United Nations Human Rights Council's Human Rights Policy to uphold and protect fundamental rights and freedoms, guaranteeing equitable treatment for all employees. • Delivering continuous training on integrity and anti-bribery to foster a workplace culture committed to ethical practices and compliance.
Shareholders & Investors 	• AGM meetings • Corporate website • Comprehensible reports and timely disclosure of financial and ESG matters • Response to queries • Meetings with fund managers • Investor Relations Channel	• Timely disclosure of information • Financial performance and resilience • Transparent communication	• Ensuring that communications regarding business performance and policies are rolled out clearly, concisely and promptly to reinforce our shareholders' confidence.

Stakeholders	Engagement Platform	Key Concerns	Our Response
Customers	• Physical or virtual meetings • Audit • Survey • Training and support	• Changing needs of customers and consumers • Business ethics • Innovation • Traceability • Food safety • Health and safety certification • Transparent supply chain	• Maintaining a steadfast commitment to integrity and fairness in all customer interactions, ensuring that our products and services consistently meet established quality and satisfaction standards. • Providing goods and services that are suitable for their intended use and adhere to all relevant safety and quality regulations. • Striving to exceed industry and international certification standards, thereby building trust with stakeholders and increasing our market share. • Regularly assessing consumer feedback, audit outcomes, and satisfaction surveys to pinpoint crucial areas for improvement and continued development. • Adopting a proactive stance to maintain adherence to current standards and prevent complacency in our operations.
Communities	• Town hall with local residents • Community volunteering activities • Environmental and Social Impact Assessment	• Economic empowerment • Livelihood protection • Community safety and health • Environmental protection	• Enhancing local communities by offering employment and nurturing partnerships with local suppliers. • Bettering the lives and economic well-being of local communities through the development and enhancement of infrastructure, along with providing welfare contributions and financial support during hardships or disasters. • Providing financial assistance to facilitate the education of school-age children.
Suppliers & Business Partners	• Meetings • Training and support	• Quality control • Business ethics • Transparency • Sustainability requirements	• Adhering to ethics and integrity policies to ensure fair and impartial procurement practices, fostering stable and long-term relationships with suppliers. • Regularly updating suppliers on regulatory changes to ensure uninterrupted business operations. • Collaborating with suppliers to guarantee a consistent supply of materials, securing long-term availability, and investigating potential new opportunities. • Identifying improvement opportunities based on audits, internal reviews, and other evaluations.
National & Local Governments	• Meetings/dialogues	• Updated licences and permits • Zero compliance issue • Community issues • Community development	• Proactively engaging with federal and local governments, as well as regulatory authorities, to advocate for industry-specific legislation and collaborate on policy development. • Supporting national strategies and contributing actively to the economic and social advancement of the countries in which the Group operates, promoting sustained growth.

Our Materiality Matters

Group Material Matters	GRI	SDGs
Climate Risk	GRI 305	SDG 13, 14
Water Impact and Waste Management	GRI 303, 306	SDG 6, 12, 13, 14
Biodiversity and Deforestation	GRI 304	SDG 12, 13, 14, 15
Human Rights	GRI 405, 408, 409, 412	SDG 1, 2, 4
Occupational Safety, Health and Well-being	GRI 403	SDG 8
Sustainable and Traceable Supply Chains	GRI 102, 204	SDG 12, 14, 15
Product Quality and Safety	GRI 416, 417	SDG 2, 12
Community Investments	GRI 203, 413	SDG 1, 2, 4
Innovation and Technology Excellence	Non-GRI Indicator	SDG 8
Code of Ethics & Governance	GRI 205	SDG 8, 14

Materiality assessments are pivotal in shaping our sustainability strategy as they identify the most pressing ESG issues relevant to our organisation and stakeholders. These assessments also evaluate our Group's ESG performance from the perspective of our stakeholders and determine the significance of each issue across different groups. The insights gained enable us to prioritise and focus on the most critical ESG topics.

To ensure our focus remains aligned with the evolving needs of our operations and stakeholders, KFima revisits its materiality determinations biennially. The last review was conducted in FYE2023 by our Group Corporate Services Department and included an online survey with participation from over 300 stakeholders, including shareholders, employees, suppliers, and government agencies.

The results of each materiality assessment took into account the unique contributions of each business division, analysing factors such as each division's impact on the Group's financial results, workforce size, and growth potential. To guarantee a thorough analysis, we also performed a desktop review to benchmark against current sustainability trends, analyse peer reports, and consider pertinent regulations and guidelines. This comprehensive approach ensures that our sustainability efforts are both targeted and effective, addressing the areas of greatest impact and importance.

KFima's Materiality Assessment Process

Identify issues that could have an impact on the Group's value creation processes as well as internal strengths and weaknesses and broader contextual trends

Distribution of surveys

Internal Survey
Evaluate internal issues

External Survey
Evaluate external issues

Final scoring and issue prioritisation (based on their significance)

Reviewed by and presented to Group Sustainability Committee

Determine matters to be disclosed in the report

Materiality Matrix

The results of our materiality assessment culminated in the Group's materiality matrix, which organises ESG issues based on their perceived importance to stakeholders and their impact on the Group. The X-axis of the matrix reflects the significance of these issues to our operations, while the Y-axis gauges their importance to our stakeholders. The matrix is further segmented into three quadrants, with the top right quadrant identifying the issues of utmost importance to both the Group and stakeholders. This strategic arrangement enables us to concentrate our efforts on managing our impacts and effectively enhancing our relationships with stakeholders.

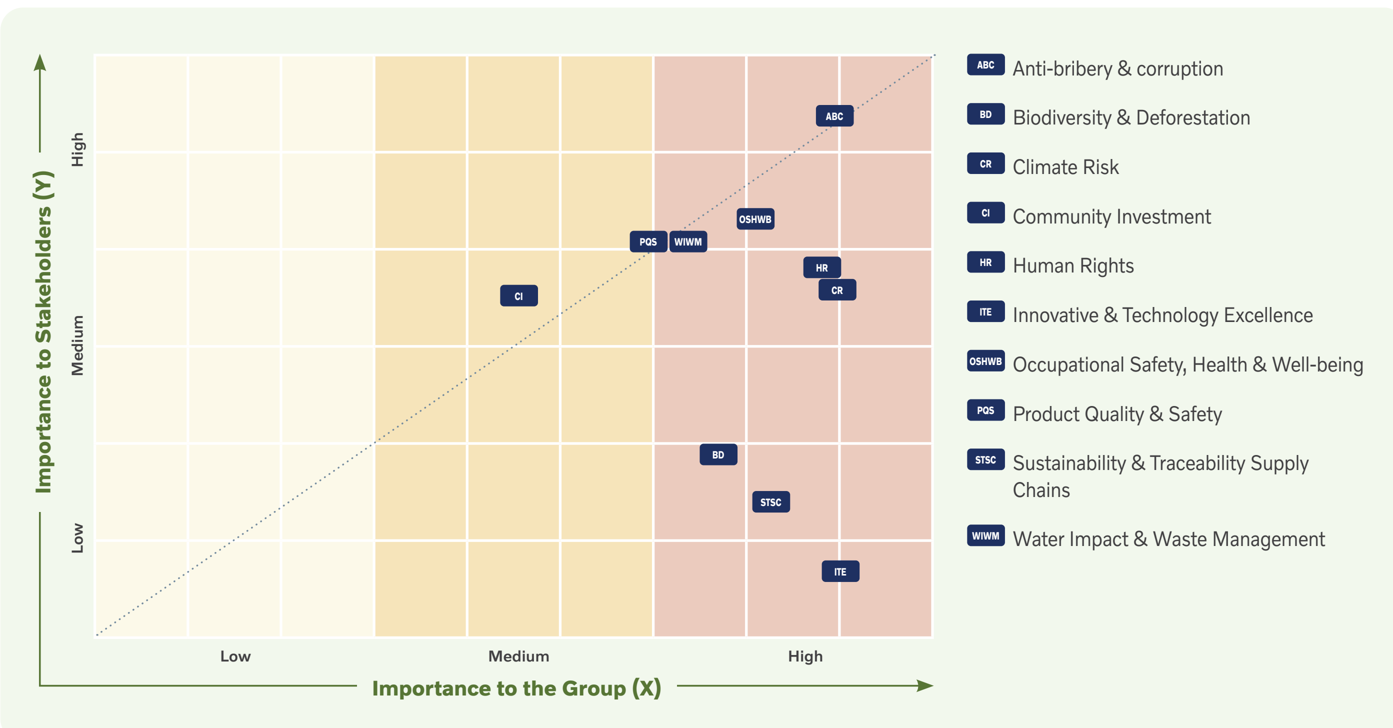
The materiality matrix has identified the following four critical sustainability themes for the Group:

- Anti-bribery and corruption measures
- Occupational safety, health, and well-being
- Human rights protection
- Effective water and waste management

While each theme is essential in its own right, these issues were found to be deeply interwoven, with each significantly affecting the others. For instance, a safe and supportive workplace is crucial for maintaining the dignity and rights of employees, which in turn helps uphold human rights standards. Conversely, robust anti-corruption measures support a safe work environment and protect human rights by preventing practices that could endanger both. Similarly, managing environmental impacts such as water usage and waste disposal is critical for mitigating climate risk, which is another area of major concern for the Group.

These interconnected themes highlight the importance of an integrated response from the Group. By developing comprehensive strategies that address these issues collectively, we can advance towards a more sustainable and ethical business model that benefits both the organisation and its stakeholders.

Further details on our approaches and outcomes in these areas are outlined in the subsequent sections of this Sustainability Report.



United Nations Sustainable Development Goals

KFima has integrated the United Nations Sustainable Development Goals ("UNSDGs") into its sustainability strategy. Established in 2015, the UNSDGs comprise 17 goals that serve as a universal call to action to address global challenges such as poverty, inequality, climate change, and environmental degradation.

The Group strategically leverages its business operations to contribute towards these goals with a particular emphasis on the following:

- The manufacturing and sale of products it produces and the way in which they are produced.
- The use by host government of the taxes that the Company pays.
- The creation of economic and social value in the communities where we operate by creating local jobs.
- Supporting local supply chains through development programmes, training, and investment, fostering economic independence and resilience.
- The efforts undertaken to reduce the environmental footprint of the business.

KFima has identified 9 SDGs that are especially pertinent to our current business operations and resonate with our corporate vision and strategic planning. These goals guide our targeted efforts and initiatives. While our focus is on these 9 goals, our broader corporate activities and ethical commitments align with the overarching aim of all UNSDGs. The following table illustrates how these prioritised SDGs have been incorporated into our Sustainability framework, mapped with our materiality matters, Global Reporting Initiative ("GRI") disclosures, as well as our key risks. The table also outlines the contributions that KFima has made towards upholding these SDGs in our operations.

Our Environment

Land, Water & Climate

Group Material Matters

- Climate Risk
- Water Impact and Waste Management
- Biodiversity and Deforestation

Alignment with GRI

302, 303, 304, 305, 306

Metrics Measured and Monitored

- Energy Consumption – renewable and non-renewable
- Greenhouse gas emissions ("GHG") (Scope 1 and 2 emissions)
- Intensity for fuel consumption (harvesting operation)
- Intensity for water consumption (FFB processing)
- Tracking water withdrawals and consumption
- Waste disposal amount and type

Our Contribution

- Implementing sustainable agricultural practices and best management practices across our estates, adhering to the Malaysian Sustainable Palm Oil ("MSPO") and Good Agricultural Practices ("GAP") standards.
- Ensuring wastewater discharge quality meets or exceeds regulatory standards to effectively mitigate water pollution.
- Optimising alternative water sources through initiatives such as water harvesting and recycling.
- Adopting renewable energy sources, such as solar power, biodiesel, and biomass, to reduce the Group's carbon footprint.
- Maintaining efficient water and energy management systems that comply with industry and international standards, including ISO 14001 and ISO 5001.
- Utilising natural resources efficiently through the principles of Recycle, Reuse, Reduce, and Refuse.
- Ensuring supply chain transparency and compliance with international standards, including certifications from the National Fisheries Authority (NFA), Marine Stewardship Council (MSC), and Dolphin-Safe labels.

Our People
Livelihood, Health & Well-Being

Group Material Matters

- Human Rights
- Occupational Safety, Health and Well-being
- Community Investment

Alignment with GRI
102, 202, 203, 401, 402, 403, 404, 405, 406, 407, 409, 412, 413

Metrics Measured and Monitored

- Diversity throughout the Group
- Employee training and development
- Number of work-related fatalities
- Work related injuries
- Accident & Lost time Injury Frequency Rate (LTIFR)
- Community engagement and investments where we operate

Our Contribution

- Creating business opportunities and economic empowerment through gainful employment for local community members to sustain their livelihoods.
- Implementing human resources policies that ensure minimum wage compliance and fair remuneration for work performed.
- Meeting employees' personal and professional development needs through substantial investments in training programmes.
- Offering educational support and initiatives for youth development.
- Addressing the increasing demand for affordable protein.
- Promoting the health and well-being of local communities.
- Sharing company infrastructure, such as providing solar energy and clean water to neighbouring communities.
- Offering humanitarian support during times of adversity or following natural disasters.
- Minimising food waste and repurposing waste as by-products.
- Enhancing agricultural yields and extraction rates through the adoption of best practices.
- Sourcing from vendors that are environmentally and socially responsible, reputable, and adhere to sustainable practices.
- Maintaining a healthy, safe, and conducive work environment.

Our Business
Fair, Inclusive and Decent Society

Group Material Matters

- Sustainable and Traceable Supply Chains
- Product Quality and Safety
- Innovation and Technology Excellence
- Code of Ethics & Governance

Alignment with GRI
102, 201, 204, 205, 417, 418

Metrics Measured and Monitored

- Anti-bribery and corruption
- Value Distribution to our Stakeholders
- Supporting Local Procurement
- Y-o-Y improvement, technology and process innovation
- Quality standards and certifications of our operations

Our Contribution

- Implementing and maintaining transparency in the supply chain with adherence to international standards such as MSPO, ISO 37001, and BSCI.
- Ensuring compliance with Occupational Health and Safety standards to maintain a safe and healthy work environment.
- Integrating human rights commitments into our operations, including non-discrimination, anti-modern slavery, child labour prevention, and anti-harassment policies.
- Sourcing from environmentally and socially responsible vendors known for their sustainable practices.
- Establishing corporate and sustainability governance policies including Codes of Conduct, Anti-Bribery Policies, and Whistle-Blowing Policies.
- Collaborating with non-governmental organisations that advocate for a fair, inclusive, and decent society.
- Upholding the practice of freedom of association by recognising and engaging with union members.

Task Force on Climate-Related Financial Disclosures

The Task Force on Climate-Related Financial Disclosures ("TCFD") guides companies on the disclosure requirements that financial markets require in order to evaluate and address climate change impacts. This report outlines our ongoing efforts and future priorities within this framework as we work on incorporating the evaluation of climate-related risks and opportunities into our governance, strategic planning, risk management, and reporting practices. The Group's alignment with TCFD guidelines, coupled with emerging best practices and insights from key stakeholders, ensures that we remain proactive and responsive in our climate-related financial reporting.

GOVERNANCE

Board-Level Oversight

KFima's sustainability agenda, which encompasses our climate change initiatives, is supported by the Group's governance framework in which the Board assigns specific responsibilities to dedicated Committees according to their respective scopes and mandates.

The delegation of responsibilities within this framework is organised as follows:

- The Audit and Risk Committee ("ARC") is tasked with overseeing comprehensive ESG reporting, which encompasses climate-related disclosures.
- The Group Sustainability Committee ("GSC") monitors the execution of the Group's sustainability strategy, focusing on climate initiatives and the exploration of related opportunities. We closely track the intensity of our resource consumption. Following the principle of "measure to manage," this approach helps us pinpoint areas where we can significantly reduce our resource footprint, and set targeted sustainability goals while tracking progress on improvement initiatives.
- The Nomination & Remuneration Committee ensures that ESG factors, including specific climate-related targets, are incorporated into the Key Performance Indicators ("KPIs") for the Group Managing Director ("Group MD").
- The Risk Steering Committee ("RSC") evaluates climate risks as a component of its broader review of key enterprise and emerging risks, and manages these within the Group's Enterprise Risk Management ("ERM") framework.

Management-Level Oversight

Role	Climate-related responsibility
Group MD	The Group MD takes the lead in setting guidelines on sustainability and managing the Group's climate risk
Group Corporate Services	The GCS supports the Group MD and Chairman of the GSC in reporting and assessing climate risks and opportunities that impact our operations
Divisional Working Groups	The DWG assesses, measures and reports on the sustainability performance of the respective areas of operation

RISK MANAGEMENT

The Group recognises that climate change can adversely impact our operations and our stakeholders on a physical level. Identifying climate-related risks as part of our strategic risk process is integral to achieving sustainability and protecting enterprise value. Additionally, the Group's primary risks have also been aligned with our prioritised material matters and the SDGs.

STRATEGY

The Group has pinpointed three critical areas of climate risk that are deemed most consequential: the shift in stakeholder and societal preferences towards low-carbon products, evolving government policies along with regulatory and legal shifts, and the potential for reputational damage if climate risks are not managed effectively.

In response, our climate change strategy encompasses a dual approach of adaptation and mitigation. This strategy includes initiatives to reduce greenhouse gas ("GHG") emissions, bolster infrastructure resilience, and drive continuous innovation.

To support the successful execution of our sustainability strategies and the management of associated climate risks, we have incorporated relevant ESG metrics into the KPIs of the Group MD. These KPIs are then distributed to management and divisional levels. At these levels, managers are tasked with developing detailed KPIs and actionable plans that are aligned with the specific Group MD's KPIs. These plans are designed to monitor and enhance effectiveness, productivity, efficiency, cost management, and ESG performance within their respective areas of operations.

METRICS AND TARGETS

Since 2018, the Group has reported on its climate-related performance in both its Sustainability and Annual Reports. Our sustainability strategy has been progressively refined to meet the evolving needs and expectations of our stakeholders.

Our approach follows the "measure-monitor-manage" principle. We assess the efficiency of energy and water usage by measuring their intensity (e.g., kWh per square meter of office space) for key processes. These metrics are interconnected with our governance, strategy, and risk management framework, and guide us in identifying necessary actions and interventions to be taken to drive increased resource efficiency and mitigate the impact of our activities on climate change.

🟢 On track/Completed 🟠 Work in progress 🔴 Pending

Progress Made in FYE2024		What's Next
GOVERNANCE		
Sustainability targets (including climate-related targets) are integrated into the Group MD's KPIs in FYE2024 which is then cascaded down to divisional management.	🟢	To enhance and review our sustainability KPIs to ensure alignment with industry best practices and to address significant ESG issues. These KPIs may vary based on factors such as the pace of industry changes, emerging sustainability trends, regulatory developments, and stakeholder expectations.
	🟠	Climate-risk training programmes to develop the skills of key personnel and general knowledge of the wider Group.
	🔴	To implement a pilot quantitative scenario exercise to develop relevant methodologies.
Embedded ESG (including climate-related risks) for any new major projects are presented to the Board for decision making. The GSC reviews the operating units' performance and delivery against agreed actionable plans to ensure accountability and continuous improvement.	🟢	To identify individuals to champion sustainability projects within their respective divisions and improve line of sight.

On track/Completed Work in progress Pending

Progress Made in FYE2024	What's Next
RISK MANAGEMENT	
The Group's commitment to minimise its environmental impact is integrated in the Group's Key Enterprise Risks. Furthermore, all our key risks are aligned with our prioritised material matters and SDGs.	Regular review of our Group's Key Risk Areas to ensure their ongoing relevance. Develop internal climate-risk reporting formats. To further embed climate-risk in our risk management and decision-making processes. To implement training and awareness programmes to keep our teams informed and prepared for evolving sustainability challenges.
STRATEGY	
KFima strategically invests in resources as well as infrastructure adaptation to improve the resilience of its businesses e.g., land development planning, energy-efficient lighting and heating systems, plant and machinery, and reporting system enhancements. In FYE2024: • The Group's solar power capacity increased by 82.3% from 384kWp to 700kWp. Renewable energy sources make up 3.9% of the Group's total energy usage in FYE2024; • Introduced task-based activities and amalgamated estate operations which improved the efficiencies and productivity of the estate's FFB production and collection processes.	The Group is currently committed to: • further advancing our adaptation efforts by investing in mechanisation, improving our processes and expanding our renewable energy initiatives across the entire Group. • accelerating our regenerative agriculture programmes that can improve nutrient retention, reduce soil erosion and increase carbon sequestration. To enhance our Sustainability Reporting System (SRS), we will implement the following: • to include new metrics and data points • to include data analytics capabilities

Progress Made in FYE2024 METRIC AND TARGETS	FYE2024	FYE2023	What's Next
Intensity Our GHG emissions intensity (tCO2eq/RM million revenue) by divisions are as follows: • Bulking • Plantation • Food • Manufacturing *Further information on the Group's Energy Management is available in the Environment section of the Sustainability Report and the Performance Data section of this Annual Report*	 95.69 45.06 42.24 25.20	 114.49 37.61 37.80 15.89	The Group will continue to analyse the impact of our strategy to reduce GHG emissions/resource use as we pursue value creation. This involves ongoing assessments of the effectiveness of our initiatives to achieve greater efficiency in resource consumption and generation while maintaining our business's growth.
Greenhouse gas (GHG) (tCO2e) • Scope 1 emissions • Scope 2 emissions • Scope 3 emissions *Note: Employee commuting was included in Scope 3 emission in FYE2024*	 33,153 4,150 1,281	 32,389 4,238 1,421	Our Scope 3 emissions reporting will consist of: • upstream transportation and distribution • waste generated from operations • employee commuting Moving forward we will include business travel in the Scope 3 emissions reporting.
Energy Consumption (gigajoule ("GJ")) • Bulking • Plantation • Food • Manufacturing	 186,254 87,230 76,302 7,718	 184,373 81,375 75,660 9,248	To remain focused on energy efficiency efforts, optimising operational processes and regularly monitoring and analysing energy usage to achieve sustainable reductions in consumption and cost.
Waste (MT) • Bulking • Plantation • Food • Manufacturing	 398 161,368 920 58	 195 190,233 1,040 148	To continuously prevent and minimise waste by reusing, recycling and energy recovery as well as practicing safe waste disposal. We aim to maximise resource efficiency, reduce environmental impact, and promote sustainable business practices.

Main Risks and Opportunities

TRANSITION RISKS

- Shift in societal preferences towards low-carbon products.
- Enhanced emissions reporting and other reporting obligations.
- Development of new government policies, regulatory, and legal frameworks, such as carbon taxes.
- Potential for reputational harm if climate risks are inadequately addressed.
- Substitution of products driven by advancements in technology and new processes.
- Increased cost of energy and raw materials.
- Changing customer behaviour.

Potential Impacts

Decrease in revenue

- Reduced demand for products and services due to change of consumer preferences can potentially impact our Financial Capital.

Increased compliance costs

- Adjusting to new regulations and policies could necessitate investments in processes, potentially affecting our Financial Capital as well as our Social and Relationship Capital.

Required investment in new technologies and process change costs

- Adapting to the increasing demand for low-carbon products and services may influence our Natural and Manufactured Capital.
- The shift towards more sustainable practices and processes incurs costs, such as retraining employees, which could affect our Human and Financial Capitals.

PHYSICAL RISKS

- Chronic risks such as altered rainfall patterns and increased average temperatures.
- Acute risks including extreme weather events and severe sea conditions.

Potential Impacts

Disruptions to business operations, risks to the workforce from illness or injury, and damage to physical assets and infrastructure can adversely affect our Financial, Manufactured, and Human Capital.

OPPORTUNITIES

- Potential opportunities to develop innovative "green" products and services.
- Lower operational costs through greater resource and energy efficiency.
- Innovation to improve productivity and drive sustainability efforts to address climate-related challenges, which can simultaneously reinforce the Group's reputation as a responsible corporate citizen.

Our Environment

We employ a proactive approach to reducing the environmental impact of our business activities and enhancing resilience against climate change. We achieve this by integrating sustainable practices throughout our operations, with particular focus on energy and resource efficiency, waste reduction and understanding how sustainability imperatives are shaping our strategy amid the challenging operating context.

Acting responsibly is an integral value of the Group. Guided by the principles outlined in the Group's Environmental Policy, our environmental management strategy ensures that every action we take supports our sustainability objectives to be good stewards of the lands we cultivate, to have a lasting positive impact on, and create value for all our stakeholders.

Our Alignment to SDGs

6 CLEAN WATER AND SANITATION | 12 RESPONSIBLE CONSUMPTION AND PRODUCTION | 13 CLIMATE ACTION | 14 LIFE BELOW WATER | 15 LIFE ON LAND

Please scan this QR code to view our Environmental Policy

Strategic Commitments

- We promote responsible stewardship of the environment
- We strive to use natural resources efficiently and minimise waste
- We foster partnerships with local communities and stakeholders to address environmental issues
- We continuously work on improving our energy efficiency and reducing the use of non-renewable energy
- We strictly practise zero burning in our oil palm plantation operations
- We commit to complying with legislation and regulations on the environment
- We employ the use of sustainable agricultural practices

BIODIVERSITY AND DEFORESTATION

GRI 304-1, 304-2, 304-3, 304-4

Given the diverse scope of the Group's business operations, we acknowledge the potential impact the Group may have on the environment and surrounding communities. To deliver the greatest impact, our environmental management framework integrates habitat conservation, water use and quality, soil conservation, which is in line with SDG 14: Life Below Water and SDG 15: Life on Land. Our policies also address various key sustainability obligations of the oil palm industry, which include, among others, obligations related to deforestation issues, greenhouse gas reduction and zero burning.

PT Nunukan Jaya Lestari

Sustainable Agricultural Practices

We strive to achieve cost-efficiency in our oil palm plantations by increasing the productivity of our estates per hectare through the adoption of sustainable agricultural practices. We adhere to the strict policy of "no deforestation and the protection of peat areas" in new plantation developments. Consultants are appointed to conduct the required social and environmental impact assessments prior to any new developments.

KFima's zero-burning policy strictly forbids any open burning for the purpose of new planting or replanting of oil palm. Similarly, for waste management, we reuse and recycle our resources; biomass residues such as palm kernel shells and fibre residues are utilised as a fuel source for steam and electricity generation while empty fruit bunches ("EFB") are used as natural fertiliser.

Conservation Areas

Riparian reserves populated by native species are maintained along riverbanks within our oil palm estates. These reserves play a crucial role as safe corridors for wildlife, offering sanctuary and a natural habitat for various species of jungle flora and fauna. Our protected areas Group-wide total 863 hectares in aggregate. Areas which are not planted (e.g. steep areas/slopes) are earmarked as conservation areas where the natural vegetation is maintained.

In Indonesia, our subsidiary PT Nunukan Jaya Lestari ("PTNJL") established water catchment zones within its estate. Here, chemical applications are strictly prohibited, allowing for the rehabilitation and preservation of natural vegetation.

Estate	FYE2024 Conservation Area (HA)	FYE2024 Buffer Zone (HA)	FYE2023 Conservation Area (HA)	FYE2023 Buffer Zone (HA)
Ladang Fima Cendana	7	0	7	0
Ladang Bunga Tanjong	0	5	0	5
Ladang Fima Dabong	31	0	31	0
Ladang Fima Aring	11	19	11	19
Ladang Machap	0	1	0	1
Ladang Ayer Baloi	0	3	0	3
Ladang Kota Tinggi	0	3	0	3
Ladang Fima Sg. Siput	337	13	337	13
Ladang Amgreen	15	136	15	136
Ladang FCB Kuala Betis	52	58	52	58
Ladang FCB Aring	36	8	0	0
PTNJL	22	106	22	106
TOTAL	**511**	**352**	**475**	**344**

Soil Management

We do not plant oil palms on steep slopes exceeding 25 degrees and elevations above 300 metres above sea level. Where feasible, we employ double terracing to conserve topsoil and mitigate erosion. In PTNJL, we utilise EFB and compost to enhance soil fertility and, reduce reliance on chemical inputs.

We strategically cultivate leguminous cover crops such as *Mucuna bracteata*, *Calopogonium mucunoides*, and *Calopogonium caeruleum*. *Mucuna bracteata*, specifically, aids in erosion control on slopes and enhances soil nutrient. Its rapid growth also helps to prevent weed growth.

Biological Pest Controls

Beneficial plants such as *Turnera subulata*, *Antigonon leptopus*, and *Cassia cobanensis* are planted to attract predators (insects) of leaf pests. These predators feed on leaf pest larvae, thereby minimising the usage of pesticides. In addition, and as part of our efforts to curb the prevalent rodent population without the use of pesticides or chemicals, our estates in Johor, Kelantan and Terengganu have installed a total of 83 nest boxes to attract owls. The method has so far proven to be effective and there are plans to install 20 more nest boxes in Ladang FCB Aring by July 2024. These practices also help reduce operational greenhouse gas emissions and prevents the release of pollutants into the soil and waterways.

Mechanisation

We have accelerated our mechanisation initiatives during the year, specifically in the areas of in-field collection, fertiliser application, and seedling transfer from the nursery. Mechanising in-field collection through the deployment of motorised wheelbarrows across our Malaysian estates has led to a higher land-to-labour ratio, and enhanced the productivity and earnings potential of our workers. Although the upfront costs of investment,

fuel and operating costs of these vehicles are present, these are offset by lower labour cost and higher returns on the back of improved yields.

WATER IMPACT

GRI 303-1, 303-2, 303-3, 303-5

Water is an important resource which is used extensively throughout our supply chains. Accordingly, we make every effort to ensure efficient water use through increased recycling, rainwater harvesting and monitoring the water intensity of our production processes.

Water Consumption and Management

KFima's water supply is obtained from various sources, including municipal sources, harvested rainwater, and treated surface water from nearby lakes, rivers, and borewells. Within our operations, water is primarily utilised in our Bulking, Food, and Plantation divisions for utility systems, including steam generation and cooling processes. In the Food division, water is also used as a process medium and cleaning agent to meet the requisite product hygiene and quality standards.

Water by Source (ML)

	FYE2024	FYE2023
Surface water	183	302
Groundwater	277	293
Municipal water	310	294
Grand Total	**770**	**889**

Water by Division (ML)

	FYE2024	FYE2023
Plantation	216	343
Bulking	259	237
Manufacturing	15	18
Food	265	276
Head Office	15	15
Grand Total	**770**	**889**

The Group's water consumption data for FYE2024 reflects both progress and areas for improvement. While there was a burst pipeline incident at Ladang Bunga Tanjong in June 2023, we are pleased to report a significant 39.4% reduction in surface water consumption compared to last year. This achievement is driven by PTNJL's palm oil mill installation of a decanter that was completed last year.

Installation of rainwater tanks have now become a standard green feature in all new developments of workers' quarters and factory complex, wherever possible. This allows us to harvest rainwater for various uses. As at the date of this report, there are 142 rainwater tanks with a combined storage capacity of 239,461 litres across the Group.

Water Discharge

We ensure that discharged water is ecologically safe and the quality meets all regulatory requirements. In this regard, we subject them to thorough testing by a third-party laboratory. The results of these tests are then submitted to the relevant authorities in compliance with their reporting requirements.

Within our Bulking division, our effluent management procedures are aligned with the Waters Act 1920 and the Water Services Act 2006. Similarly, in Papua New Guinea ("PNG"), IFC abides by the directives set forth by the Conservation & Environment Protection Authority ("CEPA") and local governing bodies. IFC operates its own wastewater treatment plant that treats process water from their tuna and mackerel operations. The quality of treated wastewater discharged by the plant consistently meets the standards established by PNG Water.

PTNJL has successfully repurposed its final effluent pond at the palm oil mill into a thriving fish breeding pond. Through effective POME treatment and pond management practices, this conversion ensures that any potential overflow poses no harm to the environment.

Spotlight Story

IFC's Water Optimisation Initiative in Papua New Guinea

Production at IFC's fish processing facility requires large amounts of water. As such, over the last few years, IFC has kept its focus on ways to optimise the water usage in their factory. The factory's water usage was estimated to exceed 1,000 cubic meters (cbm) per day, raising concerns about efficiency of its resource management and environmental impact. To address this challenge, IFC installed flowmeters at key points throughout its production line in FYE2023 to measure, monitor, and manage water usage at various stations, pinpointing areas that required improvement.

With the flowmeters in place, the data collected revealed inefficiencies in key areas where most water was used: mackerel and tuna sanitation, tuna trolleys, mackerel can washers, boilers, and tuna retorts. More specifically, it was determined that the initial fish cleaning process was using 20% more water than necessary. By adjusting the water pressure and implementing a timed-release system that automatically shuts off water flow when not in use, IFC managed to reduce water usage in this area.

Furthermore, IFC introduced a water sprayer system especially for the sanitation areas such as pre-cooker, loins, and packaging with a lesser amount of water. This system not only conserves water but also reduced the consumption of fresh water by 10% and as a result, the factory's water footprint shrank by 17% compared to the 2020 baseline year. This translates to savings of approximately 162.1 cbm of water per day.

Continuous improvement has also become a cornerstone of the initiative, encouraging employees to brainstorm and develop ideas to further enhance water efficiency, thus fostering a culture of innovation and collective responsibility.

In this current financial year, IFC aims to reduce its manufacturing costs per metric tonne by cutting water use for its tuna and mackerel production by 10%. The project has already begun, and the team at IFC is currently undertaking detailed process mapping to identify water usage at each stage of production and pinpoint the processes with the highest water consumption.

Water Intensity

Company	Business	Unit	FYE2024	FYE2023
PTNJL	Palm Oil Mill	cbm/MT	0.28	0.48
IFC	Fish Process	cbm/MT	26.85	23.73

In Indonesia, PTNJL's palm oil mill achieved a 41.6% reduction in water intensity for FFB processing compared to the previous year, which can be attributed to the installation of a decanter and the adoption of dry-cleaning practices across all stations except for steriliser cleaning. Additionally, the installation of rainwater harvesting systems for wet cleaning tasks at key stations, including the clarification station, reception, and kernel plant, has further contributed to a reduction in the mill's overall water use.

At IFC, water intensity per tonne of fish processed increased, by 13.1%. Despite this increase, water usage decreased by 3.9%, from 273,992 cbm to 263,327 cbm compared to last year. This reduction is primarily attributed to ongoing initiatives to lower its water usage across all stages of the production process areas.

WASTE MANAGEMENT

GRI 306-1, 306-2, 306-3, 306-4, 306-5

Treating waste as a resource is not just an environmental imperative, but also a strategic opportunity as it allows us to enhance efficiency and lower costs. Reducing waste through reuse, recycling, and energy recovery can mitigate our environmental risks while maximising resource utilisation. We also uphold stringent industry standards and regulatory mandates to ensure the safe transportation and meticulous disposal of hazardous waste and residual products through accredited contractors. In doing so, we aim to mitigate any environmental risks and safeguard human health.

Focused efforts are directed towards our Plantation and Food division, where organic waste generation is most pronounced. Through targeted waste management schemes tailored to these sectors, we aim to optimise resource usage and minimise environmental impact and strive towards zero waste and zero discharge.

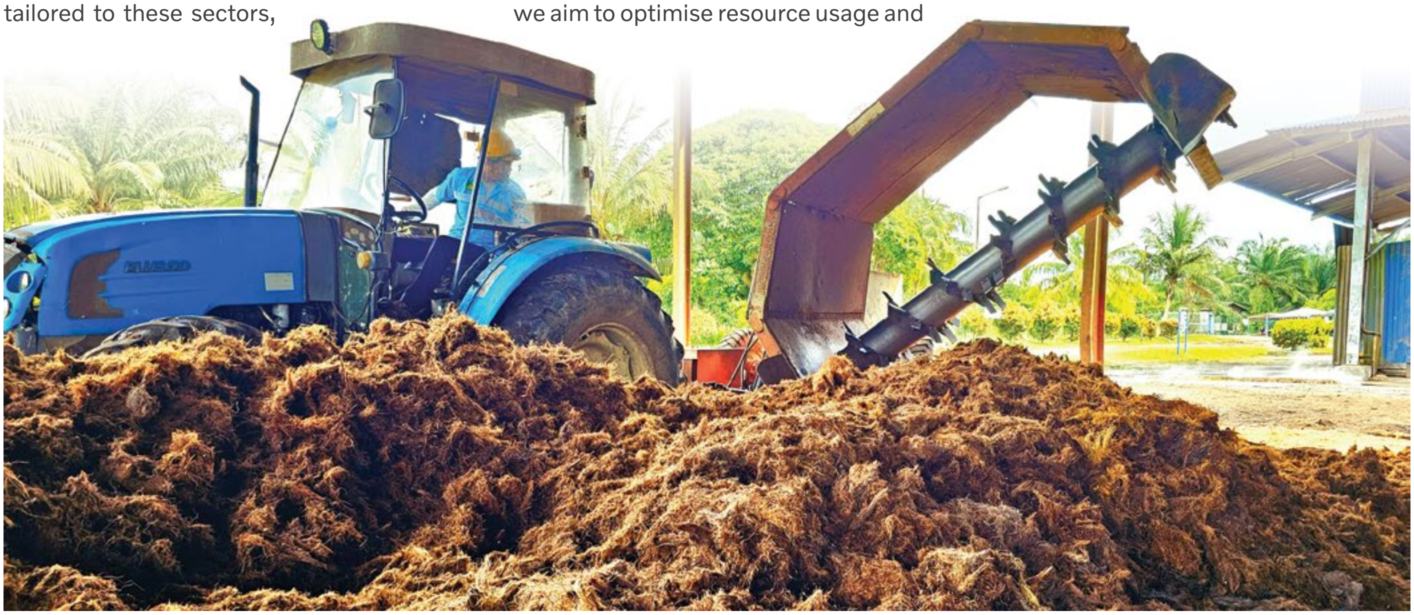
Waste by Type (MT)

Type	FYE2024	FYE2023
Hazardous	124	178
Non-hazardous	162,620	191,438
Grand Total	**162,744**	**191,616**

Waste by Division (MT)

Type	FYE2024	FYE2023
Plantation	161,368	190,233
Bulking	398	195
Manufacturing	58	148
Food	920	1,040
Grand Total	**162,744**	**191,616**

During the year, there is a reduction in hazardous waste generation through a combination of operational improvements and category adjustments. Notably, the Bulking division reclassified flexibags, which now store non-hazardous palm oil, which resulted in a significant decrease in classified hazardous waste.



Spotlight Story

Transforming Waste into Sustainable Fuel

Fima Biodiesel's plant ("FBio") was originally designed and set up to process vegetable oils for biofuels as an alternative to petroleum diesel.

In 2022, FBio saw an opportunity to transform Used cooking oil ("UCO") and palm oil mill effluent oil ("POME") into valuable biofuels. Used cooking oil ("UCO"), vegetable or animal-based oil used for cooking, and oil extracted from palm oil mill effluent ("POME"), as well as the wastewater generated from palm oil processing, were traditionally considered waste products. However, unlike previously used feedstock, UCO and POME have higher free fatty acid ("FFA") levels. Through extensive six-month lab trials, FBio's team successfully identified optimal processing settings to utilise these waste feedstocks without requiring significant plant modifications.

The result of these efforts has been favourable. Our plant's achievements to date include consistently maintaining a high production yield, lower steam, and methanol consumption comparatively to last year performance. The environmental benefits are equally significant. The use of waste products as feedstock contributes to a circular economy and calculations based on International Sustainability and Carbon Certification ("ISCC") methodology indicate a carbon avoidance ("GHG emissions savings") exceeding 80%. (For more information, please visit: https://www.iscc-system.org/about/sustainability/ghg-emissions-calculations/).

Waste by Disposal Method by Type (MT)

Disposal Method	FYE2024 Hazardous	FYE2024 Non-Hazardous	FYE2023 Hazardous	FYE2023 Non-Hazardous
Reuse	1	121,194	Nil	137,709
Recycle	Nil	178	Nil	291
Composting	Nil	40,871	Nil	53,438
Recovery	122	Nil	110	Nil
Landfill	Nil	377	63	Nil
Incineration	1	Nil	5	Nil
Grand Total	**124**	**162,620**	**178**	**191,438**

Total Waste Reused, Recycled, Recovered and Composted		Fish Parts/Trimming Converted to Value Added-Products		Avoided Waste
	Quantity	Fishmeal (MT)	Crude Fish Oil (MT)	Total
FYE2024	161,811	747	68	162,626
FYE2023	190,722	784	134	191,640

Value from Waste : Fertiliser and Fuel

Within the Plantation division, waste reduction is achieved through reusing, recycling, and energy recovery. Our palm oil mill in Indonesia produces EFB and POME, which are recovered and reprocessed into fertiliser, compost, and energy feedstock. We make sure that our POME is properly treated before it is combined with shredded EFB to generate compost. POME discharged from the mill cannot be released into the environment in its raw form as it contains high acids and nutrients that can increase the levels of Biochemical Oxygen Demand ("BOD"). Since the implementation of POME treatment, our average BOD reading for POME during land application has been within the permitted discharge limits of less than 5,000 parts per million (ppm).

Empty fruit bunches ("EFB") produced (MT)

Type	FYE2024	FYE2023
Total EFB produced	33,540	38,576

Once the POME is collected from the mill, it is treated in on-site open ponds, away from any other water sources to prevent contamination. The organic material in the wastewater is then broken down naturally by anaerobic and aerobic bacteria. This process eliminates the need to add any chemicals before POME is mixed in with shredded EFB and other plant by-products to create compost.

PTNJL management carries out checks on a regular basis to ensure our waste management practices are in strict compliance with local regulations, and to prevent contamination to other water sources.

Transforming By-Products into Value-Added Goods

The Group's production processes generate various residuals and wastes, such as biomass from plantation and fish parts from the Food division. These waste streams are diverted from landfills, with the biomass utilised as a fuel source for internal steam and electricity generation, while fish parts from IFC's main production lines are processed into fishmeal and fish oil. The Halal, Kosher and Marine Stewardship Council certifications of IFC's main production line ensure compliance with strict quality and sustainability standards. The demand for fishmeal and fish oil is strong, driven by the aquaculture and animal feed sectors, where these products are important high-protein ingredients in feed.

Fishmeal and Crude Fish Oil produced (MT)

Type	FYE2024	FYE2023
Fishmeal	747	784
Crude Fish Oil	68	134

ENERGY MANAGEMENT

GRI 302-1, 302-3, 302-4, 302-5

Efficient energy management is crucial to the Group as it helps to reduce our reliance on natural resources, lower carbon emissions and ultimately reduce operational costs. Each division within the Group has their own internal targets and performance metrics that they use to track energy consumption, intensity and detect inefficiencies. This data-driven approach has been a critical enabler of continuous improvement, which, when compounded over time, is expected to drive significant business impact for the Group.

The Group's energy consumption in FYE2024 saw a 1.9% increase primarily due to Plantation division's fuel consumption increased by 5.8% from 1,448,162 litres to 1,532,436 litres as Ladang Fima Cendana and Ladang FCB Kuala Betis have adopted the use of motorised wheelbarrows in their operations. On the other hand, lower electricity consumption in the Manufacturing division as PKN's total purchased electricity consumption decreased by 31.7% from 2,282 megawatts to 1,559 megawatts. Their relocation to a new, more energy-efficient facility complex, along with lower operational levels largely contributed to the decline.

Energy Consumption by Division (GJ)

Division	FYE2024	FYE2023
Plantation	87,230	81,375
Bulking	186,254	184,373
Manufacturing	7,718	9,248
Food	76,302	75,660
Head Office	869	933
Grand Total	**358,373**	**351,589**

Types of Energy (GJ)

Types of Energy	FYE2024	FYE2023
Diesel & Petrol	164,045	154,721
Fuel Oil	163,501	165,290
Solar PV	2,938	1,955
Biomass	10,909	12,287
Purchase Electricity	16,980	17,336
Grand Total	**358,373**	**351,589**

Fuel Intensity

Plantation: Harvesting Transportation Fuel Intensity Per Tonne FFB Produced (L/MT)

	Unit	FYE2024	FYE2023
Malaysia	L/MT	3.73	3.11
Indonesia	L/MT	2.85	2.92

Note: Fuel Oil consist of diesel and petrol. Transportation includes motorised wheelbarrow and internal transport.

Bulking: Fuel Oil Intensity Per Tonne Heated Product (L/MT)

	Unit	FYE2024	FYE2023
Boiler	L/MT	3.03	3.67
Transportation	L/KM	0.43	0.43

Food: Diesel Intensity Per Tonne Fish Processed (L/MT)

	Unit	FYE2024	FYE2023
Generator	L/MT	105.10	75.83
Boiler	L/KM	116.03	110.38

Renewable Energy

Although our business operations rely mostly on fossil fuels for our transportation and equipment, we actively integrate renewable energy sources such as solar power and biomass where feasible.

The integration of solar power and biomass technologies allows us to diversify our renewable energy portfolio and aligns with our ongoing goals to reducing our carbon footprint. Renewable energy accounts for 3.9% of the Group's energy usage in FYE2024.

Furthermore, palm biomass such as palm kernel shells, EFB, and fibre residues generated by our palm oil mill in Indonesia are utilised as feedstock for the steam boiler to generate high-pressure steam. This steam is then used to fuel the steam turbine in the cogeneration plant. The electricity and heat generated from the cogeneration plant provides 100% of our mill's energy needs. It also provides power to workers' quarters, government facilities, schools, and mosques.

Renewable Energy – Consumption (MWh)

Division	FYE2024	FYE2023
Solar Power		
Plantation	57	42
Bulking	126	144
Manufacturing	432	149
Head Office	201	208
Total Solar Power	**816**	**543**
Biomass		
Plantation	3,030	3,413
Total Renewable Energy	**3,846**	**3,956**

Note: Biomass is derived from the use of fibre and shells from palm oil mill.

GHG EMISSIONS

GRI 305-1, 305-2, 305-3, 305-4, 305-5

GHG Emission by Division (tCO2e)

Division	FYE2024	FYE2023
Plantation	7,977	7,686
Bulking	21,814	21,209
Manufacturing	1,552	2,059
Food	7,105	7,034
Head Office	136	60
Grand Total	**38,584**	**38,048**

Notes: The GHG emission in Bulking & Biodiesel factor for fuel oil has been revised and the factor for diesel has been revised from 2.69 to 3.14, reflecting the changes from DEFRA to ISCC.

GHG Emission by Type (tCO2e)

Type	FYE2024	FYE2023
Non-Renewable		
Petrol	665	217
Diesel	15,578	15,214
Fuel Oil	18,115	18,314
Purchase Electricity	4,151	4,238
Renewable		
Biomass	4	4
Solar PV	59	40
POME	12	21
Grand Total	**38,584**	**38,048**

Direct Energy (Scope 1) GHG Emissions (tCO2e)

Division	FYE2024	FYE2023
Plantation	6,843	6,112
Bulking	19,264	19,318
Manufacturing	75	50
Food	6,957	6,894
Head Office	14	15
Grand Total	**33,153**	**32,389**

Indirect Energy (Scope 2) GHG Emissions (tCO2e)

Division	FYE2024	FYE2023
Plantation	197	153
Bulking	2,416	1,892
Manufacturing	1,372	2,008
Food	129	140
Head Office	36	45
Grand Total	**4,150**	**4,238**

Other Indirect (Scope 3) GHG Emissions (tCO2e)

Division	FYE2024	FYE2023
Waste Generated	12	21
Upstream Transportation and Distribution	863	1,400
Employee Commuting	406	-
Grand Total	**1,281**	**1,421**

The Group conducted its inaugural survey to assess employee commuting, in alignment with Bursa Malaysia's requirements for companies to disclose emissions from employee commute (Scope 3). Based on the responses received, the findings revealed that employees commuting emitted approximately 406 tCO2e per annum, based on a total distance travelled of 2,770,100 km. For next year's reporting, data on business travel will be included.

Definitions

Scope 1	Direct emissions from non-renewable fuel consumption such as diesel and gas from sources owned by our business operations, e.g. transportation, heat and power generated and equipment
Scope 2	Indirect emissions, e.g. purchased electricity
Scope 3	**Category 4:** Upstream Transportation and Distribution **Category 5:** Waste Generated in Operations **Category 7:** Employee Commuting
tCO2e	Tonnes of Carbon Dioxide Equivalent
GHG	Greenhouse Gas
GJ	Gigajoule

Our People

KFima is cognisant of our impact on our stakeholders and as such, is dedicated to upholding the trust placed in us by operating in a responsible and sustainable manner. We aim to achieve this by embracing and upholding ethical and efficient business practices in the aim of delivering positive long-term results to our stakeholders and the communities in which we operate. Our efforts are underpinned by our vision, mission and values which serve as a framework for our strategies, define our standards for operational excellence and guide our practices across the spectrum of our operations and respective business units.

These efforts are supported by our dedication to fostering clear and effective communication with our stakeholders, nurturing our workforce, ensuring fairness in our dealings with customers and suppliers, and aiding the communities in which we function. Our policies are aligned with the relevant national legislation, the principles of the Universal Declaration of Human Rights, and the fundamental conventions of the International Labour Organisation. We expect all employees and business associates to likewise conduct themselves responsibly and with integrity in accordance with these standards. By committing to these principles, we aim to ensure KFima's capacity to deliver long-term economic and social value creation, and supports our licence to operate.

Our Alignment to SDGs

Strategic Commitments

- Zero harm
- We protect and support our people
- We promote diversity and inclusion
- We invest in training and skills development
- We support high-performing teams
- We build trust through our relationships

HUMAN CAPITAL

GRI 102-8, 202-2, 401-1, 405-1, 406-1

Our Workforce

Our people are integral to our ability to deliver on our strategy. We strive to create safe, inspiring and inclusive working environments that encourage high performance, accountability and innovation. At the same time, we aim to attract, develop and retain talent to ensure that our workforce have the required skillsets to meet our current and future business needs. Further, the Group's Code of Conduct ensures that values such as respect for the individual, valuing diversity and ensuring a safe working environment are upheld by every member of our organisation.

Ladang Amgreen, Miri, Sarawak

We also actively promote local employment in the regions where we operate. As of FYE2024, our local employment rate was 86.4%. In Malaysia, 70.3% of the workforce were local hires, a decrease from the previous year's 82.9%, primarily due to an increase in the number of guest workers recruited in our Plantation division during the year. Despite this change, the turnover rates within this division have improved.

Total Headcount	Total Local Headcount
3,294	**2,845**

Group Local Headcount Rate

86.4%

Nationality \ Country	Malaysia	Indonesia	Papua New Guinea
Malaysian	1,006	5	6
Indonesian	215	906	1
Papua New Guinean	0	0	933
Others	211	0	11
By Country:			
Total Headcount	**1,432**	**911**	**951**
Total Local Headcount	**1,006**	**906**	**933**
Local Headcount Ratio	**70.3%**	**99.5%**	**98.1%**

Malaysia Plantation Division	FYE2024	FYE2023
Guest Workers	424	220
Malaysian Workers	397	440

Furthermore, 91.7% of our senior management positions are filled by local talent. Moving forward, we will continue to prioritise the recruitment of local talents, as this not only enhances our ability to navigate local regulations and practices, but also fosters a stronger connection with the local stakeholders.

Equal Opportunity, Diversity and Inclusion

Anchored by our Good Social Practices Policy, we aspire to create a workforce that mirrors the diverse communities we serve. Our recruitment and promotion processes are solely based on merit and performance, and we strive to ensure there is no discrimination based on age, race, gender, nationality, religious beliefs, or disability. Moreover, by integrating diversity into our recruitment strategies, we enhance the Group's overall competitiveness. A workforce drawn from varied backgrounds enriches us with a broad spectrum of perspectives, skills and experiences and can deepen our insights into the changing needs of our customers and stakeholders.

In line with our policies, the Group holds a strict zero-tolerance stance towards any form of discrimination, harassment, or unfair treatment. Similarly, we expect all employees to embrace and respect cultural differences and individuality. We are proud to report that there were no cases of discrimination or harassment reported in FYE2024.

Gender Balance

The Group is committed to achieving gender balance across all levels of our organisation, acknowledging the complexities introduced by the nature of our operations and the cultural nuances of the countries in which we operate. The Group's workforce is generally balanced, with 33.9% of the Group's workforce are female. This reflects the specific circumstances of our operations and the cultural context of the countries where we operate.

In our plantation and bulking operations, the representation of females is noticeably lower, and the tasks and occupations are often gender-segregated. For instance, women are typically less likely to work as truck/tractor drivers or harvesters due to the physical nature of these roles which are also often perceived as more suited for male workers. Conversely, in PNG, females make up the majority of the workforce in IFC's tuna loining processes, as the nature of the work requires more delicate handling to maintain quality and prevent the meat from bruising.

Attaining gender parity therefore requires ongoing efforts and, in some cases, challenging stereotypes about job suitability based on gender. As an inclusive employer, we strive to cultivate a work environment that promotes and supports the career advancement and active participation of our female talents while simultaneously strengthening our succession pipeline for roles across the Group.

New Hires

For FYE2024, the Group welcomed 864 new employees, a slight decrease from the 981 recruited the previous year. Of the new recruits, 79.4% were male, and 43.4% of the total new hires were appointed on a permanent basis. Notably, Bulking and Plantation divisions recorded the highest new hire rates at 31.2% and 29.4% respectively.

New employees must participate in an orientation programme designed to acquaint them with the Company and the Group's various facets in addition to the requirements of their new role. Each new employee will be issued an Employee Handbook, which details their employment conditions and the professional standards expected of all team members.

Total Number of New Employees Hired in FYE2024:
864

Group New Hire Rate:
26.2%

Turnover

In FYE2024, the Group's employee turnover rate in the Plantation, Food, and Bulking divisions all saw year-on-year reductions compared to FYE2023.

Total Number of Employees Turnover in FYE2024:
571

Group Turnover Rate:
17.3%

Headcount	FYE2024		Total	FYE2023		Total
	Male	Female	FYE2024	Male	Female	FYE2023
Total Headcount	2,177	1,117	**3,294**	2,056	1,122	**3,178**
By Employment Status:						
Permanent	1,380	1,039	**2,419**	1,415	1,043	**2,458**
Temporary	797	78	**875**	641	79	**720**
By Region:						
Malaysia	1,099	333	**1,432**	957	339	**1,296**
Indonesia	752	159	**911**	788	193	**981**
Papua New Guinea	326	625	**951**	311	590	**901**
By Age Group:						
<30	680	266	**946**	707	309	**1,016**
30-50	1,311	740	**2,051**	1,189	714	**1,903**
>50	186	111	**297**	160	99	**259**
By Employee Category:						
Senior Management	10	2	**12**	9	2	**11**
Management	48	13	**61**	49	13	**62**
Executive	112	45	**157**	108	49	**157**
Non-Executive	2,007	1,057	**3,064**	1,890	1,058	**2,948**
By Division:						
Plantation	1,410	322	**1,732**	1,303	338	**1,641**
Manufacturing	125	94	**219**	159	113	**272**
Bulking	263	38	**301**	235	37	**272**
Food	341	639	**980**	324	608	**932**
Head Office	38	24	**62**	35	26	**61**
By Nationality:						
Malaysian	734	283	**1,017**	775	311	**1,086**
Indonesian	919	209	**1,128**	946	221	**1,167**
Papua New Guinean	310	623	**933**	294	588	**882**
Philippines	9	2	**11**	9	2	**11**
Bangladesh	205	0	**205**	31	0	**31**
Nepal	0	0	**0**	1	0	**1**
Other	0	0	**0**	0	0	**0**

In line with our policies, the Group holds a strict zero-tolerance stance to any form of discrimination, harassment, or unfair treatment.

New Hires	FYE2024		FYE2023	
	Total New Hire	New Hire Rate	Total New Hire	New Hire Rate
Total Headcount	864	26.2%	981	30.9%
By Gender:				
Male	686	31.5%	743	36.1%
Female	178	15.9%	238	21.2%
By Employment Status:				
Permanent	375	15.5%	372	15.1%
Temporary	489	55.9%	609	84.6%
By Region:				
Malaysia	374	26.1%	453	35.0%
Indonesia	256	28.1%	301	30.7%
Papua New Guinea	234	24.6%	227	25.2%
By Age Group:				
<30	507	53.6%	579	57.0%
30-50	349	17.0%	393	20.7%
>50	8	2.7%	9	3.5%
By Employee Category:				
Senior Management	0	0.0%	0	0.0%
Management	1	1.6%	4	6.5%
Executive	19	12.1%	29	18.5%
Non-Executive	844	27.5%	948	32.2%
By Division:				
Plantation	510	29.4%	574	35.0%
Manufacturing	19	8.7%	64	23.5%
Bulking	94	31.2%	94	34.6%
Food	237	24.2%	240	25.8%
Head Office	4	6.5%	9	14.8%

New Hires	FYE2024		FYE2023	
	Total New Hire	New Hire Rate	Total New Hire	New Hire Rate
By Nationality:				
Malaysian	198	19.5%	366	33.7%
Indonesian	274	24.3%	388	33.2%
Papua New Guinean	234	25.1%	227	25.7%
Philippines	0	0.0%	0	0.0%
Bangladesh	158	77.1%	0	0.0%

Turnover	FYE2024		FYE2023	
	Total Turnover	Turnover Rate	Total Turnover	Turnover Rate
Total Headcount	571	17.3%	955	30.1%
By Gender:				
Male	486	22.3%	728	35.4%
Female	85	7.6%	227	20.2%
By Employment Status:				
Permanent	278	11.5%	464	18.9%
Temporary	293	33.5%	491	68.2%
By Region:				
Malaysia	201	14.0%	377	29.1%
Indonesia	303	33.3%	327	33.3%
Papua New Guinea	67	7.0%	251	27.9%
By Age Group:				
<30	269	28.4%	505	49.7%
30-50	293	14.3%	427	22.4%
>50	9	3.0%	23	8.9%

Turnover	FYE2024		FYE2023	
	Total Turnover	Turnover Rate	Total Turnover	Turnover Rate
By Employee Category:				
Senior Management	0	0.0%	0	0.0%
Management	2	3.3%	6	9.7%
Executive	17	10.8%	21	13.4%
Non-Executive	552	18.0%	928	31.5%
By Division:				
Plantation	435	25.1%	603	36.7%
Manufacturing	13	5.9%	30	11.0%
Bulking	48	15.9%	55	20.2%
Food	72	7.3%	260	27.9%
Head Office	3	4.8%	7	11.5%
By Nationality:				
Malaysian	174	17.1%	312	28.7%
Indonesian	314	27.8%	384	32.9%
Papua New Guinean	67	7.2%	250	28.3%
Philippines	0	0.0%	1	9.1%
Bangladesh	16	7.8%	7	22.6%

HUMAN RIGHTS

GRI 409-1, 412-2

Human Rights

KFima is committed to upholding human rights within all aspects of its operations. Our policies are designed to eliminate forced and bonded labour and to ensure compliance with legal standards for working age and hours. We strive to maintain safe and healthy working environments and uphold transparent record-keeping practices. Additionally, we recognise and support the rights to freedom of association, collective bargaining, and access to grievance mechanisms.

We hold our vendors and service providers to the same ethical standards as our own, expecting strict adherence to these principles.

During the year under review, Group Internal Audit conducted human rights audits across all our divisions, with particular emphasis on working hours, wages, and general labour practices. The objective was to identify gaps and empower our management teams to address areas needing improvement. Our businesses are also subjected to audits by authorities, certification bodies and customers to verify compliance to standards, regulations and contracts.

Modern Slavery and Child Labour

KFima maintains a strict stance against all forms of forced, bonded, or child labour within our operations and extended supply chains. We diligently ensure that all our employees work voluntarily and free from any form of coercion. Each division and business unit, along with their respective human resources departments, are tasked with implementing robust recruitment procedures to verify that all workers, whether permanent or temporary, meet the minimum legal working age at the time of employment. We record each employee's profile and identity documents in our HR data system, maintaining these records throughout their period of employment.

We do not knowingly, and refuse to engage or maintain business relationships with any entity found to be involved in slavery, forced labour, or the exploitation of children. Furthermore, we require all suppliers and vendors to adhere to our ethical guidelines and human rights standards, mandating a declaration of compliance from them. Failure to adhere to our standards may lead to serious repercussions, including the potential termination of the business relationship.

Guest Workers

Our Malaysian estates employ guest workers and they make up 51.6% of their total workforce. Recognising that guest workers can be vulnerable to exploitation and situations of modern slavery, we continuously strive to ensure that they are recruited through legal channels in accordance with processes recognised and approved by the authorities of Malaysia and the source countries.

Guest workers are employed through direct hiring and all duly appointed agents must agree to be bound by our code of conduct as part of their contractual obligations to us. Interviews are conducted at the source country to ensure that they are not being exploited. Prospective recruits are provided with contracts which are translated into their national languages. The terms of their employment are clearly explained and briefed to them before signing, with our own company representatives taking the responsibility to explain these terms to ensure informed consent.

RECRUITING FOREIGN WORKERS

Guest workers at our Malaysian estates make up 51.6% of their total workforce.

We have developed a transparent recruitment process that ensures that the workers receive adequate information on their rights, safety, and health prior to starting work.

AGENT SELECTION

All duly appointed agents are bound by our code of conduct as part of their contractual obligations.

INTERVIEW IN SOURCE COUNTRY

Communication and interview arrangement are made by the Company's representatives at the source country.

Ground arrangements for the interview are made by the selected agent.

AIRPORT PICKUP

Guest workers are picked up at the airport by Company representatives at the airport after completing the necessary legal procedures.

PRE-INDUCTION

As part of the pre-induction process, guest workers are briefed on safety, and relevant rules and regulations.

MEDICAL CHECK UP

Arrangements are made for FOMEMA registration and completion of medical check-ups, with all costs fully covered by the Company.

JOINT VISITS BY AGENTS AT ESTATES

The Plantation division conducts joint visits with the appointed agent and/or consulate representatives to meet with workers and discuss their issues and concerns.

ANNUAL EVALUATION VISITS BY HEAD OFFICE TEAMS

Plantation division and Group Internal Audit will visit all estates to check on workers' welfare, salaries, attendance, safety, and address any grievances.

INDUCTION

The induction programme is conducted in Bahasa Malaysia and translated into the relevant languages.

The briefings will include introductions to company, Malaysian culture, workplace safety, Malaysian laws, immigration regulations, labor laws, and employment contracts.

Furthermore, we bear the costs of recruitment, including working permit fees, levies, travel passage and medical reports/FOMEMA. Passports and other form of personal identification remain in the possession of the guest workers. Once in Malaysia, they are provided with well-appointed, comfortable accommodations that include internet connection, recreational spaces and religious places of worship.

LABOUR RELATIONS

GRI 102-17, 401-2, 402-1, 404-1, 404-2, 404-3, 407-1

Employee Development

We invest in the potential of our employees through a range of development initiatives, including training programmes, job rotation and internal promotion opportunities. We provide annual allocations and resources for employee training, through internal or external workshops, seminars, and other relevant activities. By combining on-the-job learning, external training, and targeted upskilling programmes, we aim to enhance the skills and knowledge required for specific roles. This approach fosters continuous professional growth and skills advancement within our workforce, supporting their career trajectories as well as ensuring a robust succession pipeline for roles across the Group.

Total Training Hour
(FYE2024)

16,000

FYE2023 | **14,820**

Average Training Hour per Employee
(FYE2024)

4.86

FYE2023 | **4.66**

	FYE2024		FYE2023	
	Total Training Hour	Average Training Hour	Total Training Hour	Average Training Hour
By Gender:				
Male	12,876	5.91	11,100	5.40
Female	3,124	2.80	3,720	3.32
By Employee Category:				
Senior Management	440	36.67	169	15.36
Management	3,084	50.56	1,726	27.84
Executive	5,198	33.11	3,255	20.73
Non-Executive	7,287	2.38	9,670	3.28
By Region:				
Malaysia	14,563	10.17	13,466	10.39
Indonesia	1,283	1.41	820	0.84
Papua New Guinea	154	0.16	534.00	0.59
By Division:				
Plantation	4,669	2.70	6,233	3.80
Manufacturing	1,204	5.50	2,880	10.59
Bulking	7,843	26.06	3,974	14.61
Food	461	0.47	638	0.68
Head Office	1,823	29.40	1,095	17.95

Benefits and Remuneration

Each division implements its own locally defined benefits scheme, ensuring compliance with the minimum wage laws of the countries we operate in, and in no areas of operation does the wage vary by gender. Furthermore, employees are compensated for any overtime worked, in accordance with local legislations.

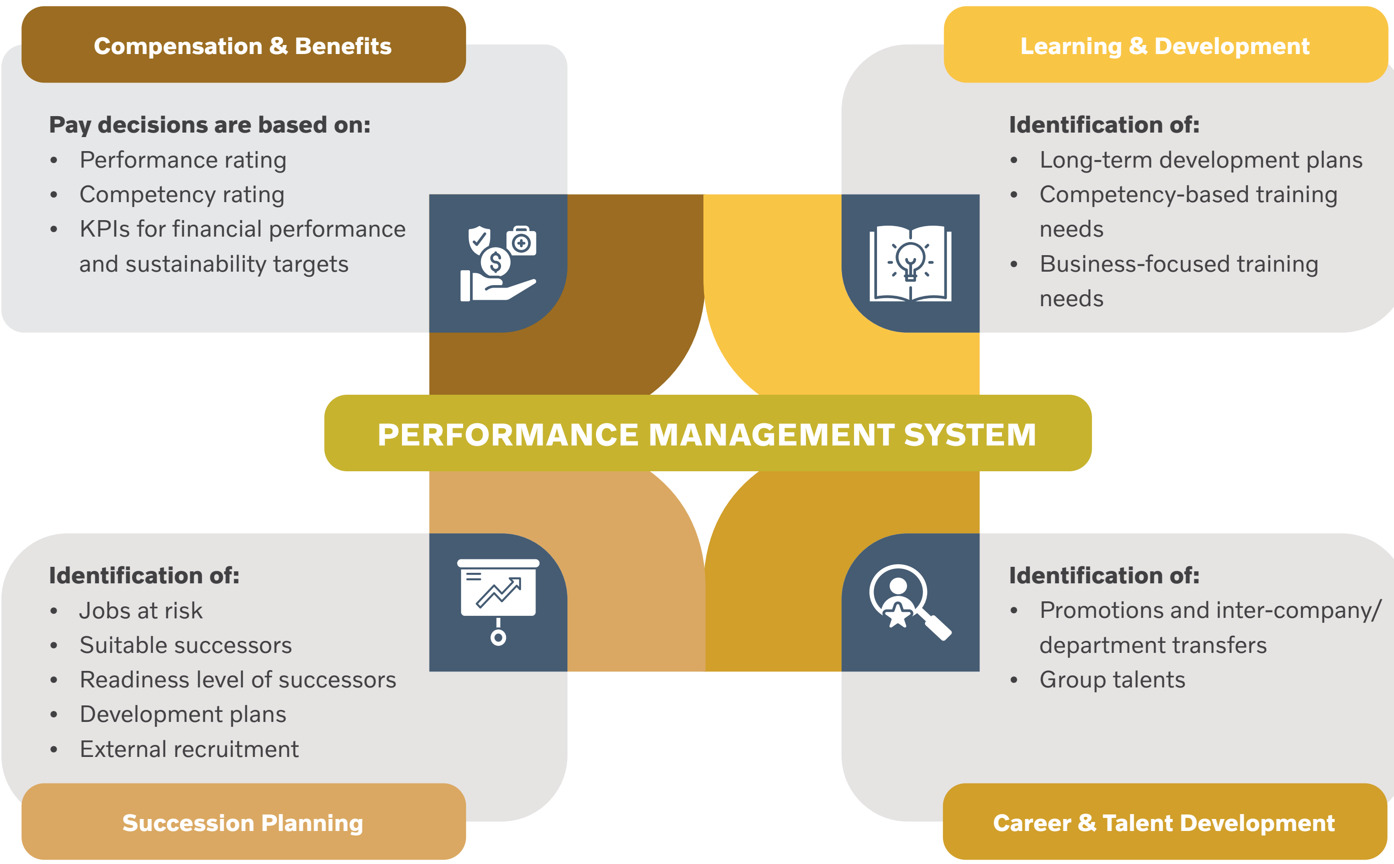
Our competitive benefits package includes both fixed and variable components, which are determined by the employee's performance, qualifications, and experience.

By focusing on the right compensation, benefits and development support, we inspire our employees to achieve their personal and professional aspirations which, in turn, improves employee productivity and engagement. For eligible employees, benefits include health coverage for themselves and their dependents, group term life and personal accident insurance, maternity and paternity leave, professional association membership fees, and uniforms.

In Indonesia, our subsidiary PTNJL provides free transportation for the children of our workers to local schools. There is a company-subsidised crèche that supports the plantation staff and workers by providing safe and convenient childcare. This facility has facilitated the increased participation of women in the workforce at PTNJL and enables them to effectively manage their work and family responsibilities.

Performance Review

Every year, an employee is assessed using key performance indicators, which, along with their annual performance and contribution, determine their increment, bonus and/or promotion for that year. These reviews also serve as a vital communication platform that provides a channel for both feedback exchange and employees to pinpoint areas requiring enhancement and specify their individual training and development needs. In FYE2024, 100% of our employees received performance reviews.



Employee Engagement

KFima's employee engagement initiatives are designed to not only meet the needs of our staff but also enhance our ability to attract and retain talent, which is essential for our long-term sustainable growth. Central to our strategy is a policy of active and open communication. We believe that keeping employees well-informed about significant events and decisions through their Human Resources departments and direct communication from line managers cultivates a culture of trust and mutual respect.

Our engagement strategy includes organising social events such as family days, sports activities, and festive gatherings, which strengthen team bonds and enriches our corporate culture. Moreover, KFima provides support to employees and/or their family members impacted by natural disasters or chronic illness in the form of financial aid and essential supplies. In addition, the Company distributed over RM100,000 Zakat Wakalah to children of eligible employees attending primary, secondary and local tertiary institutions. These initiatives are pivotal in maintaining a connected and motivated workforce.

In FYE2024, the Group's contribution towards our various employee engagement initiatives totalled RM0.86 million (FYE2023: RM0.73 million).

Freedom of Association and Collective Bargaining

KFima upholds the rights of our employees to freedom of association and collective bargaining, in line with local regulations. Our approach involves collaborating closely with labour unions and ensuring that all negotiations are conducted in good faith. A testament to this collaborative approach is PKN's successful renewal of their collective agreement with their labour union which took effect in May 2023. Our collective agreements safeguard essential worker rights and benefits encompassing among others, clear grievance and disciplinary procedures, paid time off entitlements, maternity leave provisions, severance and separation benefits, as well as salary and performance management frameworks.

Our Indonesian subsidiary PTNJL had also during the year, established *Lembaga Kerjasama Bipartit*, a joint committee which is intended to serve as a forum for regular dialogue between workers and management on various workplace matters, including industrial relations and employee welfare.

A severe tuna shortage in Q1 FYE2024 caused IFC to temporarily halt production on their tuna line. This impacted the income of tuna production workers leading to a collective approach by a group of them to voice their concerns to management. There were no disruptions to IFC's overall operations. Management engaged in discussions with the affected workers to address their concerns, and the issues were subsequently resolved without any untoward incident.

As at 31 March 2023, 16.2% of our employees are union members and no workers' freedom of association or collective bargaining rights across our supply chain were violated or put at risk in the year under review.

Grievance Procedures

The Group is dedicated to upholding the highest standards of integrity and transparency across all its operations. To reinforce this commitment, our annual

Ladang FCB Kuala Betis

training sessions and awareness activities ensure that employees are well-informed about their rights and the recourse available to them. This includes grievance mechanisms such as the Group's Whistle-Blowing Policy, which allows for the safe and confidential reporting of complaints or issues related to human rights violations, misconduct and/or illegal activities without fear of retaliation.

Reports can be emailed to whistleblowing@kfima.com.my, while the Whistle-Blowing Policy can be accessed at https://www.fima.com.my/service-provider.html.

Group Internal Audit ("GIA") and Group Human Resource Departments are empowered to conduct investigations into reported incidents. Consequences for confirmed violations may include official warnings, suspension, or dismissal. The Audit and Risk Committee has oversight of any incidents reported under the Whistle-Blowing Policy.

In FYE2024, an anonymous complaint was received via the whistle-blowing email channel. The matter underwent thorough investigation led by GIA and the outcome thereof was presented to the Audit and Risk Committee for deliberation.

In addition, our Malaysian estates are Malaysian Sustainable Palm Oil certified while our Bulking subsidiaries are accredited with International Standards and Carbon Certification ("ISCC"), both of which contain rigorous criteria on governance and integrity.

OCCUPATIONAL SAFETY AND HEALTH ("OSH")

GRI 403-1, 403-2, 403-4, 403-5, 403-9

Assuring the safety and wellbeing of our workforce remains paramount to the Group. As such we have implemented a zero-harm agenda which prioritises the implementation of safe and healthy working conditions throughout our operations. This strategy is carried out by the heads of our operating divisions, who ensure strict adherence to occupational health and safety legislation and the implementation of necessary structures to support this commitment.

Our facilities are equipped with critical safety equipment, including first aid kits, firefighting systems and appropriate spill prevention measures. We also have robust safety programmes and response plans in place to manage potential workplace hazards effectively. Daily safety briefings are conducted at all worksites to reinforce the awareness of potential hazards and the critical role of personal protective equipment. Furthermore, contractors are thoroughly briefed on health, safety, and environmental management protocols before they access our facilities, ensuring that everyone on-site is aligned with our safety standards.

To keep our workforce's knowledge and skills up to date, we provide periodic refresher training on health and safety policies, procedures, and the use of safe systems of work.

OSH Performance

The Group's overall accident rate increased to 15.51 from 10.07 the previous year. PTNJL recorded the highest number of accidents in the Group, mainly involving logistical and tool-related accidents. In response, PTNJL has initiated several actions to improve their safety protocols and procedures to prevent future accidents and improve their overall lost time injury rates. Safety briefings are conducted for the workers before they start their daily tasks while newly recruited workers are required to undergo mandatory safety briefings on operational and tools/equipment handling.

In Quarter 3 FYE2024, there was a fatality at Ladang Fima Aring, Kelantan, involving the unauthorised use of a tractor by an estate worker. The local Department of Occupational Safety and Health ("DOSH") investigated the incident and determined that there were no elements of wrongdoing by the estate.

This incident nevertheless underscores the importance of further enhancing our safety protocols and procedures to prevent future accidents and improve overall lost time injury rates within the Group and ensure the well-being of our employees.

> **PTNJL retained its *Sistem Manajemen Keselamatan dan Kesehatan Kerja ("SMK3")* accreditation, an Indonesian government safety certification that is comparable to the globally recognised OHSAS 18001:2007.**

Employee OSH Performance

	FYE2024	FYE2023
Recorded Injuries	50	32
Recorded Injuries by Absent Days	772	477
Average Headcount	3,223	3,179
Total Working Hours	6,817,712	6,712,288
Accident Rate*	15.51	10.07
Severity Rate**	113.23	71.06
Lost Time Injuries Frequency Rate ("LTIFR")***	7.33	4.77
Fatalities	1	0

* *Accident rate indicates the number of injuries per 1,000 workers*
** *Severity rate indicates the number of absent days (medical leave/hospitalisation) per 1,000,000 man hours*
*** *LTIFR indicates the number of injuries per 1,000,000 man hours*

Hazard Identification, Risk Assessment and Risk Control

The Group employs a structured and methodical approach to OSH through our Hazard Identification, Risk Assessment, and Risk Control ("HIRARC") system. This systematic framework is integral to our operations and aligns with the general duties outlined in the Occupational Safety and Health Act 1994 (Act 514), ensuring a robust foundation for risk management across all levels of our organisation.

Our HIRARC process is integral to our business planning and operations, ensuring primary risk management is consistently applied. When a hazardous incident occurs, our response follows a clear and methodical process:

1. **Incident Reporting**
   The employee identifies and reports the hazard or incident to the Person in Charge within their respective unit.
2. **Documentation and Escalation**
   The Person in Charge records the details of the incident and escalates it to the Safety, Health, and Environment ("SHE") Manager.
3. **Regulatory Reporting**
   The SHE Manager is responsible for lodging a formal report with the DOSH within seven days of the incident.
4. **Investigation**
   The SHE Manager, in consultation with the Occupational Safety and Health Committee members, conducts a thorough investigation to understand the cause of the incident.
5. **Risk Mitigation Recommendations**
   The Safety and Health Committee reviews the findings and recommends appropriate risk mitigation strategies.
6. **Implementation of Corrective Actions**
   Corrective measures are implemented to prevent the recurrence of the incident.
7. **Management Review**
   A detailed report of the incident, its investigation, and the corrective actions taken is presented to the management for review.

OSH Awareness and Training

Each division has its own health and safety committee, which includes representatives from both management and the workforce. These committees are pivotal in overseeing the safety management of their staff, managing incident reports, conducting investigations, and resolving issues as they arise. To foster a culture of continuous improvement, findings from all serious incident investigations and the resultant actions are shared with the Group's divisional management.

We maintain a rigorous schedule of preventive maintenance and necessary repairs or replacements at our facilities, plants, storage tanks, and terminals to ensure their optimal functioning and safety. Periodic safety audits on sites are also conducted. Additionally, our divisions organise activities to mitigate the health and safety risks inherent to their respective operations and these include safety campaigns, conducting drills and reviewing standard operating procedures.

Employees have received training in various areas, including control of industrial major hazards, which covers topics such as hazard identification, risk assessment, CPR/first-aid, and compliance with occupational safety and health regulations. During the year, 524 employees received essential training in these critical areas of safety and health. Just subsequent to the year-end, 30 employees had successfully completed the OSH Coordinator certification training and are now certified OSH coordinators.

COMMUNITY

GRI 203-2, 413-1

Our approach to community engagement is driven and managed by our businesses to ensure value is created in ways that best fit their operations and the communities' cultural context.

Social Impact Assessment ("SIA")

SIA are conducted for relevant plantation developments, both before and during their operations to evaluate how our developments impact local socio-economic conditions. During the SIA process, we actively engage with members of the surrounding communities to seek their feedback, to ensure that they are fully informed about our projects and ultimately, obtain their Free Prior and Informed Consent (FPIC). Furthermore, in adherence to MSPO standards, our estates conduct annual Aspect Impact Assessments that engage both the community and stakeholders to continuously monitor and mitigate our operations' environmental, social, and economic impacts.

Community Engagement and Investments

Our community engagement and investments are focused on issues that affect the success and quality of life of the communities where we have a presence. KFima works to address these issues through programmes in 3 key areas namely education and economic empowerment, environment and community:

- **Local Employment, Internships and Training**
  Since 2018, 114 university graduates have participated in an 8-month workplace experience within the Group's Malaysian operations under the Protégé programme, which includes practical training and the development of job-specific skills, along with allowances and benefits. 12 vocational students majoring in agriculture and business from a local institution in Nunukan gained practical experience through a 6-month internship programme at PTNJL. We are also upskilling workers in our oil palm plantations as we move towards greater mechanisation in our harvesting operations. This transition not only leads to a higher land-to-labour ratio and enhanced productivity, but also and improves worker well-being through reduced physical strain and potentially higher earnings.

- **Water Treatment and Distribution**
  PTNJL processes and distributes water from its own catchment area to nearby villages for daily use and irrigation.

- **Sustainable Energy Utilisation**
  By-products such as mesocarp fibre and palm shells are used at PTNJL's palm oil mill to generate renewable energy which is then used to power local facilities including workers quarters, schools, government facilities and mosques.

- **Platform Konsultasi dan Komunikasi**
  This platform enhances communication between our Plantation division's Malaysian estates and local stakeholders, improving community relations and collaboration.

Our Business

Our Alignment to SDGs

8 DECENT WORK AND ECONOMIC GROWTH
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION

Strategic Commitments

- Upholding Responsible Business Practices Guided by Corporate Values
- Integrating Sustainable Practices for Maximum Benefits to Business and Society
- Zero Tolerance for Bribery and Corrupt Practices
- Promoting Transparency and Sustainability in Supply Chains

SUSTAINABILITY GOVERNANCE

GRI 102-29, 102-20, 102-31, 102-32

Our commitment to sustainability starts at the Board level. With ultimate responsibility for sustainability issues, the Board of Directors plays a crucial role in establishing the Group's strategic direction and objectives in a way that brings accountability into every activity and process, ensuring they align with the interests of everyone who has a stake in our success – shareholders, employees, customers, and the communities we operate in.

The Board is supported by dedicated Board Committees, each with its own charter setting out its roles and responsibilities. A full description of the Board's role is available in the Corporate Governance section of this Annual Report.

Led by Independent Directors, the ARC supports the Board in overseeing the Group's sustainability practices. The ARC's key role is assessing risks that could significantly impact KFima's planned objectives. Through thorough risk assessments, the ARC ensures management promptly identifies and addresses these risks. By implementing appropriate mitigation measures, the ARC enhances KFima's sustainability performance and safeguards its long-term success.

For successful integration of sustainability practices, the ARC receives regular updates from the GSC and the RSC. These committees, led by a Non-Independent Non-Executive Director, provide valuable insights and recommendations to the ARC. This ensures Board-level oversight of managing the Group's risks, controls, and processes (including ESG factors as risk drivers). It also facilitates a top-down approach to resolving sustainability matters.

Divisional leadership takes the lead in managing day-to-day sustainability efforts and programme implementation. Divisions develop sustainability strategies specific to their operations and allocate resources for their execution. They integrate their brands, technologies, and sites with sustainability goals, considering their unique business challenges and priorities. Divisions submit monthly sustainability reports to the Head Office, covering safety, environment, employee retention, and compliance. These reports are then consolidated and presented to the ARC every quarter.

The Group Internal Audit assesses the accuracy of sustainability data submitted by business units and the implementation of sustainability initiatives in the course of their audits. Additionally, external audits by authorities, certification

Bulking Terminal, North Port, Port Klang

bodies, and customers verify compliance with regulations, standards, and contracts. Any non-conformities or incidents are thoroughly analysed, and corrective actions are implemented to prevent recurrence. Any identified non-conformities and incidents will be investigated to identify root causes and implement necessary preventive measures.

For more information on:

i. The Group's Sustainability Committee, please refer to Task Force on Climate-Related Financial Disclosures ("TCFD") on page 79 and the Corporate Governance Overview Statement on page 130.

ii. The Group's risk management, please refer to the Statement on Risk Management and Internal Control section on pages 146 to 158.

RESPONSIBLE BUSINESS PRACTICES

GRI 201- 1

We strive to uphold responsible business practices that align with our corporate values. Our values guide our employees to act with integrity, accountability and a strong sense of responsibility. By caring about the work that we do, about our fellow employees and stakeholders, we strive to build a business that is respectful and responsible. We treat all our stakeholders with dignity and respect, and we hold the same expectation for our stakeholders to do the same.

Our management approach is underpinned by our robust policies which ensure that we adhere to all national and international statutory and regulatory requirements as well as international conventions and treaties. These policies address ESG elements that are crucial to our business operations and guide both our strategic and daily decision-making processes. They are periodically reviewed and updated to incorporate emerging sustainability issues and regulatory changes.

One such instance is the enhancements made to our internal processes relating to the identification, documentation and escalation of conflict of interest situations. These enhancements include among others, implementing a mandatory conflict of interest training programme for all employees to raise awareness and understanding of potential conflicts, and a declaration process where those involved in a tender/procurement processes must disclose any potential conflicts of interest specific to that particular bid and confirm their absence of such conflicts.

For further details, please visit our governance page: https://www.fima.com.my/corporate-governance.html or **scan the QR Code**

ANTI-BRIBERY AND CORRUPTION

GRI 205-2, 205-3

We are committed to ethical business practices. We maintain a zero-tolerance policy for fraud, bribery, and corruption, ensuring all interactions are professional, fair, and conducted with integrity.

This policy strictly forbids our officers, employees, agents, and service providers from engaging in any form of gift-giving or receiving that could be perceived as an unfair advantage. This includes offering, soliciting, or accepting such benefits in exchange for favours or to secure any improper privilege. Through this clear and comprehensive policy, we aim to foster a culture of integrity and transparency throughout all our operations. Violations of this policy are met with stringent measures, which may include disciplinary actions or termination of business relationships to maintain compliance and uphold our ethical standards.

To promote a culture of ethical business practices, we include anti-bribery clauses in all our vendor and service provider contracts. This helps to ensure that everyone involved adheres to high ethical standards. Additionally, it is mandatory for all new hires to undergo comprehensive anti-bribery training at the start of their contracts, with refresher courses conducted regularly to keep our workforce informed about potential risks and the importance of ethical conduct.

We regularly update training materials to ensure stakeholders, employees, and business partners are aware of evolving bribery risks. Additionally, we conduct periodic reviews of authority limits, fostering transparency and strengthening our integrity procedures. All employees are required to annually confirm their compliance with the Group's Anti-Bribery Policy and their commitment to reporting any concerns they may have. Through these efforts, we aim to mitigate bribery risks and uphold the highest ethical standards.

To complement our anti-bribery measures, we have established a Whistle-Blowing Policy that protects the confidentiality of those who report incidents of misconduct. This policy outlines clear procedures for the investigation and follow-up of any reports of non-compliance.

VALUE DISTRIBUTION TO OUR STAKEHOLDERS

GRI 201-1, 201-3, 203-2

We are proud to support the communities in which we operate and the economic contribution we make through taxes paid to governments of our host countries, both direct and indirect. Our contribution comprises local and government taxes, social security contributions on the wages of our employees, sales and services tax (SST), customs duties and property taxes.

Spotlight Story

Strengthening Integrity and Upholding Ethical Standards

The Group has undertaken several initiatives in FYE2024 as part of its proactive approach to promote high ethical standards and a conducive work environment.

These include on-site integrity training sessions for workers and employees at Cendana estate in Kemaman, Ayer Baloi, Ayer Hitam and Kota Tinggi estates in Johor, and Bulking Group in Port Klang. The training sessions, facilitated by the Group Secretarial and Legal department, had over 380 participants in attendance. The training aimed to refresh and enhance awareness of the Group's anti-bribery policies and address critical workplace issues including child labour, bullying, sexual harassment, and grievance procedures.

FIMA's 2nd Virtual Summit Series held in Q3 of FYE2024 also included a dedicated session on anti-bribery, with specific focus on the corporate liability provisions under Section 17A of the Malaysian Anti-Corruption Commission ("MACC") Act 2009. This session aimed to ensure that employees at all levels understand their roles and responsibilities in safeguarding the business against corruption risks. The session, led by a senior MACC officer, was attended by more than 70 participants online. Further, in December 2023, an e-learning video focusing on conflicts of interest was launched to enhance employees' understanding of the topic.

These contributions foster economic growth as they support the provision of essential services and the development of infrastructure, which benefits the broader community. In Malaysia, our financial responsibilities also include contributions to the Employee Provident Fund (EPF) and the Social Security Organisation (SOCSO), as mandated by law.

Value Distribution to Our Stakeholders:

Revenue:
RM638.82 million
FYE2023 : RM709.75 million

Employee Wages and Benefits:
RM88.87 million
FYE2023 : RM88.00 million

Taxes Paid:
RM32.42 million
FYE2023 : RM68.37 million

Dividends:
RM54.42 million
FYE2023 : RM59.38 million

Number of Employees:
3,294
FYE2023 : 3,178

Community Investments:
RM0.48 million
FYE2023 : RM0.56 million

CYBER AND DATA SECURITY

GRI 418-1

The Group places a priority on mitigating the risks associated with technological disruptions and ensuring the privacy of data. We proactively update our antivirus and firewall software to secure our information, protect the IT network, and maintain the integrity of our communication assets across all divisions. Each division, including the Head Office, has its own dedicated network and IT department that oversees risk management and acts as the primary defence against potential threats.

Our IT departments conduct daily monitoring of our systems, leveraging on automated reporting tools to analyse traffic and identify potential security threats, which are further mitigated through screenings and spam filters. During the year, there were no incidents of phishing and malware targeting our employees. We have strengthened our cyber security during the financial year by implementing controls including vulnerability testing of our IT systems and processes, to minimise potential risks.

Safeguarding the privacy and integrity of all data is a top priority for us. Strict security protocols are in place to prevent unauthorised access, data leaks or illegal manipulation of information. Any breaches or violations are addressed with the utmost seriousness, and we continuously evaluate and improve to ensure the effectiveness of our data security measures.

SUSTAINABLE AND TRACEABLE SUPPLY CHAIN

GRI 102-9, 204-1

The Group recognises that a sustainable and traceable supply chain is integral to our business operations. Any interruptions to our supply chains can impact production output of our operating units, exposing us to legal, financial, reputational and other risks that might have lasting consequences on our profitability.

To mitigate this, each division has documented policies and procedures for specified procurement processes. We actively engage with suppliers throughout the process, from tendering to on-site inspections. We maintain constant communication with suppliers on cost efficiency, environmental responsibility, and social compliance throughout our supply chain to enhance traceability and transparency.

Bulking

Operating entities under our Bulking division are accredited with International Sustainability and Carbon Certification – EU ("ISCC") where we follow strict guidelines for sustainable practices and traceability. Fima Biodiesel Sdn. Bhd. is also ISCC accredited, and utilises and implements the Proof of Sustainability ("POS") system to trace the origins of its feedstock. Each batch or truck of feedstock is accompanied by a POS tag, providing transparency and accountability. In addition to the ISCC certification, Fima Biodiesel fully complies with the MSPO Supply Chain Certification Standard, ensuring that its products are legally sourced and derived from certified suppliers who meet and prioritise sustainable practices. These certifications and standards demonstrate Fima Biodiesel's commitment to environmental sustainability and responsible sourcing throughout its supply chain.

Food

The Food division's production facilities and suppliers of ingredients and packaging materials must follow strict international standards, government regulations, company policies, procedures, controls,

and good manufacturing practices. Regular audits and inspections are conducted to ensure full compliance with these requirements.

Our PNG subsidiary, International Food Corporation ("IFC") has been certified with the Marine Stewardship Council's ("MSC") Chain of Custody since April 2013. The MSC is globally recognised as the leading authority for certifying and eco-labelling seafood. To retain this certification, IFC undergoes annual surveillance audits and meets the MSC's stringent standards. Furthermore, IFC's fish oil is also MSC-certified. These certifications ensure 'ocean-to-purchase' traceability throughout IFC's entire supply chain, providing customers the assurance they need.

IFC does not support illegal fishing from vessels enlisted under PNG government's Illegal, Unreported and Unregulated ("IUU") blacklist. This ensures that IFC's yellowfin and skipjack tuna are legally sourced from vessels that are registered with PNG's ProActive Vehicles Register. IFC is also able to track the time, place and method of fishing for each catch by checking the "Purse Seiner Log Sheet" (fishing vessel's log sheet). In addition, IFC performs on-site visits prior to any purchases made to ensure that new and potential suppliers comply with IFC's standards. Our commitment to these practices support global efforts to enhance traceability and sustainability in the seafood industry, ensuring responsible sourcing and contributing to the health of marine ecosystems.

Due to PNG's strict tuna fishery regulations, fishing vessels are not allowed to exceed the daily catch limits set by the National Tuna Fishery Management Plan. The National Fisheries Authority of Papua New Guinea (NFA) regularly boards fishing vessels to ensure compliance with all laws and regulations, maintaining a sustainable tuna stock supply in PNG. During the year under review, IFC did not commit any IUU-related violations.

IFC aspires for 100% of its tuna to be sourced without Fish-Aggregated Devices ("FADs"), a fishing method that is capable of trapping other marine animals in the net including juvenile fish. In FYE2023, we achieved an impressive 99.5% FAD-free catch up from 67.3% recorded in FYE2023. our FAD-free catch accounted for 99.5% of our total catch (FYE2023: 67.3%. We ensured that all our partners or fishing companies that we work with are MSC-certified and their FADs, when used, are designed to minimise bycatch on their vessels. Additionally, we have also ensured that all non-target species are promptly released.

Supporting Local Procurement

We support local suppliers and entrepreneurs through the procurement of local goods and services. In Indonesia and PNG, 87.0% and 68.9% of contracts for goods and services are awarded to small and medium-sized local companies respectively. In Malaysia the local procurement rate is 87.0%, a positive improvement from last year. Sourcing locally also helps us to reduce our carbon footprint and the footprint of the products and services we provide to our customers.

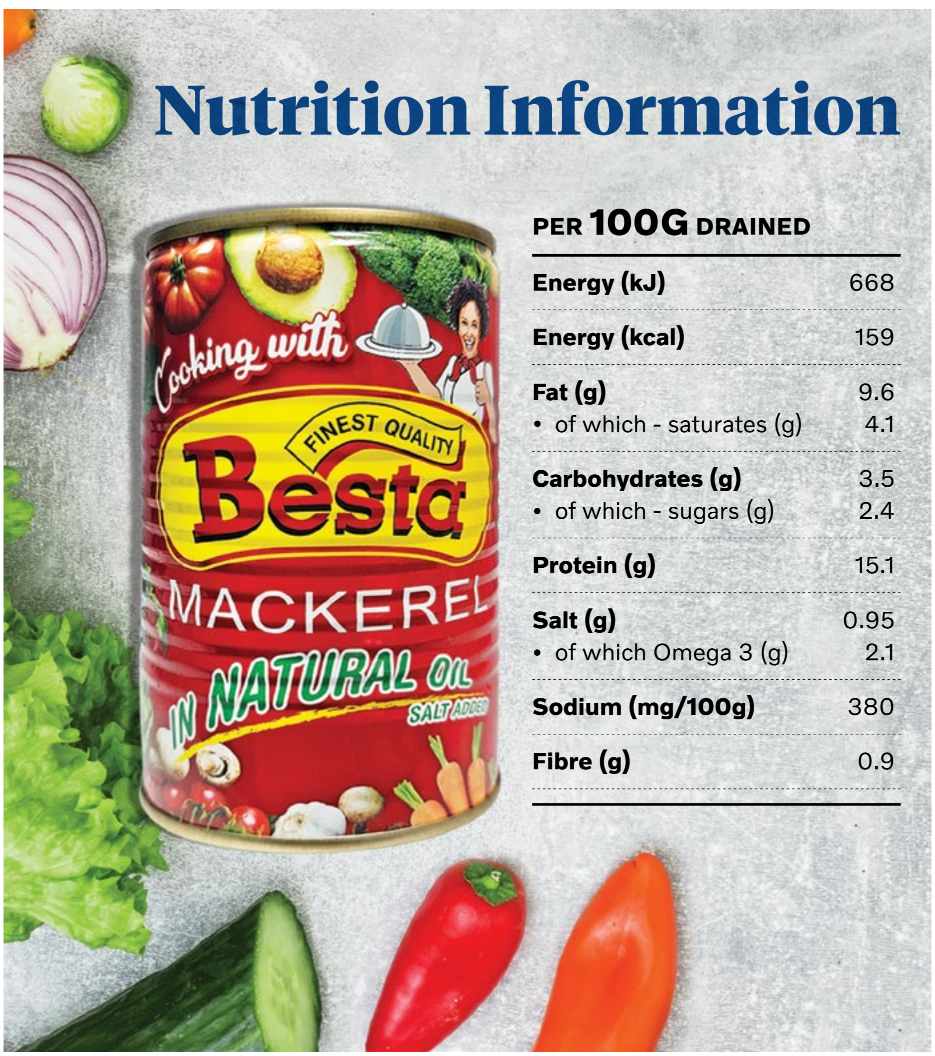
While we prioritise supporting local businesses, certain specialised components, such as security printer inks and heavy equipment spare parts, might not be readily available locally and have to be procured overseas. In such cases where local sourcing is not feasible or practical, we ensure that the procurement process is transparent and fair.

Percentage (%) of Suppliers Engaged in Malaysia and Indonesia

	FYE2024		FYE2023	
	Local	Foreign	Local	Foreign
Malaysia	99.2	0.8	98.8	1.2
Indonesia	87.0	13.0	79.5	20.5
PNG	68.9	31.10	77.8	22.2

Product Information and Product Labelling

Our food business maintains stringent standards for product information and labelling accuracy across all operational regions. It is our responsibility to ensure that our customers and consumers are well-informed, offering detailed insights into every aspect of our products, including manufacturing and expiry dates, ingredients, relevant food additive components, nutritional facts, and storage recommendations. There were zero incidents of fines/penalties imposed on the Group due to non-compliance with any product labelling regulations in FYE2024.



Innovation and Technology

We continue to leverage technology and process innovation to improve efficiency, adaptability, and risk mitigation, ultimately delivering value to our customers and stakeholders.

To streamline information access, storage, and reporting, the Manufacturing division equips its IT support staff with mobile devices. This not only reduced operational staff time and lowered management costs but more importantly, it empowers our dedicated team members to deliver faster response times to customers' requests/inquiries.

We have expanded our fleet by acquiring an additional 3 prime movers and 35 trailers during the year. The new fleet will be monitored by a fleet management system which provides comprehensive data tracking, including speed, fuel consumption, real-time positioning, and analysis of vehicle performance and driver behaviour. Through this system we can identify areas for improvement such as reducing fuel costs and optimising delivery routes. Ultimately, this data-driven approach strengthens our control over the transportation process ensuring timely deliveries and maintaining the high quality of our services throughout the supply chain.

In line with our data-driven approach, the Bulking division has implemented a tank farm inventory management system. This centralised platform standardises operations across all terminals, enhancing internal controls and global reporting capabilities and fosters customer satisfaction.

The Plantation division utilises geospatial technologies, including GPS and GIS, to enhance various aspects of their operations. These technologies ensure accurate preplanning, and data-driven decision making in aspects like road construction, and terrace positioning.

Satellite imagery is also used to map new estate developments and facilitate tree counting, maximising planting density of potential planting areas and overall efficient management of plantation operations.

Our sustainability reporting system remains a cornerstone of our commitment to the "measure-monitor-manage" principle. This year, we have enhanced the system to provide management with real-time information that can be displayed on a central dashboard, allowing for improved data visibility and analysis.

UPHOLDING QUALITY, STANDARDS AND CERTIFICATIONS

GRI-417-1, 417-2

We are committed to maintaining the required safety and quality standards and certifications across our operations. We continuously monitor industry best practices and adapt to evolving regulations. This dedication allows us to deliver on the expectations of our customers and stakeholders.

Food

The Food division's production facilities and suppliers of ingredients and packaging materials must follow strict international standards and regulations, government regulations, company policies, procedures, and controls, as well as good manufacturing practices throughout their operations. Regular audits and inspections are conducted to ensure full compliance with these requirements.

Our subsidiaries undergo yearly audits by independent third-party organisations to maintain the certifications and other international standards they have achieved.

British Retail Consortium (BRC)

BRC is a trade association for the UK food retail industry that publishes the Global Standard for Food Safety to help the food industry comply with UK and EU food safety laws. IFC is among the more than 17,000 BRC-certified sites worldwide.

Business Social Compliance Initiative (BSCI)

BSCI Code of Conduct is based on international conventions that protect workers' rights. IFC is committed to implementing the Code of Conduct to uphold human and workers' rights in its business operations.

Earth Island Institute (Dolphin-Safe)

IFC is one of the approved Dolphin-Safe Tuna Processing and Fishing Companies listed certified by the Earth Island Institute. Today, every can of tuna produced by IFC carries a Dolphin-Safe label.

GMP

GMP is a system that ensures products are consistently produced according to quality standards and controls. IFC and FISB are GMP-certified, ensuring safe, quality products for their customers.

HACCP

HACCP is a food safety management system that controls biological, chemical and physical hazards from raw material production, procurement and handling to manufacturing, distribution and consumption of the finished product. IFC complies with the HACCP to maintain the highest food safety standards.

Halal

IFC and FISB comply with JAKIM's Halal guidelines on the preparation and handling of Halal food. IFC is also certified by the Fiji Muslim League.

International Feature Standard (IFS Food)

IFS is a Global Food Safety Initiative benchmarked standard. It addresses food safety and management of product quality in food and ingredient manufacturing. IFC ensures that all its food products are IFS-compliant to fulfil consumers' and retailers' expectations.

ISO 14001:2015 (Environmental Management Systems)

PTNJL's commitment to environmental sustainability is reflected in its ISO 14001:2015 certification, covering its CPO, CPKO, and palm kernel production processes.

Plantation

Since FYE2020, 100% of our fully developed Malaysian estates have maintained their MSPO certifications. Selected employees have been sent for MSPO 2.0 training to ensure that we have the necessary competencies to maintain, support our MSPO certification and meeting international sustainability standards, especially concerning elements such as traceability, deforestation and good labour practices. Additionally, the Plantation division adheres to ISO 50001:2011 and ISO 14001:2015 standards.

In Indonesia, the Indonesian Sustainable Palm Oil ("ISPO") audit on PTNJL maintains status quo pending regularisation of PTNJL's Hal Guna Usaha (HGU) before the ISPO certification process can be resumed.

Malaysia Sustainable Palm Oil (MSPO)

10 Malaysian estates are MSPO-certified. The MSPO ensures responsible management of palm oil plantations, smallholdings and palm oil processing facilities. The MSPO certification also safeguards human and workers' rights.

ISO 50001:2011 (Energy Management Systems)

PTNJL has implemented an ISO 50001:2011 certified energy management system (EMS) as part of its commitment to efficient energy use. This internationally recognized standard helps PTNJL continuously improve its energy management practices, leading to more efficient resource utilisation.

Bulking

The Bulking division has maintained accreditations for handling, storing, and shipping various product categories, ensuring objective oversight of the quality of their operations.

International Sustainability and Carbon Certification (ISCC)

The ISCC provides proof of compliance with environmental, social and traceability criteria. It aims to provide sustainability solutions for fully traceable and deforestation-free supply chains. The companies that are accredited with ISCC are:

Certification and scope

ISSC-EU (Group Certification)
Scope: Warehouse

Company	
1. Fima Bulking Services Bhd 2. Fimachem Sdn. Bhd. 3. Fima Liquid Bulking Sdn. Bhd.	4. Fima Palmbulk Services Sdn. Bhd. 5. Fima Butterworth Installation Sdn. Bhd.

ISCC-EU (Biodiesel Plant)
Scope: Raw Material

1. RBDPO
2. POME Oil (Refined)
3. UCO (Refined)
4. UCO
5. Brown Grease
6. Waste and Residue (vegetable oil processing)
7. Food waste oil

Company
1. Fima Biodiesel Sdn. Bhd.

As an ISCC accredited company, Fima Biodiesel Sdn. Bhd. is legally recognised by the European Renewable Energy Directive 2009/28/EC (EU RED).

ISO 9001:2015 (Quality Management Systems)

This is an international standard that outlines the framework for improving product quality. With the certification, our companies are able to enhance customer satisfaction and deliver products and services that are regulatory compliant and meet customers' demand. Our certified companies are:

Fima Bulking Services Bhd

Handling, storage & shipment oleochemicals, oils and fats

Fimachem Sdn. Bhd.

Transferring from ships, handling, filling of drums and transport of hazardous & non-hazardous liquids

Fima Freight Forwarders Sdn. Bhd.

Freight forwarding & bulk transportation

Fima Palmbulk Services Sdn. Bhd.

Handling, storage & shipment of oleochemicals, edible oils, molasses and latex

Fima Liquid Bulking Sdn. Bhd.

Handling bulk storage of latex and palm oleo-based products

Fima Butterworth Installation Sdn. Bhd.

Handling, storage & shipment of palm oil and edible oil

ISO 45001:2018 (Occupational Health & Safety)

Fimachem Sdn. Bhd., Fima Liquid Bulking Services Sdn. Bhd., and Fima Bulking Services Berhad are certified with ISO 45001:2018 for their expertise in transferring, handling, storage, filling of drums, and transporting hazardous and non-hazardous liquids. This certification helps them establish a management system to manage health and safety risks, leading to improved occupational health and safety performance.

Manufacturing

The Manufacturing division upholds the following regulatory standards and certificates:

ISO 27001:2013 (Information Security Management Systems)

The accreditation reflects PKN's compliance with the highest international and security control standards to protect information against any security risks, underpinning their commitment to delivering excellence.

ISO 37001:2016 (Anti-Bribery Management Systems)

This certification affirms PKN's adherence to anti-bribery policies, procedures, measures and controls.

ISO 9001:2015 (Quality Management Systems)

This certification affirms that PKN's implementation of effective quality management systems meet internationally recognised standards.

ISO 14298:2013 (Graphic Technology-Management of Security Printing Processes)

This accreditation reflects PKN's adherence to the established guidelines and requirements for managing secure printing processes.

PT Nunukan Jaya Lestari

STATEMENT OF ASSURANCE

To the Board of Directors and Management and Kumpulan Fima Berhad,

Scope

We have performed an internal review for selected subject matters and performance indicators to be published in the sustainability report in KFima's Annual Report for the financial year ended 31 March 2024. The objective of the review process is to provide assurance to KFima and its stakeholders on the accuracy and reliability of the information to be presented in the Sustainability Report.

Procedures

Our procedures include:

- testing, on a sample basis, underlying source information to check accuracy of the data;
- examining, on a sample basis, evidence supporting the selected performance indicators; and
- checking that the calculation have been applied as per the set methodologies.

We have also reviewed the process of collecting, gathering and consolidating the data and numbers.

Subject Matters/Performance Indicators

The selected subject matters and performance indicators are as follows:

Type of Assurance	Component	Subject Matter/Performance Indicator	Scope
Internal Review	**Environmental**	Water impact: • water consumption and management • water intensity for fish processed and FFB processed	Operations assessed: 1. Malaysia 2. Indonesia 3. Papua New Guinea
		Waste management: • waste generation • disposal method of hazardous and non-hazardous waste for domestic, scheduled, and production	
		Energy management: • scope 1 and 2 emissions by the renewable and non-renewable • fuel intensity for harvesting operations transportation, fish processed, boiler, and generator set • renewable energy	
	Social	Equal opportunity, diversity and inclusion: • employee headcount by gender, age group, and country • employment status by permanent and contract • new hire, attrition, and turnover by gender, age group, country, employment status, and category	Operations assessed: 1. Malaysia 2. Indonesia 3. Papua New Guinea
		Labour relations: • total hours of training by employee category, country, and gender	
		Occupational safety and health: • work-related accidents and incidents • lost time injuries • fatalities • accident rates	

Type of Assurance	Component	Subject Matter/Performance Indicator	Scope
Internal Review	**Governance**	Value distribution to stakeholders: • community investment (for the Corporate Social Responsibility programmes) • dividend payout • employee wages and benefits • taxes	Operations assessed: 1. Malaysia 2. Indonesia 3. Papua New Guinea
		Sustainable and traceable supply chain: • supporting local procurement	
		Upholding quality, standards and certifications: • certifications and international standards achieved	

During the review process, clarifications were sought from the business units on specific findings and to substantiate the accuracy of certain aspects of the reported information. The business units have satisfactorily corrected any errors and/or misstatements identified during the review, and all changes have been incorporated into the final version of the Sustainability Report.

Considerations and Limitations

Non-financial data are subject to more inherent limitations than financial data, given both their nature and the methods used for calculating or estimating such data. Qualitative interpretations of relevance, materiality and the accuracy of data are subject to individual assumptions and judgements. We have not undertaken work to confirm those factors, nor have we carried out any work on data reported in respect of future projections and targets.

Conclusion

Based on the procedures we have performed, we confirm that the selected subject matters and performance indicators listed above together with the related disclosures have been prepared and presented fairly in the Sustainability Report. Accordingly, GIA is of the opinion that the Sustainability Report provides a reasonable and well-balanced depiction of KFima's sustainability performance.

Thank you.

Muhammed Erman Bin Mat Zoki
Head, Group Internal Audit

Date: 11 July 2024

PERFORMANCE DATA TABLE

Indicator	Measurement Unit	2022	2023	2024
Bursa (Water)				
Bursa C9(a) Total volume of water used	Megalitres	873.00	889.00	770.00
Does the company disclose the number of incidents of non-compliance with water quality/quantity permits, standards and regulations	Number	0	0	0
Three years of total water withdrawal data is disclosed by source - Surface water from rivers, lakes, natural ponds	Cubic meters	312,341.36	302,180.78	182,773.88
Three years of total water withdrawal data is disclosed by source - Groundwater from wells, boreholes	Cubic meters	322,727.00	293,025.30	277,073.00
Three years of total water withdrawal data is disclosed by source - Municipal potable water	Cubic meters	237,780.79	293,808.61	310,395.02
Three years of total water withdrawal data is disclosed by source - Total	Cubic meters	872,849.15	889,014.69	770,241.90
Plantation Water Intensity	cbm/MT	0.53	0.48	0.28
Food Water Intensity	cbm/MT	26.02	23.73	26.85
Bursa (Waste management)				
Bursa C10(a) Total waste generated	Metric tonnes	204,085.41	191,615.87	162,743.78
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	204,044.70	191,437.38	162,242.53
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	40.71	178.49	501.26
Disclosure of three years of hazardous waste generation (tonnes)	Metric tonnes	40.71	178.49	124.05
Disclosure of three years of non-recycled waste generation (tonnes)	Metric tonnes	203,920.86	191,324.95	162,565.84
Disclosure of three years of waste recycled (tonnes)	Metric tonnes	164.55	290.92	177.94
Bursa (Energy management)				
Bursa C4(a) Total energy consumption	Megawatt	86,500.58	97,663.48	99,548.14
Plantation Fuel Intensity	L/MT	2.66	3.01	3.29
Bulking Boiler Fuel Intensity	L/MT	5.34	3.67	3.03
Food Fuel Intensity	L/MT	0.00	0.00	0.00
Bulking Transportation Fuel Intensity	L/KM	0.47	0.43	0.43
Bursa (Emissions management)				
Bursa C11(a) Scope 1 emissions in tonnes of CO2e	Metric tonnes	28,221.68	32,389.41	33,153.12
Bursa C11(b) Scope 2 emissions in tonnes of CO2e	Metric tonnes	4,143.68	4,237.86	4,150.29
Bursa C11(c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting)	Metric tonnes	961.05	1,421.00	1,280.94
Bursa (Diversity)				
Bursa C3(a) Percentage of employees by gender and age group, for each employee category				
Age Group by Employee Category				
Senior Management Under 30	Percentage	0.00	0.00	0.00
Senior Management Between 30-50	Percentage	58.33	54.55	41.67
Senior Management Above 50	Percentage	41.67	45.45	58.33
Management Under 30	Percentage	1.69	0.00	0.00
Management Between 30-50	Percentage	69.49	75.81	78.69
Management Above 50	Percentage	28.81	24.19	21.31
Executive Under 30	Percentage	30.46	28.66	20.38
Executive Between 30-50	Percentage	61.59	62.42	71.97
Executive Above 50	Percentage	7.95	8.92	7.64
Non-executive Under 30	Percentage	34.24	32.94	29.83
Non-executive Between 30-50	Percentage	57.94	59.43	61.52
Non-executive Above 50	Percentage	7.82	7.63	8.65
Gender Group by Employee Category				
Senior Management Male	Percentage	83.33	81.82	83.33
Senior Management Female	Percentage	16.67	18.18	16.67
Management Male	Percentage	77.97	79.03	78.69
Management Female	Percentage	22.03	20.97	21.31
Executive Male	Percentage	67.55	68.79	71.34
Executive Female	Percentage	32.45	31.21	28.66
Non-executive Male	Percentage	62.38	64.11	65.50
Non-executive Female	Percentage	37.62	35.89	34.50

Indicator	Measurement Unit	2022	2023	2024
Bursa (Diversity)				
Bursa C3(b) Percentage of directors by gender and age group				
Male	Percentage	71.43	71.43	71.43
Female	Percentage	28.57	28.57	28.57
Under 30	Percentage	0.00	0.00	0.00
Between 30-50	Percentage	14.29	14.29	14.29
Above 50	Percentage	85.71	85.71	85.71
Percentage of women in the global workforce.	Percentage	37.01	35.31	33.91
Bursa (Labour practices and standards)				
Bursa C6(a) Total hours of training by employee category				
Senior Management	Hours	207	169	440
Management	Hours	1,124	1,726	3,084
Executive	Hours	2,541	3,255	5,198
Non-executive	Hours	5,763	9,670	7,278
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	26.11	22.66	26.56
Bursa C6(c) Total number of employee turnover by employee category				
Senior Management	Number	0	0	0
Management	Number	1	6	2
Executive	Number	20	21	17
Non-executive	Number	638	928	552
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0	0
Bursa (Health and safety)				
Bursa C5(a) Number of work-related fatalities	Number	1	0	1
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.48	0.95	1.47
Bursa C5(c) Number of employees trained on health and safety standards	Number	750	861	524
Number of work-related employee fatalities, over last 3 years	Number	0	0	1
Number of work-related contractor fatalities, over last 3 years	Number	1	0	0
Bursa (Community/Society)				
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	226,229.00	561,247.00	482,424.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	109	132	189
Bursa (Anti-corruption)				
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category				
Senior Management	Percentage	58.33	0.00	50.00
Management	Percentage	100.00	22.58	40.98
Executive	Percentage	68.21	18.47	50.32
Non-executive	Percentage	1.93	7.43	12.63
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00	100.00	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0	0
Bursa (Supply chain management)				
Bursa C7(a) Proportion of spending on local suppliers	Percentage	56.89	60.80	95.29
Disclosure of certificates for responsible or sustainable seafood (e.g. MSC, ASC) as a percentage of total seafood sourced	Percentage	60.76	56.98	55.23
Disclosure of certified seafood (e.g. MSC, ASC) as a percentage of total seafood produced/used/processed	Percentage	65.86	63.12	66.52
Bursa (Data privacy and security)				
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	0
Fima (Governance)				
Number of Board Directors	Number	7	7	7
Number of independent Directors on the board	Number	3	3	3
Number of women on the board	Number	2	2	2
Annual General Meeting: Number of days between the date of notice and date of meeting	Number	25	28	28

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Our Board of Directors

Dato' Idris Bin Kechot

Dato' Roslan Bin Hamir

Dato' Rosman Bin Abdullah

Rozana Zeti Binti Basir

Datuk Anuar Bin Ahmad

Datin Rozilawati Binti Haji Basir

Danny Hoe Kam Thong

Dato' Idris Bin Kechot

Chairman / Independent Non-Executive Director

69 years | Male | Malaysian

Date of Appointment
3 May 2019

Length of Tenure as Director *(as at 31 July 2024)*
5 years and 3 months

Date of Last Re-election
21 September 2021

Academic / Professional Qualification / Membership(s)
- Masters, Business Administration specialising in Finance, University of Stirling, United Kingdom
- Bachelor of Science in Agribusiness, Universiti Putra Malaysia
- Accelerated Development Programme, London Business School, United Kingdom

Present Directorship(s) of Public and Listed Companies
- Independent Non-Executive Director, SD Guthrie Berhad (formerly known as Sime Darby Plantation Berhad)

Areas of Expertise

Present Appointment(s)
- Chairman, Projek Lintasan Kota Holdings Sdn. Bhd.

Past Directorship(s) and / or Appointment(s)
- Chairman, Maybank Asset Management Group Berhad (non-listed) (2020-2022)
- Independent Non-Executive Director, Malayan Banking Berhad (2019-2022)
- Chairman, Chemical Company of Malaysia Berhad (2019-2020)
- Perusahaan Otomobil Kedua Sdn. Bhd. (2017-2021)
- Projek Lintasan Kota Holdings Sdn. Bhd. (2017-2019)
- NCB Holdings Berhad (2015-2016)
- Sime Darby Plantations Sdn. Bhd. (2014-2017)
- Goodyear (Malaysia) Berhad (2000-2005) & (2018-2019)
- SJM Flex (M) Sdn. Bhd. (2000-2017)
- KAF Investment Bank Berhad (1994-2010)
- Malaysia Technology Development Corp. Sdn. Bhd. (1995-2006)
- Deputy President & Group Chief Operating Officer-Asset Management, Permodalan Nasional Berhad ("PNB") (2014-2018)
- Executive Director of Amanah Harta Tanah, PNB (2010-2015)
- Deputy President - PNB (Unit Trust) (2004-2014)
- Senior Vice President, Head of Investment Division, PNB (1988-2004)
- Investment Analyst, Corporate Research Department, PNB (1983-1988)

Membership of Board Committee(s)
- Nil

Dato' Roslan Bin Hamir

Group Managing Director / Non-Independent Executive Director

57 years | Male | Malaysian

Date of Appointment
11 October 2002
(He was appointed as Group Managing Director on 1 April 2009)

Length of Tenure as Director *(as at 31 July 2024)*
21 years 9 months

Date of Last Re-election
23 August 2022

Academic / Professional Qualification / Membership(s)
- Bachelor of Arts (Hons) in Accounting and Finance
- Graduate, Association of Chartered Certified Accountants (ACCA)

Present Directorship(s) of Public and Listed Companies
- Managing Director, Fima Corporation Berhad
- Independent Non-Executive Director, Riverview Rubber Estates Berhad
- Chairman, Narborough Plantations Plc (non-listed)
- Director, Fima Bulking Services Berhad (non-listed)
- Director, Malaysian Transnational Trading (MATTRA) Corporation Berhad (non-listed)

Areas of Expertise

Past Directorship(s) and / or Appointment(s)
- Senior Vice President, Corporate Services, Kumpulan Fima Berhad (1998-1999)
- Auditor, Messrs. Ernst & Young (1993-1998)

Membership of Board Committee(s)
- Nil

Membership of Other Committee(s)
- Risk Steering Committee
- Group Sustainability Committee

Our Board of Directors

Dato' Rosman Bin Abdullah

Non-Independent Non-Executive Director

57 years | Male | Malaysian

Date of Appointment
5 May 2004
(He was re-designated as Non-INED on 2 December 2021)

Length of Tenure as Director *(as at 31 July 2024)*
20 years 3 months

Date of Last Re-election
21 September 2021

Academic / Professional Qualification / Membership(s)
- Bachelor of Commerce (Accounting), Australian National University
- Advanced Management Programme, Oxford University
- Member, Malaysian Institute of Accountants
- Member, Australian Society of Certified Practising Accountants

Present Directorship(s) of Public and Listed Companies
- Group Managing Director, Putrajaya Perdana Berhad (non-listed)

Areas of Expertise

Past Directorship(s) and / or Appointment(s)
- Executive Chairman, Putrajaya Perdana Berhad (2012-2015)
- Independent Non-Executive Director, CLIQ Energy Berhad (2012-2015)
- Chief Executive Officer, Syarikat Air Negeri Sembilan Sdn. Bhd. (2009-2012)
- Independent Non-Executive Director, Hume Industries Berhad (2006-2018)
- Independent Non-Executive Director, KUB Malaysia Berhad (2006-2011)
- Group Chief Executive Officer, PECD Berhad (2006-2009)
- Non-Independent Non-Executive Director, Cuscapi Berhad (2003-2013)
- Corporate Affairs Director, PECD Berhad (2003-2006)
- Executive Director, Malaysia Airports Holdings Berhad (1997-2003)
- Auditor and Financial Advisor, Arthur Andersen & Co. (1989-1997)

Membership of Board Committee(s)
- Audit and Risk Committee

Rozana Zeti Binti Basir

Non-Independent Non-Executive Director

49 years | Female | Malaysian

Date of Appointment
30 March 2004

Length of Tenure as Director *(as at 31 July 2024)*
20 years and 4 months

Date of Last Re-election
29 August 2023

Academic / Professional Qualification / Membership(s)
- Bachelor of Arts in Fashion Marketing, American College, London

Present Directorship(s) of Public and Listed Companies
Nil

Present Appointment(s)
- Director, BHR Enterprise Sdn. Bhd.
- Director, RZB Holdings Sdn. Bhd.

Areas of Expertise

Past Directorship(s) and / or Appointment(s)
- Corporate Services Executive, Kumpulan Fima Berhad (2000-2001)
- Visual Merchandising Executive, Metro Jaya Bhd (1998-2000)

Membership of Board Committee(s)
- Nil

Datuk Anuar Bin Ahmad

Independent Non-Executive Director

70 years | Male | Malaysian

Date of Appointment
3 May 2019

Length of Tenure as Director *(as at 31 July 2024)*
5 years and 3 months

Date of Last Re-election
23 August 2022

Academic / Professional Qualification / Membership(s)
- Bachelor of Science (Econs), London School of Economics and Political Science, University of London, United Kingdom
- Advanced Management Programme, Harvard Business School, United States of America

Present Directorship(s) of Public and Listed Companies
- Non-Executive Chairman, Ancom Nylex Berhad
- Non-Independent Non-Executive Chairman, Petronas Dagangan Berhad
- Independent Non-Executive Chairman, Nylex (Malaysia) Berhad
- Chairman, Fima Bulking Services Berhad (non-listed)

Areas of Expertise

Past Directorship(s) and / or Appointment(s)
- Independent Non-Executive Director, ENRA Group Berhad (2015-2022)
- Independent Non-Executive Director, Chemical Company of Malaysia Berhad (2019-2021)
- Chairman, Petronas Gas Berhad (2010-2014)
- Chairman, Petronas Dagangan Berhad (2005-2010)
- Member of Petronas Management Committee and member of Petronas Board (2002-2014)
- Managing Director/Chief Executive Officer, Petronas Dagangan Berhad (1998-2002)
- Joined Petronas and has held various senior managerial and leadership positions in marketing, trading, corporate planning and human resource management until his retirement, where his last position held was the Executive Vice President of Gas and Power Business (1977-2014)

Membership of Board Committee(s)
- Audit and Risk Committee *(Chairman)*
- Nomination and Remuneration Committee

Datin Rozilawati Binti Haji Basir

Non-Independent Non-Executive Director

53 years | Female | Malaysian

Date of Appointment
26 November 2009

Length of Tenure as Director *(as at 31 July 2024)*
14 years and 8 months

Date of Last Re-election
29 August 2023

Academic / Professional Qualification / Membership(s)
- BA (Hons) Social Sciences majoring in Law, University of Hertfordshire, United Kingdom
- Masters in Business Administration in International Business, University of Bristol, United Kingdom

Present Directorship(s) of Public and Listed Companies
Nil

Present Appointment(s)
- Executive Chairman, RII Holdings Sdn. Bhd.

Areas of Expertise

Past Directorship(s) and / or Appointment(s)
- Independent Non-Executive Director, Serba Dinamik Holdings Berhad (2019-2021)
- Managing Director, Nationwide Express Holdings Berhad (2014-2018)
- Chairman and Director, Nationwide Express Courier Services Berhad ("NECSB") (2010-2014)
- Chief Executive Officer, NECSB (2003-2010)
- Executive Director, Business Development, NECSB (2000-2003)
- Corporate Services Executive, Kumpulan Fima Berhad (1996-1997)
- Research & Analyst Assistant, Capitalcorp Securities Malaysia Sdn. Bhd. (1994-1995)

Membership of Board Committee(s)
- Nomination and Remuneration Committee

Danny Hoe Kam Thong

Independent Non-Executive Director

57 years | Male | Malaysian

Date of Appointment
2 December 2021

Length of Tenure as Director ***(as at 31 July 2024)***
2 years and 7 months

Date of Last Re-election
23 August 2022

Academic / Professional Qualification / Membership(s)
- Advanced Management Programme, INSEAD, France
- Member, Malaysian Institute of Accountants
- Member, Malaysian Institute of Certified Public Accountants

Present Directorship(s) of Public and Listed Companies
- Independent Non-Executive Director, Ho Hup Construction Company Berhad
- Independent Non-Executive Director, Omesti Berhad
- Non-Independent Non-Executive Director, Microlink Solutions Berhad

Areas of Expertise

Past Directorship(s) and / or Appointment(s)
- Chief Executive Officer and Country Head, Intermil Un, Turkey (2018-2020)
- Senior Consultant for Malaysia National Grain Terminal Project, Tradewinds Plantation Berhad (March 2018-September 2018)
- Executive Director – ASEAN, Pilmico Foods Corporation (2015-2018)
- Chief Executive Officer and Country Head, Interflour Vietnam Ltd (2011-2014)
- Group Chief Financial Officer, Interflour Holdings Ltd (2002-2011)
- Financial Reporting/Planning Manager – Asia, Kellogg Asia Sdn. Bhd. (2001-2002)
- Ernst & Young (1987-2001). His last position with EY was Principal, Audit and Advisory Business Services

Membership of Board Committee(s)
- Nomination and Remuneration Committee *(Chairman)*
- Audit and Risk Committee

Membership of Other Committee(s)
- Risk Steering Committee
- Group Sustainability Committee

Areas of Expertise

- Leadership
- Strategic Planning
- Accounting, Financial Literacy
- Corporate Governance, Risk Management & Internal Controls
- Economics and Commercial/Marketing
- Bulking Industry
- Corporate Finance & Investment Banking
- Legal & Regulatory
- Government Relationships
- Plantation
- Sales & Marketing
- ESG
- Health & Safety

Declaration by the Board:

- *The Directors' meeting attendance record for 2024 is provided in the Corporate Governance Overview Statement on page 134 of this report.*
- *Save as disclosed, the above Directors have no conflict of interest with the Company, have not been convicted of any offence other than traffic offences within the past five years and have not been imposed any penalty by the relevant regulatory bodies during the financial year 2024.*
- *None of the Directors has family relationship with any other Directors and/or major shareholders of the Company except for Puan Rozana Zeti Binti Basir ("Puan Rozana Zeti") and Datin Rozilawati Binti Haji Basir ("Datin Rozilawati"):*
  - *Puan Rozana Zeti and Datin Rozilawati are siblings. Puan Rozana Zeti is the major shareholder of the Company.*
  - *Puan Rozana Zeti and Datin Rozilawati are also sisters of Dr. Roshayati Binti Basir ("Dr. Roshayati"). Dr. Roshayati is the major shareholder of the Company.*
  - *Dr. Roshayati, Puan Rozana Zeti and Datin Rozilawati are shareholders of BHR Enterprise Sdn. Bhd., the major shareholder of the Company.*

Our Group Management

Dzakwan Bin Mansori

Executive Director, Sales,
Percetakan Keselamatan Nasional
Sdn. Bhd.

62 years | Male | Malaysian

He joined Fima Securities Sdn. Bhd., a stock-broking arm of KFima in 1997 as Vice President of Institutional Business. His last position was Vice President of Finance and Operations before moving to Percetakan Keselamatan Nasional Sdn. Bhd. (“PKN”) in 2001 to head the Planning and Purchasing division. In 2005, he was promoted as Director of Sales and subsequently, appointed to the Board of PKN as Executive Director, Sales on 25 August 2014.

He started his career in 1984 with Bank Kerjasama Rakyat Berhad and later moved to New Straits Times as Assistant Accountant in 1985. He left in June 1987 to pursue his degree and joined Coopers & Lybrand Management Consultant Berhad upon completion in July 1990. He later joined CIMB Securities Berhad and K & N Kenanga Berhad prior to joining Fima Securities Sdn. Bhd.. He holds an Advanced Diploma in Accountancy from Universiti Teknologi Mara.

He is also a Board member of Malaysian Transnational Trading (MATTRA) Corporation Berhad (non-listed), a subsidiary of KFima.

Fadzil Bin Azaha

Chief Financial Officer /
Company Secretary

47 years | Male | Malaysian

He joined the Group in January 2016 as General Manager, Group Finance & Treasury, overseeing both the compliance and commercial aspects of the Group’s finance functions, including financial reporting, budgeting, and corporate matters. He was redesignated as Chief Financial Officer and appointed as Company Secretary on 1 October 2017. He also sits on the Board of several of the Group’s subsidiaries and is responsible for overseeing the Group’s Food division.

Fadzil has 25 years of working experience in accounting, finance, treasury, auditing, and corporate advisory. Prior to joining the Group, he was a Senior Manager (Assurance and Business Advisory) at Ernst & Young, Malaysia. He holds a Bachelor’s degree in Accounting (Hons) from Universiti Utara Malaysia.

He is a Chartered Accountant and a member of the Malaysian Institute of Accountants (MIA). He is also a fellow member of the Certified Practising Accountants Australia (CPA Australia).

Jasmin Binti Hood

Senior General Manager, Group
Secretarial & Legal / Company Secretary

51 years | Female | Malaysian

She joined KFima on 2 January 2008 and was appointed as Company Secretary in the same year. She is currently Company Secretary to KFima’s Group subsidiaries including its listed subsidiary FimaCorp and for all Board Committees of KFima and FimaCorp. She is also a member of the Risk Steering Committee and Group Sustainability Committee.

She sits on the Board of several of the Group’s subsidiaries. She holds an LLB (Hons) degree in Law from University of Southampton, United Kingdom and Certificate of Legal Practice from the Legal Profession Qualifying Board, Malaysia and has over 25 years’ experience in legal, corporate secretarial and compliance roles. She is also an affiliate of the Malaysian Institute of Chartered Secretaries and Administrators.

Our Group Management

Muhammad Fadzlilah Bin Abdul Ra'far

Chief Financial Officer,
Fima Corporation Berhad

37 years | Male | Malaysian

He joined Fima Corporation Berhad ("FimaCorp") in September 2017 as Financial Controller and was promoted to Chief Financial Officer of FimaCorp on 27 June 2022. He was subsequently appointed as Company Secretary on 1 July 2022. He sits on the Board of several of the Group's subsidiaries, and currently oversees the Plantation division.

Prior to joining the Company, he was an Audit & Assurance Manager in Messrs. Ernst & Young for 7 years.

He graduated with First-Class Honours from Universiti Teknologi Mara in Bachelor of Accountancy (Hons). He is also a member of Malaysian Institute of Accountants (MIA) and Association of Chartered Certified Accountants (ACCA).

Irman Bin Abdul Shukor

Director, Strategy & Business Development

49 years | Male | Malaysian

He joined the Company in January 2018 as Director, Strategy & Business Development to oversee the overall Group strategy and business development initiatives. He presently sits on the Board of several of the Group's subsidiaries.

He holds a Master of Science in Investment & Finance from the University of Strathclyde, Scotland and a Bachelor of Accountancy (Hons) from the University of Stirling, United Kingdom.

Prior to joining the Company, he was a Director of Business Development at Halim Mazmin Group since 2015. Between 1999 and 2015, he has held diverse positions in various organisations such as United Overseas Bank, Wira Emas Sdn. Bhd. (Albukhary Group), DRB-HICOM Berhad, Permata Trans Offshore Sdn. Bhd. and Al Rayan Ventures (Qatar), specialising in corporate banking, business development, mergers and acquisitions, corporate finance and advisory, and other financial and consultancy related works.

Ali Bin Khamis

Senior General Manager, Operation
Fima Bulking Services Berhad

55 years | Male | Malaysian

He joined Fima Biodiesel Sdn. Bhd. in 2007 as Project and Manufacturing Manager during which time he supervised the construction, commissioning and operation of the biodiesel plant. He is currently the Senior General Manager, Fima Bulking Services Berhad, a position he has held since April 2018, and is responsible for overseeing the overall business operations of the Bulking division. He sits on the Board of several of the Bulking Group's subsidiaries.

He has over 20 years of experience in manufacturing and engineering of palm oil and oleo-chemicals industries, having held positions with Felda Procter & Gamble Oleochemicals Sdn. Bhd., Akzo Nobel Oleochemicals Sdn. Bhd. and Vance Bioenergy Sdn. Bhd. He holds a Master of Business Administration from Universiti Tun Abdul Razak and a Diploma in Industrial Chemistry from Universiti Teknologi Mara. He is a registered Safety and Health Officer from Department of Occupational Safety and Health.

Ahmad Faisal Bin Hamdan

Chief Executive Officer,
International Food Corporation Limited

50 years | Male | Malaysian

He joined International Food Corporation Limited ("IFC"), the Group's subsidiary in Papua New Guinea, as Finance Manager in 2002. He then returned to the Head Office to lead the Group Internal Audit Department in 2007, a position he held until 2015. In 2015, he returned to IFC as Chief Operating Officer and was subsequently promoted as IFC's Chief Executive Officer in 2019.

He started his career as a Finance Executive with UniAsia Insurance Berhad from 1998 until 2002. He holds a BA (Hons) Accounting & Finance from London South Bank University. He has 26 years of working experience in accounting, finance, audit as well as in the manufacturing and production sectors.

Mohd Radzif Bin Md Sharif

General Manager, Sales, Percetakan Keselamatan Nasional Sdn. Bhd.

52 years | Male | Malaysian

He joined Percetakan Keselamatan Nasional Sdn. Bhd. in 2011 as Sales Manager to oversee sales/products development division. He was subsequently promoted as Senior Manager, Sales and then General Manager, Sales in 2021.

He has over 28 years of working experience in the areas business development and information technology, having held positions with various organisations in Malaysia and abroad. He holds a Bachelor in Commerce and Management from Lincoln University, New Zealand.

Additional Information on Our Senior Management:

Except as otherwise stated in the individual Senior Management's profile, none of the Senior Management has:

- *any directorship in public companies and listed issuers;*
- *any family relationship with any Director and/or major shareholders of the Company;*
- *any conflict of interest with the Company;*
- *been convicted of any offences (excluding traffic offences) within the past 5 years; and*
- *been subjected to any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.*

Corporate Governance **Overview Statement**

This Corporate Governance Overview Statement seeks to provide our stakeholders with an overview of the corporate governance practices of KFima during the year under review.

Overview

The Board views good governance as a business enabler and is committed to the highest governance standards, ethics and integrity. In this regard, Board's governance oversight is guided by its commitment to its responsibilities and governance objectives achieved through applying the principles and practices articulated in the Companies Act 2016, the Malaysian Code on Corporate Governance ("MCCG") issued by the Securities Commission Malaysia (SC) and compliance with the Bursa Malaysia Securities Berhad ("Bursa") Main Market Listing Requirements ("Listing Requirements").

For the year under review, we complied substantially with the practices outlined in the MCCG.

This Corporate Governance Overview Statement is prepared in compliance with the Bursa Listing Requirements and embodies the spirit and principles of the MCCG with regards to the recommendations stated under each principle. This overview is to be read together with the Corporate Governance Report of the Company ("CG Report") which is available on the Company's website at https://www.fima.com.my/corporate-governance.html.

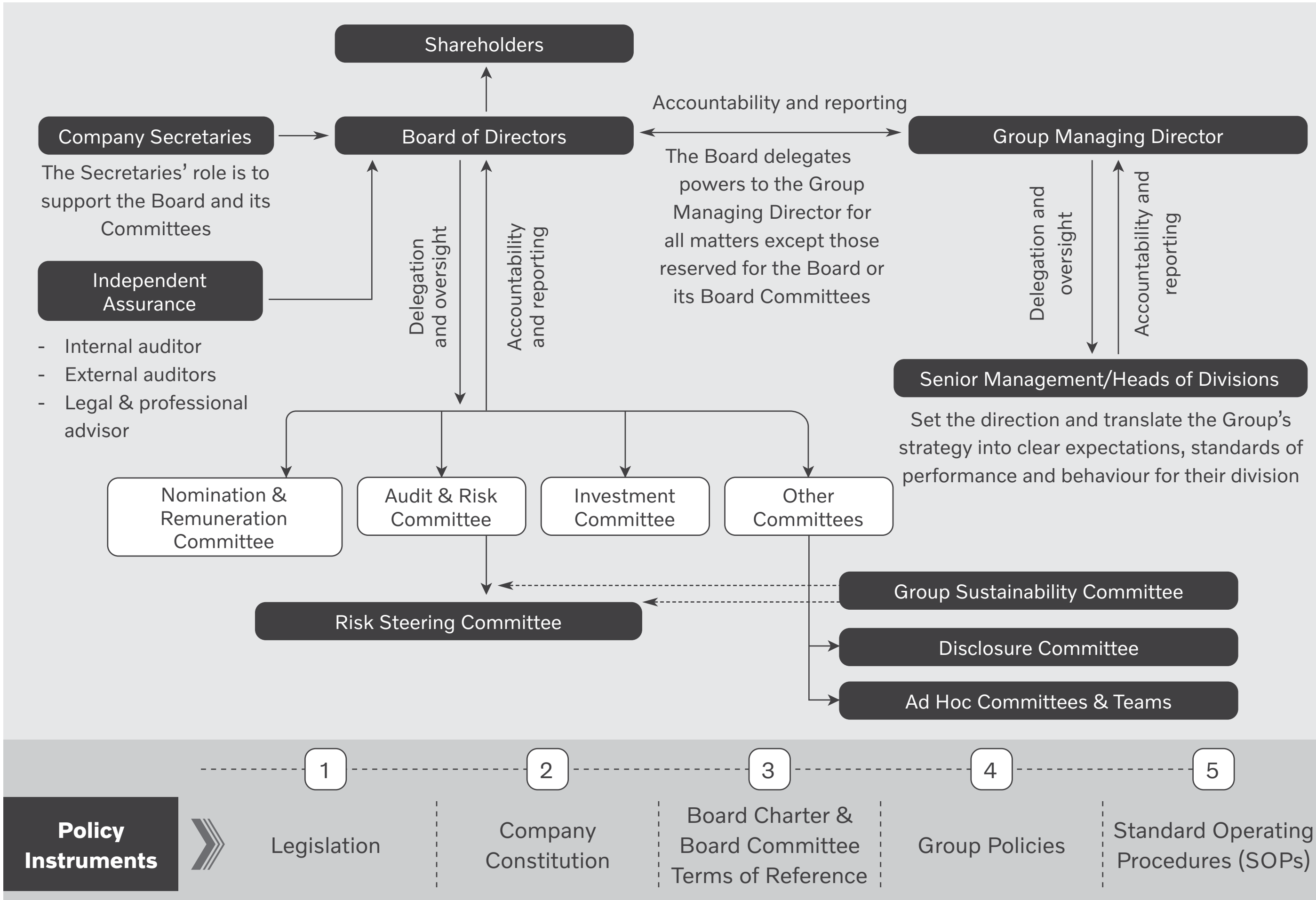
The Corporate Governance (CG) Framework

With guidance from the Board, the day-to-day responsibility for ensuring that the Group's businesses are managed appropriately, rests with management. There exists a formal governance framework and defined reporting lines between divisional level, the Group Managing Director ("Group MD"), Board Committees and the Board to ensure that the divisions' approach to corporate governance remains in line with Group policies. The ultimate responsibility for decision making, however, lies with the Board.

Decisions on strategy and other material matters are reserved for the Board, including but not limited to decisions on the allocation of capital resources and the authorisation of procurement capital expenditure, borrowings and investments, save where pre-approved materiality levels apply.

The Board exercises control via the Group's CG framework, which includes:

- a governance structure, including Board committees and divisional boards and management committees, each with approved Terms of Reference ("TOR"), which are reviewed from time to time as necessary;
- an approvals framework for the Board and the divisions, through which authority is delegated to management;
- detailed reporting to the Board and its committees; and
- the maintenance and monitoring of a system of internal controls.



Through this CG framework, we strive to ensure that our governance processes drive a strong culture of ethical behaviors, transparency and accountability and go beyond compliance to align with the spirit, rather than the letter, of legislation and principles. This approach establishes a foundation for strategic decision-making that in turn generates sustainable shared value through balancing short- and long-term goals.

The following sections outline how the Group has applied the three principles under the MCCG:

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

I. Board Leadership

The Board is responsible to the shareholders and wider stakeholders for the stewardship and overall performance of the Group. The Board's role is to promote the long-term sustainable success of the Company, generating value for shareholders and contributing positively to the wider society, within a framework of prudent and effective controls, which enables risk to be assessed and managed. In performing this duty, the Board works together with the Group MD and the senior management team to steer the Group's strategic direction.

The Board has a schedule of matters reserved for its consideration and approval supported by a set of operating principles. When making decisions, individual Board members ensure they are well-informed, act independently, with awareness and insight, and manage conflicts of interest if any arise.

II. Board Charter

The Board Charter sets out the role, responsibilities, structure, composition and conduct of the KFima Board. It is a primary source of reference for the Board on the Group's governance practices. Matters requiring approvals from the Board and/or Committees are provided for in the Board Charter. The Board Charter is reviewed annually to ensure its continued relevance, effectiveness and alignment with current rules and regulations.

The Board Charter is available on the Company's website at https://www.fima.com.my/pdf/corp-governance/board-charter.pdf.

III. Board Governance and Access to Information

The roles of the Chairman and the Group MD are separately held and the division of their responsibilities is clearly established in the Board Charter.

Dato' Idris Bin Kechot is Chairman of the Board of KFima. The Chairman is responsible for the leadership and operation of the Board, while the Group MD, Dato' Roslan Bin Hamir, is responsible to the Board for executing the strategy and managing the day-to-day operations of the Group within a set of authorities delegated by the Board. The Group MD is also responsible for implementing Board strategy and policy. The heads of each division report directly to the Group MD.

The Board is assisted by two Company Secretaries who ensure that Board members receive appropriate and timely information including meeting materials and minutes. All Directors have access to the advice of the Company Secretaries, and the Company provides access, at its expense, to the services of independent professional advisers in order to assist the Directors in their roles.

The Directors have full and unrestricted access to management and, in addition to the presentations made by management to Board and/or Board Committee meetings, to any information relating to the Group's business and affairs in the discharge of their duties. The Directors may request to be furnished with additional information or clarification, particularly in respect of any technical issues tabled to the Board. This helps to foster an open and regular exchange of knowledge and experience. Directors also visit the locations of operating units and estates to enable them to gain more insight into the business and operational aspects of the Group.

Key Responsibilities of Chairman and Group MD

Chairman (INED)		Group MD
• Provides leadership to the Board. • Monitors Board effectiveness. • Fosters constructive relationships among Directors. • Acts as Company representative.	**Promote integrity and probity** **Ensure effective stakeholder communication**	• Develops strategies for the Board's approval. • Executes strategies agreed upon by the Board. • Leads day-to-day management of the Group. • Monitors operational and financial performance.

IV. Board Independence

The Nomination and Remuneration Committee ("NRC") and the Board, upon their assessment, have concluded that the following Non-Executive Directors have maintained their independence: Dato' Idris Bin Kechot, Dato' Anuar Bin Ahmad and Encik Danny Hoe Kam Thong. The Board has considered the criteria established under Paragraph 1.01 of the Bursa Listing Requirements in assessing these Directors' independence.

The Board is satisfied that they are independent in character and judgement and that they are each free from any business or other relationships which would materially interfere with the exercise of their independent judgement. Further, as at the date of this Annual Report, none of our Independent Non-Executive Directors' tenure exceeds the cumulative term limit of 9 years.

The Board will continue to review the independence of the Company's Independent Directors from time to time to ensure that they continue to exercise independent and objective judgement, play their part effectively on the Board in the best interests of the Company and satisfy the independence criteria. In addition, each Director must immediately disclose to the Board if he/she is, or becomes aware of, any information, facts or circumstances that will or may affect his/her independence.

V. Managing Conflicts of Interest

In order to avoid potential conflicts or biases, all Directors are required to make a general disclosure of their interests, at appointment, at the beginning of every financial year and during the year as required. Any interests and their extent and any possible conflicts that may arise are reviewed by the Board according to the Bursa Listing Requirements and recorded to ensure the integrity of the Board.

Each of the Directors understands that they have an ongoing responsibility to identify and manage conflicts of interest, and to make the appropriate disclosures to the Board and the Company Secretaries, and must not take part in any Board deliberation on the matter unless permitted by law.

VI. Discharging Board Responsibilities

Key focus areas and matters reviewed and deliberated by the Board in FYE2024 included:

Financial and Performance Management

- Group Performance Report – financial and operational performance against forecast and prior periods.
- quarterly financial results and performance as well as outlook for the year.
- the Directors' Report and Audited Financial Statements for the financial year ended 31 March 2023.
- the Group's solvency and financial position.
- major acquisitions, investments and capital investment.
- payment of interim dividend in FYE2023.
- recurrent related party transactions/related party transactions entered into by the Group and any potential or perceived conflicts of interest (COI).
- bank mandates and treasury-related matters.

Strategy

- considering and approving the Group's annual budget, business plans and key performance targets.
- receiving senior management presentations from Group business segments.
- progress updates of major acquisitions, investments and capital expenditure.

People

- the Group MD's key performance indicators for FYE2023.
- reappointment of Dato's Roslan Bin Hamir as Group MD.
- FYE2023 annual increment and performance reward for the Group MD and Group employees.
- the succession planning of the Group's senior management and Group support functions.
- payment of ex-gratia to Group employees.
- new appointment to the Investment, Risk Steering and Group Sustainability Committees.
- receiving report (half-yearly) on succession planning of Group leadership.
- proposed establishment of ESOS for the Company.

Governance and Reporting

- draft statements for the FYE2023 Annual Report and Circular to the Shareholders.
- resolutions to be put to shareholders at the 51st AGM held on 29 August 2023.
- re-appointment of Messrs. Ernst & Young PLT as the Company's auditors and for the same to be put forward for shareholders' approval at the 51st AGM.
- participation in as well as review and discussion of recommendations from the internal Board evaluation.
- external and internal auditors' assessment based on the recommendation of the Audit and Risk Committee.
- updates on material litigation, industrial relation/accidents cases and/or whistle-blowing complaints.
- disclosure on dealings by Directors/Principal Officers in the Company's securities.
- half yearly review of the Group's sustainability performance.
- the Group's ERM Report & Risk Appetite Statements.
- annual review of Board Charter and Board Committees' TOR.
- updates on corporate governance and regulatory matters.
- establishment of the Investment Committee and its TOR.
- adoption of the Board annual outline agenda.

VII. Meetings and Time Commitment

The Board had 6 scheduled Board meetings in FYE2024. The annual Board and Board Committee meetings schedule for the ensuing financial year are prepared and shared with all Directors to enable the Directors to plan and accommodate their schedules accordingly. An annual outline agenda which provides an overview of the Board and/or Board Committee's focus areas at each of its meeting is also shared and circulated to the Board in advance.

The attendance of Directors at Board and Committee meetings held in FYE2024 is set out below:

	Board	Audit & Risk Committee	Nomination & Remuneration Committee	Investment Committee	Group Sustainability Committee	Risk Steering Committee
Number held	6	5	2	1	3	2
Directors						
Dato' Idris Bin Kechot	6/6	N/A	N/A	1/1	N/A	N/A
Dato' Roslan Bin Hamir	6/6	N/A	N/A	1/1	3/3	2/2
Datuk Anuar Bin Ahmad	6/6	5/5	2/2	N/A	N/A	N/A
Dato' Rosman Bin Abdullah	6/6	5/5	N/A	N/A	N/A	N/A
Rozana Zeti Binti Basir	5/6	N/A	N/A	N/A	N/A	N/A
Datin Rozilawati Binti Haji Basir	6/6	N/A	2/2	N/A	N/A	N/A
Danny Hoe Kam Thong*	6/6	5/5	2/2	1/1	2/2	1/1

* Mr Danny Hoe Kam Thong was appointed as GSC and RSC member on 19 May 2024.

Meetings are conducted according to a formal agenda, ensuring that the Board and/or Board Committees properly address and follows up on all substantive matters. Directors are given the opportunity to add non-standard matters to the agenda at each Board meeting. Members of management are invited, when appropriate, to attend Board and/or Board Committee meetings to make presentations. Papers for the Board and Committee meetings are generally provided to directors a week in advance of the meetings.

In addition to the Board meetings, the Board approved 5 transactions via circular resolutions in FYE2024.

VIII. Board Committees

The Board has established 3 Board committees and supported by several other committees which have been established to assist in the discharge of the Board's oversight functions:

► Audit and Risk Committee

The primary objective of the ARC is to assist the Board in fulfilling its fiduciary and statutory duties in:

- overseeing financial reporting, internal control and risk management;
- evaluating the internal and external audit processes and outcomes;
- reviewing conflict of interest situations and related party transactions;
- reviewing anti-bribery and whistle-blowing; and
- providing oversight on the Risk Steering Committee and Group Sustainability Committee.

The summary of activities of the ARC during FYE2024 is set out in the Audit and Risk Committee Report of this Annual Report.

▶ Nomination and Remuneration Committee

The Nomination and Remuneration Committee ("NRC") comprises 3 members, all of whom are Non-Executive Directors with the majority of them being Independent Directors.

Chairman

- Danny Hoe Kam Thong
  Independent Non-Executive Director

Members

- Datuk Anuar Bin Ahmad
  Independent Non-Executive Director
- Datin Rozilawati Binti Haji Basir
  Non-Independent Non-Executive Director

The NRC ensures the Board composition meet the needs of the KFima Group and develops, maintains and reviews the criteria to be used in the recruitment process and annual assessment of the Board, Board Committees and individual Directors.

The NRC's remuneration function is to support the Board in maintaining, assessing and developing the policy framework on all elements of the remuneration for the Group MD and senior management including terms of employment, reward structure and benefits, and key performance indicators with the aim to attract, retain and motivate, as well as reviewing and administering the remuneration entitlements of the Non-Executive Directors of the Company and Directors of subsidiaries.

The TOR of the NRC is available on the Company's website.

FYE2024 Key Activities

During the FYE2024, 2 NRC meetings were held, with full attendance by the members, as described under Meetings and Time Commitment section of this Annual Report.

Among the key activities of the NRC during FYE2024 were as follows:

- reviewed the composition of the Board and its Committees;
- reviewed the performance evaluation of the Board, its Committees and individual Directors, as well as the results of the annual fit and proper assessment of Directors, and made appropriate recommendations to the Board;

▶ Nomination and Remuneration Committee (cont'd.)

- reviewed the independence of the Independent Non-Executive Directors;
- reviewed and recommended the re-appointment of the Group MD;
- reviewed the bonus pool and salary increment for the Group employees for FYE2023;
- reviewed the time commitment of Directors for performance of their responsibilities;
- reviewed the training of the Directors;
- reviewed and recommended the total rewards (variable bonus and salary increment) for the Group MD for FYE2023 and made the appropriate recommendations to the Board;
- reviewed and received updates on the succession plan for senior management; and
- reviewed the Group MD's key performance indicators for FYE2024 and made the appropriate recommendations to the Board.

The NRC's performance for FYE2024 was evaluated as part of the overall Board Effectiveness Evaluation and the Board was satisfied that the NRC has discharged its duties responsibly and effectively in accordance with its TOR.

▶ Investment Committee

The Investment Committee ("IC") was established in FYE2024 following recommendations from last year's Board evaluation. The IC comprises directors from KFima as well as from our listed subsidiary, Fima Corporation Berhad ("FimaCorp"), with the majority of them being Independent Directors.

Chairman

- Dato' Idris Bin Kechot
  Independent Non-Executive Director

Members

- Danny Hoe Kam Thong
  Independent Non-Executive Director
- Dato' Roslan Bin Hamir
  Non-Independent Executive Director
- Datuk Bazlan Bin Osman
  Independent Non-Executive Director, FimaCorp
- Rezal Zain Bin Abdul Rashid
  Non-Independent Non-Executive Director, FimaCorp

The primary responsibility of the IC is to review potential new business opportunities and investments proposed by Group management, providing initial in-principal support before any detailed negotiations and workstreams can commence.

Other Committees

The Board is also supported by various committees which have been established to assist in the discharge of the Board's oversight functions. The committees are:

Risk Steering Committee ("RSC")

- The RSC is a sub-committee of the ARC.
- Supports the ARC in the development and implementation of the Group's risk management and internal control framework, and is involved in reviewing and monitoring whistle-blowing, bribery and corruption as well as ESG-related matters.
- The RSC is composed of Board representatives from KFima and FimaCorp and members of senior management. The RSC is chaired by a Non-Independent Non-Executive Director of FimaCorp.
- The RSC is supported by the Risk Management Unit ("RMU") which is made up of executives/ management of the respective business units. The RMU is responsible for managing, mitigating and monitoring strategic and operational risks at company/divisional level.

Group Sustainability Committee ("GSC")

- The GSC reports to the ARC.
- Oversees how the Group's sustainability programmes support business goals and aspirations, and monitors the progress thereof.
- Provides oversight and input to management on the Group's policies, strategies and programmes related to ESG matters and corporate responsibility.
- Consists of representatives from the Boards of KFima and FimaCorp and members of senior management. The GSC is chaired by a Non-Independent Non-Executive Director of FimaCorp.
- The GSC's TOR can be found on the Company's website.

Disclosure Committee

- The Disclosure Committee is responsible for ensuring the Group's compliance with its continuous disclosure obligations and for overseeing the Company's disclosure practices under the Company's Corporate Disclosure Policy.
- The committee comprises various members of the Group's senior management, and is chaired by the Group MD.

Ad Hoc Committees and Teams

- Ad hoc committees and teams are established for a set time to focus on a specific task/project.
- The committees are set up at the Group, divisional and/or operating levels as may be appropriate under the respective circumstances.
- The committees comply with the best practices in good governance, subject always to the counsel of the Board and compliance with any policy and delegated authority limits set by the Board.
- Progress reports on the respective projects are submitted to the Board of the subsidiary and KFima, as may be necessary in the circumstances.

Each Committee has its own TOR which clearly sets out its remit and decision-making powers. The TOR of each Board Committee is also reviewed annually. Amendments are made (where necessary) to ensure that the TORs of the respective Committees are updated with the latest best practices, processes and/or procedures prescribed or recommended by the regulators and are of market standard. The TORs of these Committees are available on the Company's website.

During the year, a Plantation EXCO chaired by Encik Rezal Zain Bin Abdul Rashid, Non-Independent Non-Executive Director of FimaCorp and comprising of members of the Plantation division management was set up to oversee and monitor operational and strategic matters of estates within the FIMA Group.

In addition, Heads of Divisions ("HOD") meetings chaired by the Group MD are held monthly to deliberate on the Group's financial performance, business development, operational and corporate issues. The minutes of the HOD meeting is tabled to the Board on a quarterly basis and the Group MD will update the Board of any significant matters that require the Board's immediate attention.

IX. Board Commitment to Sustainability

The Board has ultimate oversight of ESG matters, but has delegated responsibility for certain matters to the Audit and Risk Committee and the Group Sustainability Committee.

A comprehensive overview of the Group's sustainability framework, initiatives and progress in FYE2024 are addressed in the Sustainability section of this Annual Report.

X. Board Performance

A Board Effectiveness Evaluation ("BEE") to assess the performance of the Board as a whole, its committees and the individual Directors is conducted annually with the aim of improving the effectiveness of the Board and its members and the performance of the Group.

The NRC is responsible for overseeing the implementation of the evaluation process, identifying issues and making appropriate recommendations to the Board. Usually every 3 years, the Board engages an external consultant to undertake a review of the effectiveness and structure of the Board and the Board Committees. In the intervening years, the performance evaluation process is internally facilitated by the Company Secretaries.

Progress from FYE2023 evaluation

Various recommendations from the externally facilitated FYE2023 BEE were implemented in FYE2024. This included the establishment of an Investment Committee ("IC") comprising directors from KFima as well as from its listed subsidiary, FimaCorp. The IC serves as a platform to inter alia scrutinise strategic proposals and engage in meaningful dialogue with management. Additionally, the Board had appointed Encik Danny Hoe Kam Thong, an Independent Non-Executive Director, to the RSC and GSC. The Board believes that given his experience, he can provide fresh insights and contribute to the effective oversight of these committees in identifying and addressing risks, as well as advancing the Group's sustainability agenda.

FYE2024 evaluation

The evaluation of the performance of the Board and that of its Committees and individual Directors in respect of FYE2024 was undertaken in the later part of 2024, concluding in a report presented to the Board in May 2024. While there were no significant areas of concern arising from the BEE, the Board had indicated for it to be kept abreast on the progress of the Group's sustainability projects and initiatives, which will be addressed in this current financial year.

The average ratings of all assessment areas remained positive (trending between 'above average' and 'exceptional'), with improved ratings in 3 areas while 3 areas remained unchanged as compared to the previous BEE.

Overall, the Board and its Committees were found to be performing well and were engaged, with a good balance of challenge and support in providing oversight of the Company. Each Director was considered to be demonstrating proper commitment, including time, to their respective roles.

XI. Board Size, Composition and Diversity

As at FYE 31 March 2024, the Board comprised of 7 members, comprising of 3 Independent Non-Executive Directors, 1 Non-Independent Executive Director and 3 Non-Independent Non-Executive Directors. There has been no change to the Board composition since the last report.

Corporate Governance Overview Statement

EFFECTIVE LEADERSHIP

Board skills and experience:

Our board's composition, diversity and tenure

The independence of our board protects shareholder interests

14% Non-Independent Executive Director

43% Non-Independent Non-Executive Directors

43% Independent Non-Executive Directors

Gender diversity

Practice 5.9 of MCCG2021: 30% of women directors not reached

71% Men

29% Women

Racial diversity

86% Malay

14% Chinese

BOARD TENURE

The average age of our board members is **58.9** years*

The average tenure of our Independent Non-Executive Directors **5 years 1 month***

Average Board Meeting attendance

97.6%

Committee Meeting attendance

100%

** As at 31 July 2024*

Directors to be elected or re-elected

Article 102 of the Company's Constitution provides that one-third (1/3) of the Directors of the Company for the time being or, if their number is not 3 or a multiple of 3, then the number nearest to one-third (1/3) shall retire by rotation at an AGM of the Company provided always that all Directors, shall retire from office at least once in every 3 years, but shall be eligible for re-election at the AGM. A Director retiring at a meeting shall retain office until the close of the meeting, whether adjourned or not.

At the forthcoming AGM of the Company, Dato' Idris Bin Kechot and Dato' Rosman Bin Abdullah are to retire by rotation in accordance with Article 102 of the Company's Constitution.

The Non-Executive Directors play a key role in providing a solid foundation for good corporate governance, and ensure that no individual or group dominates the Board's decision-making. Each Non-Executive Director brings unique skill sets and valuable external perspectives to the Board's deliberations through their diverse experience and insights from different industry sectors. This enables them to contribute significantly to Board decision-making by constructively challenging and holding to account the management against agreed upon performance objectives.

While no firm targets have been set for Board diversity, the NRC considers potential candidates based on merit against objective criteria, with due regard to gender, personal qualities, relevant skills and expertise when recommending any new appointments to the Board.

Details of the Directors, including their qualifications, experience and tenure can be referred to in the Profile of the Board of Directors section of this Annual Report and is also available on the Company's website.

XII. Appointment Process for Nomination and Selection of New Directors

Appointments to the Board are formal and transparent. Proposals for appointment to the Board are, after review, recommended by the NRC and are considered by the Board as a whole, subject to the approval/ratification thereof by shareholders at the first subsequent general meeting or annual general meeting following their appointment.

Any new Board appointment is overseen by the NRC and in doing so, where necessary or appropriate, the NRC and Board may tap their networking contacts and/or engage external professional agencies to assist with identifying and shortlisting candidates.

In reviewing and assessing the candidates that are to be appointed to the Board, the NRC will consider factors such as boardroom diversity, fitness and propriety of the candidate, and whether there are any gaps in the Board composition based on the Board skills matrix, with the aim of closing these gaps (if any) and strengthening the Board composition in line with the Company's strategic direction. The demands of a candidate's other professional commitments are also assessed to ensure the candidate has sufficient time and capacity to effectively execute his/her duties. The NRC then meets the shortlisted potential candidates before recommending the most suitable candidate to the Board for appointment as director.

No new directors were appointed to the Board in the FYE2024.

XIII. Re-election and Re-appointment of Directors

The Company's Constitution states that one-third or the number nearest to one-third of the Directors must retire by rotation at each AGM at least once every 3 years. These Directors are eligible for re-election, subject to approval by the shareholders at the AGM.

At the forthcoming AGM of the Company, the following Directors who are to retire from the Board pursuant to Article 102 of the Constitution, were rated favourably in the BEE:

- Dato' Idris Bin Kechot; and
- Dato' Rosman Bin Abdullah.

Based on the outcome of the BEE, both Directors continue to fulfil the Company's fitness and propriety criteria, and their ability to act in the best interest of the Company. Accordingly, therefore the Board is recommending that shareholders vote in favour of their re-election at the forthcoming 52^{nd} AGM.

The profiles of Directors seeking re-election are set out in Our Board of Directors section of this Annual Report.

XIV. Directors Training

The Directors are mindful of the need for continuous training to keep abreast of new developments in the marketplace and regulatory environment, to meet the Directors' respective needs in discharging their duties as directors. In this regard, the Company Secretaries provide assistance in Directors' training and development including the induction programme for newly appointed Directors.

During FYE2024, all Board members attended various training programmes and workshops on issues relevant to the Group, among others on ESG, corporate governance and risk management. In total, Board members collectively attended 352 hours of training in FYE2024. The trainings attended by Board members in FYE2024 were recorded and presented to the Board on a half-yearly basis.

A list of training sessions attended by each Director during FYE2024 can be found in Section 1.1 of the CG Report.

XV. Induction Programme

An induction programme is conducted to ease new Directors into their role and to provide the necessary information to assist them in understanding the Group's business strategies and operations. The new Directors will also be provided with a Director's Kit containing the Company's Constitution, Board Charter and Board Committees' TOR, Group policies and other relevant key information.

XVI. Remuneration

The Board believes that the existing remuneration structure is appropriate for the requirements of the Company, taking into account factors such as effort and time spent as well as responsibilities of the Directors. Directors' fees are based on a standard fixed fee while meeting allowances are paid based on attendance at Board and/or Committee meetings. No revision has been proposed to the prevailing Directors' fee quantum.

The aggregate amount of remuneration paid to the Directors for FYE2024 is set out below:

	Executive Director	Non-Executive Directors					
	Dato' Roslan Bin Hamir	Dato' Idris Bin Kechot	Datuk Anuar Bin Ahmad	Rozana Zeti Binti Basir	Dato' Rosman Bin Abdullah	Datin Rozilawati Binti Haji Basir	Danny Hoe Kam Thong
Company	**RM**	**RM**	**RM**	**RM**	**RM**	**RM**	**RM**
Directors' Fees	-	90,000	75,000	60,000	70,000	60,000	70,000
Meeting Allowance	-	16,000	28,000	14,000	24,000	18,000	36,000
Salaries	863,580	-	-	-	-	-	-
Bonus	628,814	-	-	-	-	-	-
Benefits-in-kind	-	51,552	32,039	-	61,751	-	40,000
Others	284,722	-	-	-	-	-	-
TOTAL	**1,777,116**	**157,552**	**135,039**	**74,000**	**155,751**	**78,000**	**146,000**
Subsidiaries	**RM**	**RM**	**RM**	**RM**	**RM**	**RM**	**RM**
Directors' Fees	-	-	18,000	-	-	-	-
Meeting Allowance	-	-	2,000	-	-	-	-
Salaries	575,712	-	-	-	-	-	-
Bonus	419,209	-	-	-	-	-	-
Benefits-in-kind	86,964	-	-	-	-	-	-
Others	191,371	-	-	-	-	-	-
TOTAL	**1,273,256**	**-**	**20,000**	**-**	**-**	**-**	**-**

The Company will be requesting shareholders' approval for the payment of Non-Executive Directors' fees and benefits-in-kind for the ensuing financial year and the period commencing from the conclusion of the forthcoming AGM until the conclusion of the next AGM of the Company in year 2025, respectively.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

Internal Controls and Risk Management

In accordance with its TOR, the ARC's primary responsibilities is to assist the Board in monitoring the Group's management of its financial risk processes, accounting and financial reporting practices, as well as the activities of the Group's external auditors. The ARC is also to ensure the effectiveness of the Group's risk management standards and internal controls as well as oversee sustainability reports, related party transactions and conflicts of interest situations.

The ARC's performance for FYE2024 was evaluated as part of the overall BEE. The Board is satisfied that the ARC has discharged its duties responsibly and effectively in accordance with its TOR.

Information about the ARC, including its work in FYE2024 are set out in the Audit and Risk Committee Report. The Group's risk governance structure and risk management approach are discussed in the SORMIC section of this Annual Report.

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

Communication with Stakeholders

The Company seeks to ensure that the internal and external communications of the Company with its shareholders and various stakeholders are transparent, accurate and timely. The Company has in place a Corporate Disclosure Policy which defines how and when information should be given and by whom it is given.

It also defines the accuracy and comprehensiveness of the information in order to fulfil the relevant regulatory requirements. The Company's Corporate Disclosure Policy is available on the Company's website.

I. Website

The Company's website www.fima.com.my forms part of the Company's communication medium with shareholders and the wider investment community. It provides a brief description of the Group's history, current operations and strategy, as well as an archive of news and historical financial information on the Group.

II. General Meetings

The Board views the Company's general meetings as a valuable opportunity for shareholders to exchange views and engage in active and meaningful dialogue with the Board.

The Company's 51st AGM was held virtually on 29th August 2023 via a secure digital platform which live streamed and used Remote Participation and Voting ("RPEV") facilities, in accordance with the Guidance and FAQs on the conduct of General Meetings for Listed Issuers issued by the Securities Commission.

All 7 members of the Board including the Chairman were physically present and in attendance at the designated broadcast venue alongside the Company Secretaries, external auditors and senior management.

The 51st AGM was attended by 291 shareholders through live streaming and online remote voting via the RPEV platform. The remote poll voting results were scrutinised and validated by an independent scrutineer and made available immediately for the benefit of all shareholders, following the broadcast.

During the 51st AGM, the Group MD gave a presentation to shareholders on various topics, including the Group's FYE2023 financial and business performance, sustainability progress, as well as the Group's performance outlook and priorities for FY2024. All the questions raised by the MSWG and shareholders prior to and during the meetings, as well as the Group's responses, were shared with shareholders during the virtual AGM (Q&As). Subsequent to the 51st AGM, these Q&As were uploaded onto the Company's website.

This Corporate Governance Overview Statement was approved by the Board of Directors on 27 June 2024.

Financial Calendar

First Quarter Announced	Second Quarter Announced	Third Quarter Announced	Fourth Quarter Announced
24 August 2023	29 November 2023	29 February 2024	29 May 2024

Annual Report	Annual General Meeting
Issued 31 July 2024	To be held 29 August 2024

Interim & Special Dividends

Announced	Entitlement Date	Payment Date
29 May 2024	2 August 2024	16 August 2024

Audit and Risk **Committee Report**

The Audit and Risk Committee ("ARC") was established to assist the Board in overseeing the accounting, financial reporting, internal control and risk management processes as well as the Company's practices and policies on corporate responsibility and sustainability.

Composition

The ARC is chaired by an Independent Non-Executive Director and comprises of 3 members, with the majority of whom are Independent Directors. The composition of the ARC fulfills the requirements of paragraph 15.09 of the Bursa Listing Requirements. The members of the ARC as at the date of this Report are:

Members	Designation/Membership
Datuk Anuar Bin Ahmad *(Chairman)*	Independent Non-Executive Director
Danny Hoe Kam Thong *(Member)*	Independent Non-Executive Director *• Member, Malaysian Institute of Accountants* *• Member, Malaysian Institute of Certified Public Accountants*
Dato' Rosman Bin Abdullah *(Member)*	Non-Independent Non-Executive Director *• Member, Malaysian Institute of Accountants* *• Member, Australian Society of Certified Practising Accountants*

The ARC does not comprise former partners or directors of the Company's existing auditing firm. Each member of the ARC brings an appropriate mix of extensive financial and commercial experience, combined with an understanding of the Group's business.

Roles and Responsibilities

In performing its duties and discharging its responsibilities, the ARC is guided by its own Terms of Reference ("ARC TOR"). The ARC TOR is reviewed annually taking into account relevant regulatory changes and recommended best practices. The ARC TOR is available on the Company's website at www.fima.com.my under 'Investors' section.

The ARC's key roles and focus areas include:

- assessing the risks and control environment;
- overseeing financial reporting;
- evaluating the internal and external audit processes and outcomes;
- reviewing conflict of interest situations and related party transactions; and
- providing oversight on the Risk Steering Committee and Group Sustainability Committee.

Meetings

The ARC's meetings are generally scheduled in line with the Group's financial reporting calendar. During the financial year ended 31 March 2024, the ARC met 5 times with all members in attendance at all meetings.

Members	Number of meetings attended
Datuk Anuar Bin Ahmad	5/5
Danny Hoe Kam Thong	5/5
Dato' Rosman Bin Abdullah	5/5

An annual outline agenda which provides an overview of the ARC's focus areas at each of its meetings is also circulated to the ARC members annually in advance.

Quarterly	Half-yearly	Annually
• Unaudited quarterly financial results and announcement. • ARC minutes of meetings and matters arising. • Risk Steering Committee minutes of meetings. • Group Internal Audit Report. • Sustainability Report. • Recurrent related party transactions.	• Private sessions with the external auditors. • Private sessions with Group Internal Audit. • Annual internal audit plan. • Enterprise Risk Management and Risk Appetite Statement. • Review of Conflict of Interest.	• External audit plan. • External audit results/status. • Audited financial statements. • Assessment of internal and external auditors. • ARC Report, Statement on Risk Management and Internal Control and Circular to Shareholders. • Appointment/re-appointment of external auditors. • ARC and Risk Steering Committee's Terms of Reference.

The Group MD, Chief Financial Officer and Head of Group Internal Audit ("GIA") or relevant members of the management will attend the meetings upon invitation by the ARC to facilitate the discussion, as well as to provide explanation on the Group's performance and financial results, reports on the activities of the internal audit, risk management and internal controls, related party transactions, material litigation and whistleblowing as well as other matters within the ARC TOR. The external auditors are also invited to present their key audit findings/matters, audit plan and other relevant matters.

The ARC holds private meetings with the external auditors and GIA at least once annually. In FYE2024, the ARC met with the external auditors on 27 June 2023 and 29 November 2023, and with GIA on 19 May 2023 and 24 August 2023. The Group MD, Dato' Roslan Bin Hamir is also a member of Risk Steering Committee and Group Sustainability Committee. He would update and advise the ARC from time to time on the work undertaken by each committee, facilitating efficient communication between the committees.

The Company Secretaries act as the secretaries of the Committee, who is in attendance at all meetings and records the proceedings of the meetings. The ARC has access to any form of independent professional advice and the services of the Company Secretaries as and when required. All ARC meeting minutes, including meeting papers and matters deliberated by the ARC in the discharge of its functions are properly documented. Minutes of each meeting are also distributed to all ARC members and presented to the members of the Board at the Board meeting for noting.

The ARC keeps the Board informed of its activities and recommendations, and the Chairman of the ARC provides an update to the Board after every ARC meeting. When presenting any recommendations to the Board, the ARC will provide such background and supporting information as may be necessary for the Board to make an informed decision.

During FYE2024, the ARC members attended various training programmes to keep them abreast of new developments pertaining to legislation, regulations, current commercial issues and risks in order to effectively discharge their duties. Details of the training programmes attended by ARC members are set out in the Corporate Governance Report.

The particulars in relation to the audit and non-audit fees incurred by the Company and its subsidiaries in FYE2024 are as follows:

	Audit Fees (RM'000)		**Non-Audit Fees (RM'000)**	
	2024	**2023**	**2024**	**2023**
Company	148	142	12	12
Subsidiaries	916	870	106	76
TOTAL	**1,064**	**1,012**	**118**	**88**

Audit and Risk Committee Report

Summary of Activities of the ARC in FYE2024

Governance roles and responsibilities fulfilled and outcomes	Summary of activities
	Financial Reporting • Recommended for Board approval the Directors' Report and Audited Financial Statements for FYE2023. • Reviewed the solvency and liquidity status of the Group and Company. • Reviewed trade receivables and any impairments made. • Reviewed the quarterly financial results for announcement to Bursa Malaysia before recommending for the Board's approval. • Reviewed the recurrent related party transactions/related party transactions including amount due and owing by the related party. • Reviewed the share buy-back transactions.
	Risk Management and Material Litigation • Considered the Group's Enterprise Risk Management Report biannually with particular attention on the Group's top key risks, risk parameters and the mitigating measures. • Reviewed new and emerging risks. • Received updates on material litigation and industrial relation/accidents cases and whistleblowing complaints received through the whistleblowing channels.
	Internal Audit • Considered GIA's Audit Plan for financial year 2025 including GIA key result areas/performance measures, budget and adequacy of resources and competencies of GIA's staff to execute the audit plan. • Reviewed GIA reports including investigations and special assignments, main observations made by GIA, and the management's responses. • Monitored the implementation of the recommendations made by GIA or management. • Private sessions with GIA without management presence to discuss key issues within their audit of interest. • Annual assessment of the effectiveness of GIA's performance.
	External Audit • Considered Messrs. Ernst & Young PLT's ("EY PLT") Audit Plan which outlined the audit strategy and approach for FYE2024. • Considered EY PLT's fees and non-audit services before recommending to the Board for approval. • Reviewed significant audit and accounting issues that arose during the course of the audit and their resolution. • Reviewed key audit matters, which involved estimation and material judgement regarding the assumptions taken and the estimates made, accounting policies and audit judgements. • Considered the recommendations made by EY PLT in their management letters and the adequacy of management's responses. • Reviewed the outcome of the annual assessment of EY PLT's performance for the year. • Recommended for Board approval EY PLT's re-appointment as the Company's auditors and for the same to be put forward for shareholders' approval at the 51st AGM. • Private sessions with EY PLT to discuss any issues of concern.

Governance roles and responsibilities fulfilled and outcomes	Summary of activities
	Compliance, Governance and Other Matters
	• Company's compliance with the Bursa Listing Requirements, Malaysian Accounting Standards Board and other relevant legal and regulatory requirements regarding the quarterly and year-end financial statements. • Annual review of the Terms of Reference of ARC and Risk Steering Committee. • Reviewed the Audit and Risk Committee Report together with the Statement on Risk Management and Internal Control, prior to submission to the Board for approval. • Recommended for Board approval the Circular to Shareholders in relation to the proposed renewal of shareholders' mandate for RRPT and shares buy-back. • Considered the Group's ESG/sustainability performance on a quarterly basis. • Considered the results of the Malaysian Sustainability Palm Oil annual surveillance audit and the key observations therefrom. • Reviewed the Conflict of Interest ("COI") situations (actual or potential) within the Group, excluding related party transactions.

LEGEND

Governance roles and responsibilities

- Steers and sets strategic direction
- Approves policy and planning
- Oversees and monitors
- Ensures accountability

Outcomes

- Ethical culture
- Good performance
- Effective control

Evaluation of the Audit and Risk Committee

For the FYE2024, the annual assessment and evaluation of the performance of the ARC was conducted in-house by the Company Secretaries. An overview of the evaluation process and questionnaires can be found under Corporate Governance Overview Statement section of this Annual Report.

Based on the results of the exercise, the Board is satisfied that the ARC has discharged its duties responsibly and effectively in accordance with the ARC TOR.

Relationship with External Auditors

The ARC is provided with reports, reviews, information and advice throughout the year, as set out in the terms of engagement of EY PLT. The performance of EY PLT is formally assessed by the ARC on an annual basis. The ARC is satisfied that the EY PLT is effective and has provided appropriate independent challenge to the Company's management.

EY PLT has declared and confirmed that it is, and has been, independent throughout the conduct of the audit engagement for FYE2024, in accordance with the terms of all relevant professional and regulatory requirements. EY PLT is also not aware of any relationships or other matters that may reasonably be thought to bear on their independence.

Statement on Risk Management **and Internal Control**

This Statement on Risk Management and Internal Control is made in compliance with the Bursa Listing Requirements and is guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers. The following statement outlines the nature and scope of risk management and internal controls within KFima Group during the financial year ended 31 March 2024.

Accountability of the Board

The Board is responsible for establishing and maintaining a sound risk management and internal control framework with the objective of safeguarding the shareholders' interest and the Group's assets.

The Board is supported by the Audit and Risk Committee ("ARC") in fulfilling its responsibility of overseeing the Group's risk management and internal control systems. The ARC, with the support of the Risk Steering Committee ("RSC"), oversees the Group's risk management framework and ensures that appropriate measures are implemented by management to provide the desired level of assurance to the Board. Group Internal Audit ("GIA") assists the ARC by providing assurance on the adequacy and effectiveness of the risk management and internal control systems. This structure ensures a robust system of checks and balances to mitigate risks and safeguard the interests of stakeholders.

The Board retains ultimate responsibility for the governance of risk management and internal control, and all the actions of the ARC and RSC with regard to the execution of the delegated oversight responsibilities.

Audit and Risk Committee

The ARC shall carry out the following duties in regard to the Group's risk management and internal control:

- oversee, agree and recommend for Board approval a risk management framework consistent with the agreed Company's risk appetite and profile parameters.
- oversee the establishment of processes and procedures for the monitoring and evaluation of the Company's risk management and internal control systems.
- assess the adequacy and effectiveness of the Group's financial and non-financial internal control and risk management activities in relation to the organisation's risk appetite.

Audit and Risk Committee (cont'd)

- receive and discuss periodic enterprise risk management reports or any other matters which the RSC refers to the ARC.
- consider major investigation findings on risk management, whistleblowing and/or internal control matters as delegated by the Board or on its own initiative and management's response to these findings.

Risk Steering Committee

The RSC assist the ARC in fulfilling its responsibilities for review and oversight of the Group's risk management and internal control framework:

- oversee the enterprise risk management and internal control framework and policies and annual risk management plan of KFima and its subsidiaries. In doing this, the RSC is to identify the Group's level of risk tolerance and to actively identify, assess and monitor key business risks of the Group including risk treatment/mitigation action plans for the business unit and control of key business risks.
- review and discuss with management, and consult with the ARC, where applicable, regarding the Group's risk governance structure, risk assessment and ERM practices and guidelines, policies and processes.
- deliver reports on risk management and risk assessment to the ARC or to the Board.
- review and discuss with divisions the risks, risk strategies and monitoring.
- review and discuss with management the Group's sustainability and safety programmes and implementation thereof.
- report to the ARC on the risk topics as the RSC deems appropriate from time to time.
- report on the Group's safety, environmental, social and governance responsibility.

The roles and responsibilities of the ARC and RSC are set out in their written Terms of Reference which are accessible on the Company's website.

Internal Control

The key processes that the Board has established in reviewing the adequacy and integrity of the system of internal control and risk management include the following:

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

- **Heads of Divisions ("HOD") meetings**, which are chaired by the Group MD, are held on a monthly basis to deliberate on the Group's financial performance and internal audit reports, as well as business development, legal/litigation, operational and corporate issues. Minutes of the HOD meetings are tabled to the Board every quarter and the Group MD will update the Board on any significant matters that require the Board's immediate attention.

- the **Group MD actively participates** and is involved in the day-to-day running of the major businesses and regular discussions with the senior management.

- 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 a timely manner. The Group's strategic directions are also reviewed annually taking into account changes in market conditions and significant business risks.

- the periodic review of **procurement limits of authority, investment and other standard operating procedures** to ensure a robust framework of authority and accountability. This process streamlines decision-making within the organisation, promoting well-informed and timely corporate decision-making at the appropriate levels in the organisation's hierarchy.

- the **compliance function**, consisting of the ARC and internal audit function, supports the Board to oversee the management of risks and maintain a robust control environment. The ARC reviews GIA's reports and conducts annual assessments on the adequacy of GIA's scope of work.

- an **escalation policy** setting out the pathways to be followed when dealing with incidents, allegations and/or discoveries, which have resulted or are likely to result in risk of harm, loss or damage to people, property, environment or reputation.

- the ARC convenes **regular meetings** to deliberate on findings and recommendations for improvement by both the internal and external auditors on the state of the system of internal control, reviews and recommends the risk management policies, strategies, key risk profiles and risk mitigation actions for the Group and reports to the Board. Minutes of the ARC meetings are tabled to the Board.

- the review and award of **major contracts** which exceed the limits delegated to the tender committee or subsidiary Boards are undertaken by the Board.

- all major procurements and/or proposals must **include comprehensive assessments of risk, financial and ESG considerations**.

- **strict procurement processes and reporting procedures** are in place to address conflict of interest situations, disposal of scraps and sludge oils as well as issuance of credit notes.

- the **competency of staff** is enhanced through a rigorous recruitment process and development programmes. A performance appraisal system for staff is in place, with established targets and accountability and is reviewed annually.

Internal Audit Function

The Group's internal audit function is undertaken by GIA. Empowered by its audit charter, GIA provides independent assurance on the efficiency and effectiveness of the Group's governance, risk management and internal controls processes. GIA's role includes evaluating and improving the design and effectiveness of the Group's risk management, control, and governance processes through a systematic and disciplined approach. GIA follows the standards and practices outlined in the International Professional Practices Framework issued by the Institute of Internal Auditors.

GIA reports directly to the ARC to preserve its independence and objectivity. Administratively, GIA reports to the Group MD which provides the necessary stature to fulfil its responsibilities.

The annual audit plan, which includes the scope of works and resource allocation, is approved by the ARC. The audit plan is developed primarily using a risk-based approach taking into account input and feedback from management and the ARC.

Statement on Risk Management and Internal Control

GIA reports to the ARC and communicates audit observations to management. GIA also monitors the progress of actions taken by the operating units in response to audit findings. GIA conducts independent reviews of the key activities within the Group's operating units to assess their compliance, effectiveness and efficiency.

Any concerns raised by the ARC are addressed by GIA. The ARC follows through on any unresolved matters in the agenda for the next ARC meeting. GIA's evaluations include the following:

1. adequacy, integrity, effectiveness of the Company and the Group's internal controls in safeguarding shareholders' investments and the Group's assets. The internal controls cover financial, operational, information technology, compliance controls and enterprise risk management.

2. the extent of compliance with established policies, procedures and statutory requirements.

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

Summary of key activities carried out by GIA during FYE2024 are as follows:

- prepared and presented the annual audit plan for the review and approval by the ARC.

- conducted risk-based audits and issued internal reports to management. These reports identified issues related to risk management, control, compliance, and governance. GIA also provided recommendations for improvement in these areas. The specific actions to be taken by management will be determined through discussions with them.

- reported on a quarterly basis to the ARC the achievement of the audit plan, training and development of the GIA staff, and status of resources of the GIA function.

- conducted regular follow-up and monitored the implementation of any corrective actions are taken on a timely basis or within agreed timelines.

- conducted labour practices and human rights audits on subsidiary companies to ensure compliance with regulations and recommend remedial/improvement actions.

- coordinated and facilitated the review of the Group's risk management framework together with the Risk Coordinator, and attended meetings of the RSC.

- reviewed the accuracy of the monthly ESG data submitted by the business units to the Head Office and provided assurance on the data published in the annual Sustainability Report.

- performed risk-based audits based on the approved annual audit plan, including follow-up of matters from previous internal audit reports.

- reported on a quarterly basis to the ARC on significant risk management, control and governance issues from the internal audit reports.

- reported on a quarterly basis to the ARC the audit conclusion or opinion on the adequacy and operating effectiveness of the business units including the recommended process improvement action plans.

- conducted quarterly reviews on the internal control process and reporting of recurrent related party transactions to provide assurance to the ARC that its implementation in compliance with Bursa Listing Requirements.

- reviewed compliance with MS2530-3:2013 Malaysian Sustainable Palm Oil certification standard of Part 3: General Principles for Oil Palm Plantations and Organised Smallholders requirements for all estates operated by the Group in Malaysia.

- conducted on-site training for the estates' data entry staff to improve their proficiency in operating the plantation division's management information system.

During FYE2024, GIA issued a total of 23 reports arising from planned audits. Audit findings were presented to the ARC for deliberation. In cases where weaknesses were identified, the ARC will request management to rectify them based on recommendations provided by GIA.

The total costs incurred in discharging the internal audit functions during FYE2024 was RM449,065.44 compared to FYE2023 of RM428,378.04. This amount mainly comprised of staff costs, training and travelling expenses. Further information on GIA is provided in the Corporate Governance Report.

Enterprise Risk Management

The Group's Enterprise Risk Management ("ERM") framework provides a standardised and systematic approach for the identification, evaluation, monitoring and reporting of key risks, controls and ensuring that there are adequate measures to implement, track and review the action plans. The ERM framework is aligned with the ISO 31000:2018 standard, and is adopted across the operating companies within the Group. The importance of aligning the ERM framework is to manage existing and emerging risks to protect our key stakeholders' and shareholders' interests.

The risk management framework and internal control systems are designed to identify, assess and manage risks that may impede the achievement of business objectives and strategies. The Board also acknowledges that the internal control systems are designed to manage and minimise, rather than eliminate, occurrences of material misstatement, financial loss or fraud.

<u>Risk Appetite Statement</u>

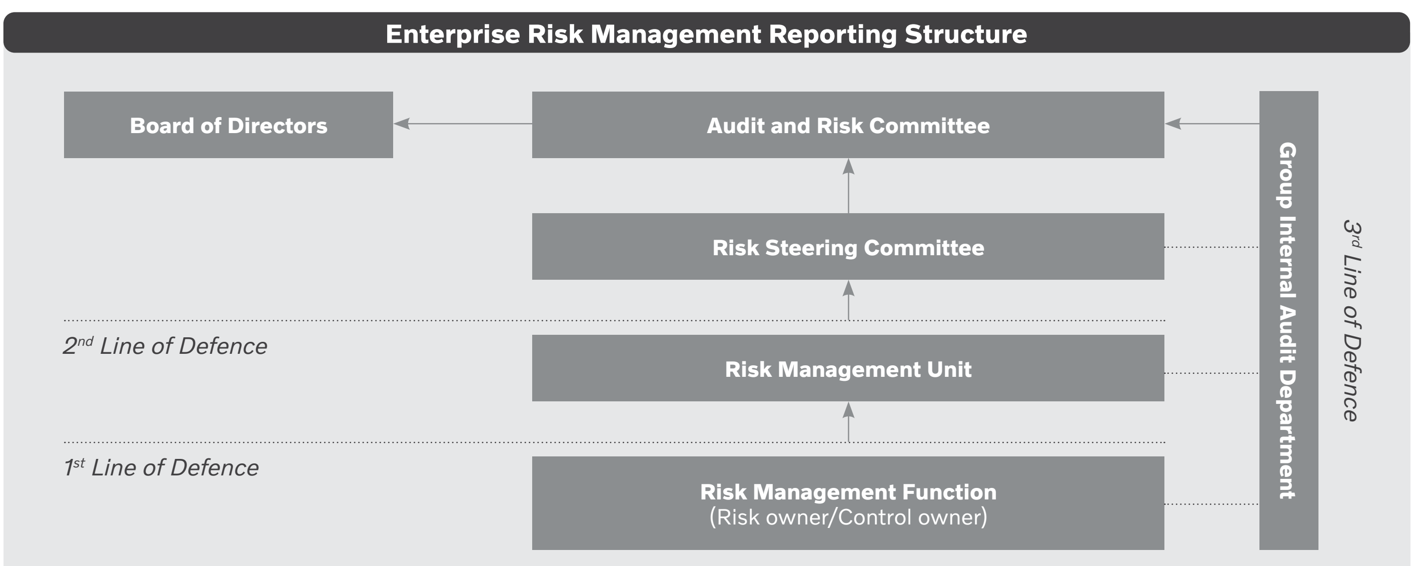
The Risk Appetite Statement outlines the Group's predefined boundaries for risk-taking and serves as a guideline to demonstrate the organisation's risk tolerance levels. Any significant breach of these risk tolerance limits will be reported (as soon as practicable) to the Board directly by the Chairman of the RSC.

The Risk Appetite Statement is formulated at Group level and cascaded down to divisions, departments and operating unit levels through policies, procedures, practices and decision making. The monitoring of risk appetite occurs within the risk management framework and is supported through periodic risk assessments by the RSC, with reporting to the Board through the ARC.

<u>ERM Reporting Structure and Process</u>

The management of risks is considered as an integral part of the Group's management process. Accordingly, it is incorporated into the operational processes of the Group.

The current reporting/governance structure is designed to reinforce and facilitate ownership, accountability, and proactive risk mitigation. The structure enables timely reporting and escalation of risks, facilitating effective risk management practices across the Group.



Statement on Risk Management and Internal Control

The Group adopts a 3 lines of defence approach for its risk management. It provides an overview of the Group's operations from a risk management perspective while assuring the ongoing success of risk management initiatives.

1st Line of Defence

Risk Ownership

- Line management (staff/support functions) is the first line of defence in the risk management framework. They have ownership of risk whereby they manage the day-to-day operational risks that they encounter in conducting their activities and are responsible for identifying and managing the inherent operational risks in activities, processes and systems for which they are accountable, consistent with the Group's policies and procedures, objectives and risk appetite.
- Information that first line management should report to the second line of defence, i.e. Risk Management Unit ("RMU"), includes, among others, key risk issues, incidents and near misses (including historical/trend analysis/statistics, status of remediation/mitigation actions and lessons learned).

2nd Line of Defence

Risk Management

- The RMU is the second line of defence that oversees risk and monitors the first line of defence controls. Comprising executives/management of the respective business units, the RMU is responsible for monitoring and measuring operational risks, particularly critical and highly rated residual risks, to determine if the processes and systems implemented by the first line of defence are working effectively. This provides the RMU with a mechanism for discussion and effective escalation of issues leading to better risk management over time and increased enterprise resilience.
- RMU has a reporting line to the RSC.

3rd Line of Defence

Risk Assurance

- GIA regularly reviews first and second line of defence activities and results, including the risk management functions involved. GIA provides independent assurance through a risk-based approach to the ARC and the Board on the adequacy and effectiveness of the system of internal controls, risk management, and governance processes and recommends the appropriate improvement actions, where necessary.

The RSC was established to assist the ARC and the Board in overseeing the implementation of the Group's risk management framework. It serves as a central platform for coordinating and driving the risk management efforts across the Group. The RSC is responsible for monitoring and assessing significant risks, ensuring appropriate risk mitigation measures are in place, and providing guidance on risk-related matters. By actively engaging with management and divisional heads, the RSC helps anticipate and manage risks, considering changes in the business and regulatory environment and aligning with the Group's strategies.

The responsibility for day-to-day risk management resides with the management of each business unit where they are the risk owners and are accountable for managing the risks identified and assessed. In managing the risks of the Group, GIA collaborates with the management to review and ensure that there is on-going monitoring of risks, the adequacy and effectiveness of its related controls, and that action plans are developed and implemented to manage the risks within the acceptable levels by the Group.

A Risk Coordinator, who is a member of senior management, acts as a central contact and guide for ERM-related issues within the Group, including but not limited to coordinating ERM routinely within the Group and facilitating and supervising the development and implementation of policy, procedures and strategies relating to ERM.

The Group has a Group Risk Management Unit ("GRMU") which is headed by the Chief Financial Officer. The GRMU will be responsible for monitoring and reporting on the effectiveness of risk mitigation measures, as well as providing recommendations for improvement. The GRMU will be supported by a Risk Officer, who will interact and communicate with the RMU, and facilitates the implementation of risk management strategies to enhance operational resilience and minimise exposure to risks.

Prepare 1

RMU prepares the Risk Register indicating the current condition of each risk and plan

Compile 2

Risk Coordinator compiles all Risk Registers

Review 3

RMU reviews their Risk Registers quarterly

Update 4

Risk Registers are updated based on the latest risk information

Monitor 5

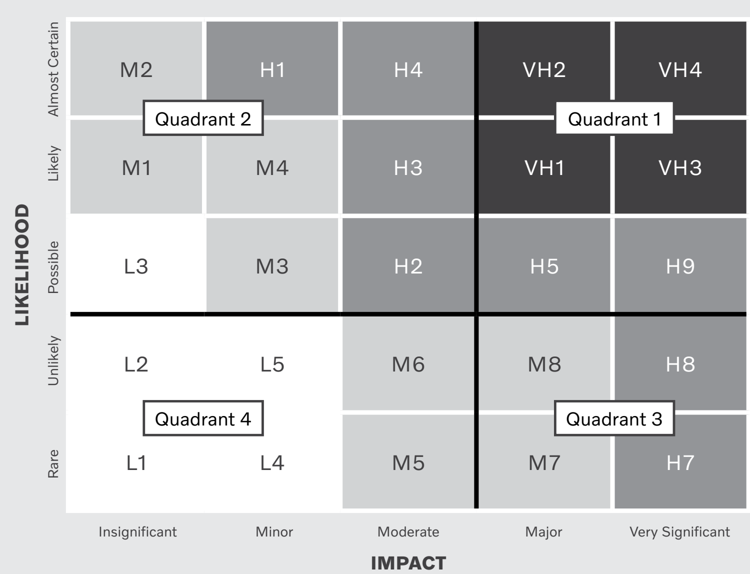
RMU monitors and reports risk information

During the FYE2024, the RSC held 2 meetings, i.e. on 10 May 2023 and 9 November 2023. The meetings discussed among others, the progress of ERM activities initiatives undertaken by the RMU, updating of risk profiles, as evolving circumstances has resulted in some risks increasing/decreasing in significance and the consequential adjustments in risk mitigation measures and residual risk ratings.

The ERM Report is presented to the ARC and Board biannually. This allows the Board to keep abreast and updated on the major risks within the Group. In FYE2024, the ERM Report was presented to the Board on 19 May 2023 and 29 November 2023 where the Board was updated on the key changes made to the residual risk ratings of the risk areas as well as details of emerging risks of the Group.

<u>Risk Management Practices and Processes</u>

The Group employs a two-variable risk matrix to analyse potential risks. This matrix considers the likelihood of an event occurring and its potential impact on the business. During the identification and evaluation phase, risks are assessed based on these criteria and then plotted on the risk matrix, which helps prioritise them for further action. The matrix provides a combined rating that establishes the overall risk level. Issues may be categorised as 'Insignificant', 'Minor', 'Moderate', 'Major' or 'Very Significant'. Each business unit shall refer to their respective ERM profiles and risk matrix in assessing which risk category a particular incident/event is likely to result in risk to and/or risk of harm, loss or damage to people, property, environment or reputation. Importantly, the process acknowledges that even after implementing controls, some level of risk (residual risk) remains. The effectiveness of existing controls is assessed to determine the residual risk rating.



Quadrant	Proposed Treatment Action
1	Critical/To Take Action Immediately
2	Additional Controls & Monitoring
3	Contingency Plan/Monitoring
4	Housekeeping

Risks are primarily managed at the business unit level on an ongoing basis, ensuring a focus on unit-specific risks. GIA, GRMU and assigned risk champions provide ongoing support and guidance throughout the year. The Group maintains a risk register that contains a comprehensive list of risks critical to the Group. This register also includes corresponding risk mitigation and key risk indicators that help monitor status of these risks. The key risk indicators are reviewed and updated quarterly, at both the business unit and Group levels, allowing management to track the movement of risks and respond promptly with the appropriate measures. This review employs both top-down (corporate perspective) and bottom-up (business unit perspective) approaches, ensuring consensus and thorough consideration and prioritization of risks across the organization.

The summary of the Group's key risk areas as at 31 March 2024 and mitigating actions are detailed in the later section of this Report.

<u>Monitoring and Review</u>

The Board retains the overall risk management responsibility in accordance with best practices of the MCCG, which requires the Board to identify principal risks and ensure the implementation of appropriate systems to manage these risks.

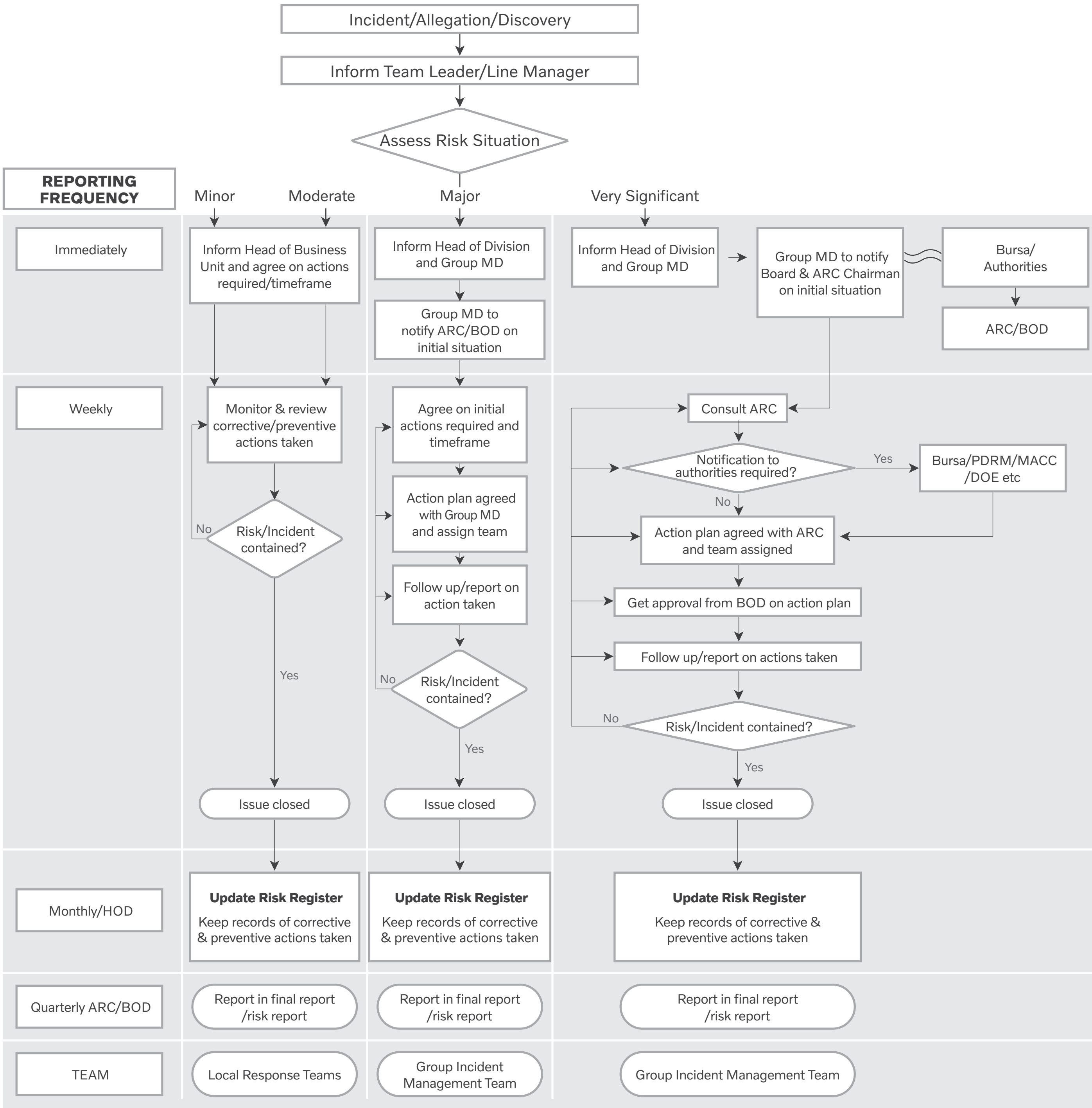
The risk management process facilitates clear and concise risk reporting to management and the Board. This enables informed decision-making based on a comprehensive understanding of potential risks. The ARC and the Board receive regular updates on risk management activities through the following monitoring and assessment mechanisms:

- quarterly reviews of the Group's actual financial and operational performance versus planned performance and other key financial and operational performance indicators;
- specific transactions, projects or opportunities are also discussed between the management and the Board as and when required. This allows the Board and management to manage potential risks; and
- the ARC deliberates and discusses reports issued by GIA and the external auditors pertaining to financial, operational, governance, risk management and control matters. The status of preventive and corrective actions for issues discussed is also updated to the ARC to enable monitoring of the actions.

<u>Incident Management</u>

The Group has in place a tiered enterprise incident response structure to ensure a swift, coordinated, and effective response to any disruptive event and/or unexpected occurrences that could impact our business operations. This standardized approach applies to all our operations and outlines clear procedures for internal response, escalation protocols, and external communication when necessary.

Each incident is categorised based on severity - Minor, Moderate, Major and Very Significant. This categorisation considers factors outlined in each business unit's ERM profile and corresponding risk matrix. The response pathways are depicted in the flowchart below:



Statement on Risk Management and Internal Control

Review of Key Risk Areas

During the period under review, we have reviewed our key risk areas as at 31 March 2024 and the mitigating actions, as set out below:

Key Risk Areas	Our Risk Appetite	Change Reporting/Causes as at 31 March 2024	Mitigation Actions as at 31 March 2024	Connection	
				Material Matters	Stakeholders
Socio-Political Risk	KFima seeks to minimise exposures in regions whereby a sudden and significant change of government policies or significant and prolonged social unrests which could disrupt operations are high.	**Unchanged** 2023 2024 1. Government policies of the originating country have an impact on the recruitment of their workers 2. Regulatory issues on land matters in Indonesia **Exposure:**	1. Upskilling and reskilling estate workers, which in turn can help increase their wage-earning potential 2. Consultation with legal advisers on land matters in Indonesia 3. Accelerating mechanisation initiatives	• Code of Ethics & Governance • Community Investments	a. Investors b. Communities c. Suppliers d. Employees e. Shareholders
Technology Disruption Risk	KFima seeks to minimise the risk of technological disruption by continuously exploring synergetic opportunities with technological partners or other means to innovate its product offering as part of its digital-proofing strategies.	**Heightened Risk** 2023 2024 1. Government's digitalisation initiatives on core services (road tax and licence) 2. Preference to Internet of Things (IoT) including adoption of paperless practices **Exposure:**	1. Shifting focus on new business opportunities 2. Continuous exploring of synergistic opportunities and ongoing engagements with technological partners	• Innovation & Technology Excellence	a. Investors b. Communities c. Suppliers d. Employees e. National & Local Governments f. Strategic Technological Partners

Legends:

New Low Medium High Very High Increasing risk Unchanged Decreasing risk Bulking Plantation Food Manufacturing

Key Risk Areas	Our Risk Appetite	Change Reporting/Causes as at 31 March 2024	Mitigation Actions as at 31 March 2024	Connection	
				Material Matters	Stakeholders
Supply Chain Management Risk	KFima seeks to minimise the effects of price increases or delays in deliveries of goods and services by recovering the incremental costs through price adjustments over a period of time/ during contract review.	**Unchanged** 2023 ➔ 2024 1. Deliveries of materials have significantly improved and all outstanding deliveries completed **Exposure:**	1. Alternative domestic supplier 2. Stock pile for raw and packaging materials	• Sustainable & Traceable Supply Chains	a. Customers b. Competitors c. Suppliers d. Employees
Customer Concentration Risk	KFima seeks to minimise exposures by expanding its customer base.	**Unchanged** 2023 ➔ 2024 **Exposure:**	1. Securing new businesses 2. Go to Market with Strategic Technological Partners 3. Continuous engagement with key Government agencies	• Code of Ethics & Governance • Innovation & Technology Excellence • Product Quality & Safety	a. Investors b. Shareholders c. Suppliers d. Employees e. Strategic Technological Partners f. Customers
Competitor Risk	KFima seeks to minimise exposures by developing innovative solutions for its customers.	**Unchanged** 2023 ➔ 2024 1. New tank development by competitors **Exposure:**	1. Maintain competitive pricing and building long term relationships with customers 2. Go to Market with Strategic Technological Partners	• Code of Ethics & Governance • Innovation & Technology Excellence • Product Quality & Safety	a. Investors b. Shareholders c. Suppliers d. Employees e. Strategic Technological Partners f. Customers

Legends:

New · Low · Medium · High · Very High · Increasing risk · Unchanged · Decreasing risk · Bulking · Plantation · Food · Manufacturing

Statement on Risk Management and Internal Control

Key Risk Areas	Our Risk Appetite	Change Reporting/Causes as at 31 March 2024	Mitigation Actions as at 31 March 2024	Connection	
				Material Matters	Stakeholders
Integrity	KFima does not tolerate any breach of its Code of Ethics and Conduct and has zero-tolerance for bribery and corruption.	**Unchanged** 2023 2024 **Exposure:**	1. Annual Integrity Declaration completed by all employees 2. Integrity Pledge completed by all business associates 3. Escalation Policy for the reporting and escalation of incidents, allegations etc implemented 4. Whistle-Blowing Policy	• Anti-Bribery & Corruption • Code of Ethics & Governance	a. Employees b. Shareholders & investors c. Customers d. Communities e. Memberships & Association f. Suppliers g. National & Local Governments
Skilled Workforce	KFima seeks to minimise exposures by continuously attracting and retaining talent.	**Unchanged** 2023 2024 1. Staff shortage is mitigated by engaging third party company for the provision of manpower services 2. Recruitment of foreign labour from alternative country such as Bangladesh **Exposure:**	1. Upskilling and reskilling estate workers, which in turn can help increase their wage-earning potential 2. Third party companies providing manpower services 3. Review of remuneration rewards and benefits	• Occupational Safety & Health and Well-being • Code of Ethics & Governance • Community Investments	a. Employees b. Customers c. Communities d. Memberships & Association e. Suppliers
Foreign Currency	KFima seeks to minimise exposures on foreign currency whilst ensuring prompt receipts and payments.	**Unchanged** 2023 2024 1. Difficulty in obtaining USD to pay for imports **Exposure:**	1. Alternate foreign currency for debt settlement 2. Alternative domestic supplier 3. Inter-company arrangements to expedite the procurement process	• Sustainable & Traceable Supply Chains • Code of Ethics & Governance	a. Employees b. Customers c. Communities d. Memberships & association e. Suppliers f. Shareholders

Legends:

New Low Medium High Very High Increasing risk Unchanged Decreasing risk Bulking Plantation Food Manufacturing

Emerging Risks

Some emerging risks and foreseeable challenges that the Group has identified during the year and is monitoring closely include interest rate hikes, disruptions caused by emerging digital technologies and business models, increase in operating/production costs, competition risks, legislative reforms in PNG as well as delays in plantation development activities due to adverse weather/ terrains.

Anti-bribery

In order to strengthen the Group's internal control system, particularly in relation to corporate liability risk, the Group has in place an Anti-Bribery Policy which sets out the Group's expectations for internal and external parties working with and for the Group in upholding the Group's commitment and stance against bribery. The Policy is in line with section 17A of the Malaysian Anti-Corruption Commission Act 2009 and the Guidelines on Adequate Procedures issued by the Prime Minister's Department, as well as other international best practices. A number of other Group policies also address bribery, conflict of interest and corruption risks in areas such as procurement, gifts and hospitality, and charitable donations. Training sessions, including e-learning refresher training and on-site workshops, are regularly conducted to educate employees on anti-bribery practices. Notably, staff members working in procurement, sales and operational functions are required to attend anti-bribery training on an annual basis as they are more likely to encounter bribery risks in their day-to-day activities.

Whistle-Blowing Policy

The Group's Whistle-Blowing Policy provides all employees and third parties with a grievance mechanism to disclose and report improper conduct. It provides protection for the whistle-blowers from any reprisals as a direct consequence of making such disclosures. It also covers the procedures for disclosures, investigations and the respective outcomes of such investigations. The policy can be accessed under the 'Investors' section of the Company's website.

Procedures

Any concerns should be raised with the immediate superior. If, for any reason, it is believed that this is not possible or appropriate, then the concern should be reported to the Group MD:

Name : Dato' Roslan Bin Hamir
Via Email : whistleblowing@fima.com.my
Via Mail : Kumpulan Fima Berhad
Suite 4.1, Level 4, Block C, Plaza Damansara
No. 45, Jalan Medan Setia 1, Bukit Damansara
50490 Kuala Lumpur
Attention: Group Managing Director (to mark as "Strictly Confidential")

If reporting to management is a concern, then the report should be made to the Chairman of the ARC. Channel of reporting to the Chairman of ARC is as follows:

Via Email : ac_chairman@fima.com.my
Via Mail : Kumpulan Fima Berhad
Suite 4.1, Level 4, Block C, Plaza Damansara
No. 45, Jalan Medan Setia 1, Bukit Damansara
50490 Kuala Lumpur
Attention: Chairman of Audit and Risk Committee (to mark as "Strictly Confidential")

The above mechanism protects employees and stakeholders who contemplates to "blowing the whistle" on any improper conduct or wrongdoing. The confidentiality of all matters raised and the identity of the whistleblower are protected under the Policy.

Adequacy and Effectiveness of the Group's Risk Management and Internal Control Systems

The Board is of the view that the system of internal control and risk management in place for the year under review, and up to the date of approval of this Statement on Risk Management and Internal Control, is sound and sufficient to safeguard the Group's assets, shareholders' investments and the interests of other stakeholders. The Board has received assurance from the Group MD and the Chief Financial Officer that the Group's risk management and internal control systems have been operating adequately and effectively, in all material aspects, during the financial year under review and up to the date of this Statement. The Group will continue to take measures to preserve, protect and strengthen the risk management and internal control environment. The internal control systems do not apply to the Group's associate companies, which fall under the control of the associates.

Review of the Statement by External Auditors

The External Auditors have performed limited assurance procedures on this Statement on Risk Management and Internal Control pursuant to the scope set out in Audit and Assurance Practice Guide ("AAPG") 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants ("MIA") for inclusion in the Annual Report of the Group for FYE2024, and reported to the Board that nothing has come to their attention that causes them to believe the statement intended to be included in the Annual Report is not prepared, in all material respects, in accordance with the disclosures required by paragraph 41 and 42 of the Guidelines, nor is the Statement factually inaccurate.

AAPG 3 does not require the External Auditors to consider whether the Directors' Statement on Risk Management and Internal Control covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system including the assessment and opinion by the Directors and management thereon.

This Statement has been reviewed and approved by the Board of Directors on 27 June 2024.

DATUK ANUAR BIN AHMAD
Chairman of Audit and Risk Committee

Additional **Disclosure**

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

RRPT of the Company for the FYE2024 was as follows:

Seller/ Provider	Buyer/ Recipient	Nature of RRPT	Related Parties	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)]	Sale of frozen fish	**Major Shareholders** Dr. Roshayati Binti Basir [(3)] Rozana Zeti Binti Basir [(4)] BHR **Directors** Dato' Roslan Bin Hamir [(5)] Rozana Zeti Binti Basir [(4)] Datin Rozilawati Binti Haji Basir [(6)] **Persons Connected** Persons Connected to Major Shareholders (refer to Table A)	45,000	17,289

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) *Dr. Roshayati Binti Basir ("Dr. Roshayati") is the sister of Rozana Zeti Binti Basir ("Rozana Zeti") and Datin Rozilawati Binti Haji Basir ("Datin Rozilawati"). She is also a major shareholder of KFima;*

(4) *Rozana Zeti is a Non-Independent Non-Executive Director of KFima, sister to Dr. Roshayati and Datin Rozilawati, a major shareholder of KFima and has direct and indirect shareholdings in KFima;*

(5) *Dato' Roslan Bin Hamir is the Group MD of KFima and Director of IFC. He has direct and indirect shareholdings in KFima; and*

(6) *Datin Rozilawati is a Non-Independent Non-Executive Director of KFima, sister to Dr. Roshayati and Rozana Zeti and has direct and indirect shareholdings in KFima.*

Additional Disclosure

TABLE A

	Direct Interest		Indirect Interest	
Name	**No. of Shares**	**%**	**No. of Shares**	**%**
Directors				
Dato' Roslan Bin Hamir	320,000	0.12	(1) 1,291,000	0.47
Rozana Zeti Binti Basir	49,415,100	17.94	(2)(3) 121,881,700	44.26
Datin Rozilawati Binti Haji Basir	1,000,000	0.36	(2)(3) 170,296,800	61.84
Major Shareholders				
Dr. Roshayati Binti Basir	50,084,100	18.19	(2)(3) 121,212,700	44.02
Rozana Zeti Binti Basir	49,415,100	17.94	(2)(3) 121,881,700	44.26
BHR	47,852,300	17.38	-	-
Persons Connected to Directors and/or Major Shareholders of KFima other than disclosed above				
Puan Sri Datin Hamidah Binti Abdul Rahman	365,000	0.13	(4) 170,931,800	62.07
Ahmad Riza Bin Basir	-	-	(2) 171,296,800	62.20
Zailini Binti Zainal Abidin	-	-	(5) 171,296,800	62.20

Notes:

(1) *Dato' Roslan Bin Hamir's indirect shareholding in the Company is held under Maybank Nominees (Tempatan) Sdn. Bhd..*

(2) *Deemed interested by virtue that:*

- (i) *Puan Sri Datin Hamidah Binti Abdul Rahman ("Puan Sri Datin Hamidah") is the mother of Dr. Roshayati, Datin Rozilawati, Rozana Zeti and Ahmad Riza Bin Basir ("Ahmad Riza") and her shareholding of preference shares in BHR which carry veto rights in all the decisions in BHR.*
- (ii) *Dr. Roshayati, Datin Rozilawati and Rozana Zeti are sisters and their shareholdings in BHR of more than 20%. Dr. Roshayati and Rozana Zeti are major shareholders of KFima.*
- (iii) *Rozana Zeti's direct shareholding in RZB Holdings Sdn. Bhd..*
- (iv) *Ahmad Riza is the son of Puan Sri Datin Hamidah and brother of Dr. Roshayati, Datin Rozilawati and Rozana Zeti and:*
  - (a) *his indirect shareholdings in the Company which are held through M & A Nominee (Tempatan) Sdn. Bhd. of 360,000 ordinary shares (or 0.13%) and Subur Rahmat Sdn. Bhd. ("SRSB") pursuant to Section 8 of the Act. SRSB holds 11,509,200 ordinary shares (or 4.18%) and 7,700,000 ordinary shares (or 2.80%) direct and indirect, respectively in KFima;*
  - (b) *his wife, Zailini Binti Zainal Abidin's ("Zailini") shareholding in SRSB pursuant to Section 8 of the Act and her indirect shareholding in KFima of 909,000 ordinary shares (or 0.33%); and*
  - (c) *his children's shareholdings of 406,200 ordinary shares (or 0.15%) in KFima.*

(3) *Datin Rozilawati's indirect shareholdings in the Company are held under Maybank Nominees (Tempatan) Sdn. Bhd. of 747,700 ordinary shares (or 0.27%), M & A Nominee (Tempatan) Sdn. Bhd. of 461,000 ordinary shares (or 0.17%) and Affin Hwang Nominees (Tempatan) Sdn. Bhd. of 200,000 ordinary shares (or 0.07%).*

(4) *Puan Sri Datin Hamidah is the mother of Dr. Roshayati, Datin Rozilawati, Rozana Zeti and Ahmad Riza. Deemed interested by virtue of her shareholding of preference shares in BHR which carry veto rights in all the decisions in BHR.*

(5) *Zailini is deemed interested by virtue of her shareholding in SRSB pursuant to Section 8 of the Act; and wife of Ahmad Riza.*

Statement of Responsibility **by the Board of Directors**

The Directors are required by the Companies Act, 2016 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 results of the Company and the Group for the year then ended.

The Directors consider that in the preparation of the financial statements, the Group and the Company have used the appropriate accounting policies which are consistently applied and supported by reasonable and prudent judgments and estimates. The Directors are satisfied that the information contained in the financial statements gives a true and fair view of the financial position of the Group and of the Company at the end of the financial year and the financial performance of the Group and the Company for the financial year then ended.

The Directors have the responsibility for ensuring that the Company and the Group keep 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, 2016.

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 other irregularities.

This Statement is made in accordance with the resolution of the Board dated 27 June 2024.

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Directors' **Report**

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 2024.

PRINCIPAL ACTIVITIES

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

The principal activities of the subsidiaries and the associates are described in Notes 43 and 44, respectively to the financial statements.

RESULTS

	Group RM'000	Company RM'000
Profit for the year	82,666	32,660
Profit attributable to:		
- Equity holders of the Company	72,802	32,660
- Non-controlling interests	9,864	-
	82,666	32,660

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 amounts of dividends paid by the Company since 31 March 2023 were as follows:

	RM'000
In respect of the financial year ended 31 March 2023 as reported in the directors' report for that year:	
Single-tier interim dividend of 9.0 sen and special dividend of 3.0 sen per share, paid on 18 August 2023	33,045

DIVIDENDS (CONT'D.)

Subsequent to the financial year end, on 29 May 2024, the directors declared a single-tier interim and special dividend in respect of the current financial year ended 31 March 2024 of 9.0 sen and 3.0 sen per share, respectively on 275,378,400 shares, amounting to a total of approximately RM33,045,000, payable on 16 August 2024.

The financial statements for the current financial year ended 31 March 2024 do not reflect this proposed dividend. This proposed dividend will be accounted for in the statements changes in equity as an appropriation of retained earnings in the next financial year ending 31 March 2025.

The directors do not recommend the payment of any final dividend in respect of the current financial year.

DIRECTORS

The names of the directors of the Company in office since the beginning of the financial year to the date of this report are:

Dato' Idris bin Kechot	(Chairman)
Dato' Roslan bin Hamir*	(Managing Director)
Datuk Anuar bin Ahmad*	
Rozana Zeti binti Basir*	
Dato' Rosman bin Abdullah	
Datin Rozilawati binti Haji Basir	
Danny Hoe Kam Thong	

* Directors of the Company and subsidiaries

In accordance with Article 102 of the Company's Constitution, Dato' Idris bin Kechot and Dato' Rosman bin Abdullah shall retire from the Board at the forthcoming Annual General Meeting and being eligible, offer themselves for re-election.

The names of the other directors of the subsidiaries of the Company in office since the beginning of the financial year to the date of this report are:

Datu Abdul Razak Tready
YB Senator Dato' Ahmad bin Dato' Sri Hj Ibrahim
Ahmad Sujaie bin Nanyan
Ali bin Khamis
Asmi binti Andi Yakin
Che Norudin bin Che Alli
Tjhin Min Tjong
Dzakwan bin Mansori
Fadzil bin Azaha
Jasmin binti Hood
Mahmud bin Ibrahim
Mohamad Jamil bin Zolkifly
Mohd Yusof bin Pandak Yatim

DIRECTORS (CONT'D.)

The names of the other directors of the subsidiaries of the Company in office since the beginning of the financial year to the date of this report are (cont'd.):

Moses Murray	
Muhammad Ramli	
Rezal Zain bin Abdul Rashid	
Dr. Roshayati binti Basir	
Yahya bin Ibrahim	(Alternate Director to YB Senator Dato' Ahmad bin Dato' Sri Hj Ibrahim)
Rosely bin Kusip	
Datuk Bazlan bin Osman	
Irman bin Abdul Shukor	
Muhammad Fadzlilah bin Abdul Ra'far	
Hamka bin Usman	
Mohamad Adzlie bin Ibrahim	
Mersal bin Abang Rosli	
Nik Feizal Haidi bin Hanafi	
Dato' Adnan bin Shamsuddin	
Kamaruddin bin Ibrahim Kutty	
Mohd Mukhlis bin Mukhtar	(Appointed on 9 January 2024)
Dato' Sr Hj Zamri Bin Hj Ismail	(Appointed on 9 January 2024)
Ho Han Boon	(Appointed on 1 March 2024)
Abdul Khudus bin Mohd Naaim	(Resigned on 31 December 2023)
Ab Aziz bin Yunus	(Resigned on 9 January 2024)
Lee San Yee	(Resigned on 1 March 2024)

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 or the fixed salary of a full-time employee of the Company and/or related companies as disclosed below) by reason of a contract made by the Company or a related corporation with any director or with a firm of which the director is a member or with a company in which the director has a substantial financial interest, other than as disclosed in Note 38 to the financial statements.

The Company's directors' remuneration receivable from the Group and from the Company are as follows:

	Group RM'000	Company RM'000
Directors' remuneration	4,433	2,524

INDEMNITIES TO DIRECTORS OR OFFICERS

During the financial year, the directors and officers of the Group and of the Company are covered under the Directors & Officers Management Liability Insurance ("D&O Insurance") in respect of liabilities arising from acts committed in their respective capacity as, inter alia, the directors and officers of the Group and of the Company subject to the terms of the D&O Insurance.

The total insured limit of D&O Insurance effected for the directors and officers of the Group and of the Company is RM20 million in any one claim and in aggregate for all claims. Expenses incurred on indemnity given or insurance effected for any director and officer of the Group and of the Company during the financial year amounted to RM44,000 and RM9,000, respectively.

DIRECTORS' INTERESTS

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

	Number of ordinary shares			
	1 April 2023	**Bought**	**Sold**	**31 March 2024**
The Company				
Direct interest				
Dato' Idris bin Kechot	10,000	-	-	10,000
Dato' Roslan bin Hamir	320,000	-	-	320,000
Dato' Rosman bin Abdullah	20,000	-	(20,000)	-
Rozana Zeti binti Basir	49,415,100	-	-	49,415,100
Datin Rozilawati binti Haji Basir	1,000,000	-	-	1,000,000
Indirect interest				
Dato' Roslan bin Hamir (1)	1,291,000	-	-	1,291,000
Rozana Zeti binti Basir (2)(3)	121,641,600	240,100	-	121,881,700
Datin Rozilawati binti Haji Basir (2)(3)	170,056,700	240,100	-	170,296,800

DIRECTORS' INTERESTS (CONT'D.)

	Number of ordinary shares			
	1 April 2023	**Bought**	**Sold**	**31 March 2024**
Fima Corporation Berhad				
- Subsidiary company				
Indirect interest				
Directors of the Company				
Dato' Roslan bin Hamir [4]	601,800	-	-	601,800
Rozana Zeti binti Basir [5][6]	150,559,258	-	-	150,559,258
Datin Rozilawati binti Haji Basir [5][6]	150,559,258	-	-	150,559,258
BHR Enterprise Sdn. Bhd.				
- Corporate shareholder				
Direct interest				
Rozana Zeti binti Basir	19,060,163	-	-	19,060,163
Datin Rozilawati binti Haji Basir	19,060,163	-	-	19,060,163
Indirect interest				
Rozana Zeti binti Basir [7]	38,120,326	-	-	38,120,326
Datin Rozilawati binti Haji Basir [8]	38,120,326	-	-	38,120,326

	Number of preference shares			
	1 April 2023	**Bought**	**Sold**	**31 March 2024**
BHR Enterprise Sdn. Bhd.				
- Corporate shareholder				
Indirect interest				
Rozana Zeti binti Basir [9]	4	-	-	4
Datin Rozilawati binti Haji Basir [9]	4	-	-	4

DIRECTORS' INTERESTS (CONT'D.)

Deemed interested by virtue of the following:

(1) 1,291,000 ordinary shares are held under Maybank Nominees (Tempatan) Sdn. Bhd..

(2) Rozana Zeti binti Basir ("Rozana Zeti") and Datin Rozilawati binti Haji Basir ("Datin Rozilawati") are deemed interested by virtue of the following:

(i) Their shareholdings in BHR Enterprise Sdn. Bhd. ("BHR") of more than 20%. BHR is a corporate shareholder of the Company;

(ii) Their mother, Puan Sri Datin Hamidah binti Abdul Rahman's shareholding in the Company and her shareholding of preference shares in BHR;

(iii) Their sister, Dr. Roshayati binti Basir's ("Roshayati") and her children's direct shareholdings in the Company and her shareholding in BHR of more than 20%;

(iv) Their brother, Ahmad Riza bin Basir's ("Ahmad Riza"), his wife, Zailini binti Zainal Abidin's and their children's indirect shareholdings in the Company which are held through M&A Nominees (Tempatan) Sdn. Bhd. and Subur Rahmat Sdn. Bhd. ("SRSB"). Ahmad Riza and his wife are deemed interested by virtue of their interest in SRSB pursuant to Section 8 of the Companies Act, 2016; and

(v) RZB Holding Sdn. Bhd.'s ("RZB") direct shareholding in the Company. Rozana Zeti is deemed interested by virtue of her interest in RZB pursuant to Section 8 of the Companies Act, 2016.

(3) Deemed interested by virtues of Datin Rozilawati's indirect shareholdings in the Company. 747,700 ordinary shares, 461,000 ordinary shares and 200,000 ordinary shares are held under Maybank Nominees (Tempatan) Sdn. Bhd., M&A Nominee (Tempatan) Sdn. Bhd. and Affin Hwang Nominees (Tempatan) Sdn. Bhd., respectively. Datin Rozilawati is the sister of Rozana Zeti.

(4) 601,800 ordinary shares are held under Maybank Nominees (Tempatan) Sdn. Bhd..

(5) Rozana Zeti and Datin Rozilawati deemed interested in Fima Corporation Berhad ("FCB") by virtue of:

(i) Fima Metal Box Holdings Sdn. Bhd.'s ("Fima Metal Box") direct shareholding in FCB. Fima Metal Box is a wholly-owned subsidiary of the Company and is a major shareholder of FCB;

(ii) BHR's direct shareholding in FCB; and

(iii) Their sister, Roshayati's and their mother, Puan Sri Datin Hamidah binti Abdul Rahman's direct shareholdings in FCB.

(6) Deemed interested by virtue of Datin Rozilawati's indirect shareholding in FCB. 1,321,500 ordinary shares are held under Maybank Nominees (Tempatan) Sdn. Bhd..

(7) Deemed interested by virtue of Datin Rozilawati's and Roshayati's direct shareholdings in BHR. Datin Rozilawati and Roshayati are sisters of Rozana Zeti.

(8) Deemed interested by virtue of Rozana Zeti's and Roshayati's direct shareholdings in BHR. Rozana Zeti and Roshayati are sisters of Datin Rozilawati.

DIRECTORS' INTERESTS (CONT'D.)

Deemed interested by virtue of the following: (cont'd.)

[9] Rozana Zeti and Datin Rozilawati are deemed interested by virtue of their mother, Puan Sri Datin Hamidah binti Abdul Rahman's direct shareholding of preference shares in BHR.

Datin Rozilawati and Rozana Zeti, 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.

TREASURY SHARES

During the financial year, the Company bought back 15,000 of its issued ordinary shares.

As at 31 March 2024, the Company held as treasury shares a total of 6,853,200 of its 282,231,600 issued ordinary shares. Such treasury shares are held at a carrying amount of approximately RM11,963,000. Further details are disclosed in Note 28 to the financial statements.

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 provision for doubtful debts and satisfied themselves that there were no known bad debts 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) it necessary to write off any bad debts or the amount of the provision for doubtful debts inadequate to any substantial extent; and

    (ii) the values attributed to the 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 would 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, Ernst & Young PLT, have expressed their willingness to continue in office.

The auditors' remuneration in respect of the statutory audit of the Group and of the Company are as follows:

	Group RM'000	**Company RM'000**
Ernst & Young PLT	751	148
Other member firms of Ernst & Young Global	296	-
Other auditors	17	-
	1,064	148

No payment has been made to indemnify Ernst & Young PLT during or since the financial year.

Signed on behalf of the Board in accordance with a resolution of the directors dated 27 June 2024.

Dato' Idris bin Kechot

Dato' Roslan bin Hamir

Statement by **Directors**

Pursuant to Section 251(2) of the Companies Act, 2016

We, Dato' Idris bin Kechot and Dato' 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 176 to 260 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 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 2024 and of their financial performance and cash flows for the year then ended.

Signed on behalf of the Board in accordance with a resolution of the directors dated 27 June 2024.

Dato' Idris bin Kechot

Dato' Roslan bin Hamir

Statutory **Declaration**

Pursuant to Section 251(1)(b) of the Companies Act, 2016

I, Fadzil bin Azaha, 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 176 to 260 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 Fadzil bin Azaha
at Kuala Lumpur in the Federal Territory on
27 June 2024.

Fadzil bin Azaha
CA 20995

Before me,

Independent Auditors' **Report**

To the members of Kumpulan Fima Berhad (Incorporated in Malaysia)

REPORT ON THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Kumpulan Fima Berhad, which comprise the statements of financial position as at 31 March 2024 of the Group and of the Company, and 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 notes to the financial statements, including material accounting policy information, as set out on pages 176 to 260.

In our opinion, the accompanying financial statements of the Group and the Company give a true and fair view of the financial position of the Group and of the Company as at 31 March 2024, and of their financial performance and their cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standard ("IFRS") and the requirements of the Companies Act, 2016 in Malaysia.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence and other ethical responsibilities

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. We have determined that there are no key audit matters to communicate in our report on the financial statements of the Company. The key audit matter for the financial statements of the Group is described below. This matter was addressed in the context of our audit of the financial statements of the Group as a whole and in forming our opinion thereon, and we do not provide a separate opinion on this matter. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditors' responsibilities for the audit of the financial statements section of our report, including in relation to this matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis of our audit opinion on the accompanying financial statements.

Revenue recognition
(Refer to Note 3 to the financial statements)

During the financial year, the Group recognised total revenue of RM634.8 million consisting of revenue from manufacturing, sales of oil palm and local fruits products, sales of food products and provision of bulking and logistic services which amounted to approximately RM61.6 million, RM177.0 million, RM168.2 million and RM228.0 million, respectively.

We identified revenue recognition to be an area of audit focus as we consider the magnitude and high volume of transactions to be a possible cause of a higher risk of material misstatements in respect of the timing and amount of revenue recognised. Specifically, we focused our audit efforts to determine the possibility of overstatement of revenue.

Revenue recognition (cont'd.)

Our audit procedures include, amongst others, the following:

(a) We obtained an understanding of the Group's internal controls over the timing and amount of revenue recognised;

(b) We tested the relevant internal controls in place to address the timing and amount of revenue recognised;

(c) We used data analytics to perform correlation analysis between revenue, trade receivables and cash and bank balances;

(d) We inspected the terms of sales contracts on a sampling basis to determine the point of transfer of control to customers in order to assess the appropriateness of the timing of revenue recognised;

(e) We reperformed testing over cash entries that settle trade receivables and inspected documents evidencing customer acceptance; and

(f) We also focused on testing the recording of sales transactions close to the year end, including credit notes issued after year end, to establish whether the transactions were recorded in the correct accounting period.

Information other than the financial statements and auditors' report thereon

The directors of the Company are responsible for the other information. The other information comprises the directors' report and the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon. The annual report is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of the auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors of the Company and take appropriate action.

Responsibilities of the directors for the financial statements

The directors of the Company are responsible for the preparation of financial statements of the Group and of the Company so as to give a true and fair view in accordance with MFRS, IFRS and the requirements of the Companies Act, 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors, either intend to liquidate the Group or the Company or cease operations, or have no realistic alternative but to do so.

Independent Auditors' Report

To the members of Kumpulan Fima Berhad (Incorporated in Malaysia)

Auditors' responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding on internal control relevant to the audit 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 Group and of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonable be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine a matter that is of most significance in the audit of the financial statements of the Group and of the Company for current financial year and is therefore a key audit matter. We describe this matter in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Independent Auditors' Report

To the members of Kumpulan Fima Berhad (Incorporated in Malaysia)

Report on other legal and regulatory requirements

In accordance with the requirements of the Companies Act, 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 43 to the financial statements.

Other matters

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purposes. We do not assume responsibility to any other person for the content of this report.

Ernst & Young PLT
202006000003 (LLP0022760-LCA) & AF 0039
Chartered Accountants

Abdul Hadi Bin Gonawan
No. 03676/07/2024 J
Chartered Accountant

Kuala Lumpur, Malaysia
27 June 2024

Statements of **Comprehensive Income**

For the financial year ended 31 March 2024

		Group		Company	
	Note	**2024 RM'000**	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Revenue from contracts with customers	3	**634,750**	705,317	**17,289**	19,601
Rental income	16 (d)	**4,070**	4,429	**700**	697
Dividend income		**-**	-	**38,390**	57,328
Revenue		**638,820**	709,746	**56,379**	77,626
Cost of sales/services	4	**(372,610)**	(442,609)	**(14,777)**	(16,233)
Gross profit		**266,210**	267,137	**41,602**	61,393
Other income	5	**13,896**	14,205	**5,880**	5,960
Other items of expense					
Administrative expenses		**(104,158)**	(99,075)	**(12,686)**	(13,842)
Selling and marketing expenses		**(17,412)**	(27,371)	**-**	-
Other operating expenses		**(25,787)**	(26,105)	**-**	-
Net write back/(charge) of impairment loss and expected credit losses ("ECLs")	8	**660**	(1,222)	**-**	621
		(146,697)	(153,773)	**(12,686)**	(13,221)
Profit from operations		**133,409**	127,569	**34,796**	54,132
Finance costs	9	**(16,216)**	(12,641)	**(1,500)**	(1,283)
Share of results of associates		**5,355**	4,364	**-**	-
Profit before tax and zakat	10	**122,548**	119,292	**33,296**	52,849
Income tax expense	11	**(39,415)**	(41,548)	**(600)**	(175)
Zakat paid		**(467)**	(605)	**(36)**	(30)
Profit for the year		**82,666**	77,139	**32,660**	52,644
Other comprehensive income/(expense), net of tax:					
Item that will be subsequently reclassified to profit or loss:					
Foreign exchange translation gain		**685**	5,338	**-**	-
Item that will not be subsequently reclassified to profit or loss:					
Remeasurement loss on defined benefit obligations		**(1)**	(47)	**-**	-
Total comprehensive income for the year		**83,350**	82,430	**32,660**	52,644

Statements of Comprehensive Income

For the financial year ended 31 March 2024

		Group		Company	
		2024	**2023**	**2024**	**2023**
	Note	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Profit attributable to:					
Equity holders of the Company		**72,802**	63,221	**32,660**	52,644
Non-controlling interests		**9,864**	13,918	**-**	-
Profit for the year		**82,666**	77,139	**32,660**	52,644
Total comprehensive income attributable to:					
Equity holders of the Company		**73,375**	68,304	**32,660**	52,644
Non-controlling interests		**9,975**	14,126	**-**	-
Total comprehensive income for the year		**83,350**	82,430	**32,660**	52,644
Earnings per share attributable to equity holders of the Company (sen per share):					
Basic	12	**26.44**	22.92		
Diluted	12	**26.44**	22.92		

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

Statements of **Financial Position**

As at 31 March 2024

	Note	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
Assets					
Non-current assets					
Property, plant and equipment	14	**581,622**	468,338	**16,357**	16,405
Right-of-use assets	15	**430,210**	441,778	**22,991**	24,325
Investment properties	16	**48,123**	49,430	**2,866**	2,904
Investments in subsidiaries	17	**-**	-	**383,464**	383,358
Investments in associates	18	**46,263**	40,908	**2,251**	2,251
Goodwill on consolidation	19	**12,710**	12,710	**-**	-
Due from subsidiaries	24	**-**	-	**2,531**	7,389
Deferred tax assets	33	**17,483**	15,458	**-**	-
		1,136,411	1,028,622	**430,460**	436,632
Current assets					
Inventories	20	**81,848**	78,868	**-**	-
Biological assets	21	**6,631**	6,787	**-**	-
Trade receivables	22	**88,234**	109,644	**69**	2
Other receivables	23	**32,758**	36,994	**1,967**	2,177
Tax recoverable		**18,457**	12,512	**130**	1,247
Due from subsidiaries	24	**-**	-	**54,450**	47,912
Financial investments	25	**234,163**	188,491	**31,858**	34,922
Cash and bank balances	26	**137,495**	157,929	**10,314**	5,624
		599,586	591,225	**98,788**	91,884
Total assets		**1,735,997**	1,619,847	**529,248**	528,516
Equity and liabilities					
Equity attributable to equity holders of the Company					
Share capital	27	**311,670**	311,670	**311,670**	311,670
Treasury shares	28	**(11,963)**	(11,932)	**(11,963)**	(11,932)
Other reserves	29	**64,720**	64,146	**-**	-
Retained earnings	30	**593,367**	553,611	**184,503**	184,888
		957,794	917,495	**484,210**	484,626
Non-controlling interests		**239,371**	250,854	**-**	-
Total equity		**1,197,165**	1,168,349	**484,210**	484,626

Statements of Financial Position

As at 31 March 2024

		Group		Company	
		2024	**2023**	**2024**	**2023**
	Note	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Non-current liabilities					
Lease liabilities	31	**212,422**	212,820	**-**	592
Long term borrowing	34	**91,559**	19,196	**-**	-
Retirement benefit obligation	32	**2,162**	1,636	**-**	-
Deferred tax liabilities	33	**80,769**	61,833	**5,309**	5,294
		386,912	295,485	**5,309**	5,886
Current liabilities					
Lease liabilities	31	**6,243**	8,617	**592**	857
Short term borrowings	34	**57,377**	53,737	**36,566**	33,912
Trade and other payables	35	**81,943**	89,332	**2,549**	3,197
Provisions	36	**1,684**	1,657	**-**	-
Due to subsidiaries	24	**-**	-	**22**	38
Tax payable		**4,673**	2,670	**-**	-
		151,920	156,013	**39,729**	38,004
Total liabilities		**538,832**	451,498	**45,038**	43,890
Total equity and liabilities		**1,735,997**	1,619,847	**529,248**	528,516
Net assets per share (RM)		**3.39**	3.25	**1.72**	1.72

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

Statements of **Changes in Equity**

For the financial year ended 31 March 2024

		Attributable to equity holders of the Company									
					Non-distributable	Distributable	Non-distributable				
Group	Note	Total equity RM'000	Equity attributable to the equity holders of the Company total RM'000	Share capital RM'000	Treasury shares RM'000	Retained earnings RM'000	Other reserves, total (Note 29) RM'000	Capital reserve RM'000	Foreign currency translation deficit RM'000	Capital reserve arising from bonus issue in subsidiary RM'000	Non-controlling interests RM'000
2024											
At 1 April 2023		**1,168,349**	**917,495**	**311,670**	**(11,932)**	**553,611**	**64,146**	**437**	**(2,750)**	**66,459**	**250,854**
Profit for the year		**82,666**	**72,802**	**-**	**-**	**72,802**	**-**	**-**	**-**	**-**	**9,864**
Remeasurement of defined benefit liability		**(1)**	**(1)**	**-**	**-**	**(1)**	**-**	**-**	**-**	**-**	**-**
Foreign currency translation gain		**685**	**574**	**-**	**-**	**-**	**574**	**-**	**574**	**-**	**111**
Total comprehensive income for the year		**83,350**	**73,375**	**-**	**-**	**72,801**	**574**	**-**	**574**	**-**	**9,975**
Transactions with equity holders											
Purchase of treasury shares		**(117)**	**(31)**	**-**	**(31)**	**-**	**-**	**-**	**-**	**-**	**(86)**
Dividends	13	**(33,045)**	**(33,045)**	**-**	**-**	**(33,045)**	**-**	**-**	**-**	**-**	**-**
Dividends paid to minority shareholders of subsidiaries		**(21,372)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(21,372)**
Total transactions with equity holders		**(54,534)**	**(33,076)**	**-**	**(31)**	**(33,045)**	**-**	**-**	**-**	**-**	**(21,458)**
At 31 March 2024		**1,197,165**	**957,794**	**311,670**	**(11,963)**	**593,367**	**64,720**	**437**	**(2,176)**	**66,459**	**239,371**

Statements of Changes in Equity

For the financial year ended 31 March 2024

Group	Note	Total equity RM'000	← Attributable to equity holders of the Company: Equity attributable to the equity holders of the Company total RM'000	Share capital RM'000	Non-distributable: Treasury shares RM'000	Distributable: Retained earnings RM'000	Other reserves, total (Note 29) RM'000	Non-distributable: Capital reserve RM'000	Foreign currency translation deficit RM'000	Capital reserve arising from bonus issue in subsidiary RM'000	Non-controlling interests RM'000
2023											
At 1 April 2022		1,147,234	892,106	311,670	(10,431)	531,842	59,025	437	(7,871)	66,459	255,128
Profit for the year		77,139	63,221	-	-	63,221	-	-	-	-	13,918
Remeasurement of defined benefit liability		(47)	(38)	-	-	(38)	-	-	-	-	(9)
Foreign currency translation gain		5,338	5,121	-	-	-	5,121	-	5,121	-	217
Total comprehensive income for the year		82,430	68,304	-	-	63,183	5,121	-	5,121	-	14,126
Transactions with equity holders											
Purchase of treasury shares		(1,933)	(1,501)	-	(1,501)	-	-	-	-	-	(432)
Dividends	13	(41,414)	(41,414)	-	-	(41,414)	-	-	-	-	-
Dividends paid to minority shareholders of subsidiaries		(17,968)	-	-	-	-	-	-	-	-	(17,968)
Total transactions with equity holders		(61,315)	(42,915)	-	(1,501)	(41,414)	-	-	-	-	(18,400)
At 31 March 2023		1,168,349	917,495	311,670	(11,932)	553,611	64,146	437	(2,750)	66,459	250,854

Statements of Changes in Equity

For the financial year ended 31 March 2024

Company	Note	Total equity RM'000	Share capital RM'000	Non-distributable Treasury shares RM'000	Distributable Retained earnings RM'000
2024					
At 1 April 2023		**484,626**	**311,670**	**(11,932)**	**184,888**
Total comprehensive income for the year		**32,660**	**-**	**-**	**32,660**
Transactions with equity holders					
Purchase of treasury shares		**(31)**	**-**	**(31)**	**-**
Dividends	13	**(33,045)**	**-**	**-**	**(33,045)**
Total transactions with equity holders		**(33,076)**	**-**	**(31)**	**(33,045)**
At 31 March 2024		**484,210**	**311,670**	**(11,963)**	**184,503**
2023					
At 1 April 2022		474,897	311,670	(10,431)	173,658
Total comprehensive income for the year		52,644	-	-	52,644
Transactions with equity holders					
Purchase of treasury shares		(1,501)	-	(1,501)	-
Dividends	13	(41,414)	-	-	(41,414)
Total transactions with equity holders		(42,915)	-	(1,501)	(41,414)
At 31 March 2023		484,626	311,670	(11,932)	184,888

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

Statements of **Cash Flows**

For the financial year ended 31 March 2024

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash flows from operating activities				
Profit before tax and zakat	**122,548**	119,292	**33,296**	52,849
Adjustments for:				
Depreciation of:				
- Property, plant and equipment	**28,512**	23,159	**214**	245
- Right-of-use assets	**16,574**	17,395	**1,334**	1,285
- Investment properties	**1,313**	1,657	**38**	39
Changes in fair value of biological assets	**215**	1,270	**-**	-
Dividend income	**-**	-	**(38,390)**	(57,328)
Expected credit losses ("ECLs") on:				
- Trade receivables	**123**	736	**-**	-
- Other receivables	**-**	1,543	**-**	-
Write back of ECLs on:				
- Trade receivables	**(783)**	(619)	**-**	-
- Other receivables	**-**	(438)	**-**	-
Interest expense	**16,216**	12,641	**1,500**	1,283
Profit income	**(2,393)**	(1,668)	**(120)**	(86)
Interest income	**(418)**	(360)	**(1,937)**	(2,395)
Distribution from financial investments	**(5,794)**	(4,870)	**(551)**	(339)
Net gain on disposal of property, plant and equipment	**(84)**	(912)	**-**	(1)
Net unrealised forex loss/(gain)	**1,099**	(1,382)	**201**	46
Provision for/(reversal of provision) retirement benefit obligation	**936**	(32)	**-**	-
Gain on termination of lease	**(951)**	(842)	**-**	-
Net reversal of provision for warranty	**(473)**	(53)	**-**	-
Net provision for general claim	**500**	-	**-**	-
Share of results of associates	**(5,355)**	(4,364)	**-**	-
Inventories write down	**627**	3,704	**-**	-
Property, plant and equipment written off	**1,303**	47	**-**	-
Reversal of impairment loss on investment in associates	**-**	-	**-**	(621)
Operating profit/(loss) before working capital changes	**173,715**	165,904	**(4,415)**	(5,023)

Statements of Cash Flows

For the financial year ended 31 March 2024

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Cash flows from operating activities (cont'd.)				
Operating profit/(loss) before working capital changes brought forward	**173,715**	165,904	**(4,415)**	(5,023)
Changes in inventories	**(3,607)**	22,709	**-**	-
Changes in receivables	**25,207**	(16,026)	**(58)**	(342)
Changes in net amount due from related companies	**-**	-	**(1,696)**	5,003
Changes in payables	**(7,389)**	17,903	**(648)**	724
Cash generated from/(used in) operations	**187,926**	190,490	**(6,817)**	362
Interest paid	**(4,447)**	(2,254)	**(1,453)**	(1,248)
Net (tax paid)/tax refund	**(26,547)**	(60,132)	**532**	(298)
Zakat paid	**(467)**	(605)	**(36)**	(30)
Retirement benefits paid	**(425)**	(195)	**-**	-
Net cash generated from/(used in) operating activities	**156,040**	127,304	**(7,774)**	(1,214)
Cash flows from investing activities				
Proceeds from disposal of property, plant and equipment	**1,641**	2,289	**-**	1
Purchase of property, plant and equipment	**(145,033)**	(92,863)	**(166)**	(174)
Purchase of investment property	**(6)**	(2,360)	**-**	-
Payment/deposit paid for acquisition of leasehold land	**-**	(33,030)	**-**	-
Net (purchase)/redemption of financial investments	**(45,672)**	41,721	**3,064**	(18,238)
Acquisition of treasury shares	**(31)**	(1,501)	**(31)**	(1,501)
Net dividends received	**-**	-	**38,390**	57,328
Profit income received	**2,393**	1,668	**120**	86
Interest income received	**418**	360	**1,937**	2,395
Distribution received from financial investments	**5,794**	4,870	**551**	339
Placement of deposit with maturity period more than 3 months	**(4,685)**	(18,618)	**-**	-
Capital repayment	**-**	-	**-**	4,150
Net (subscription)/redemption of redeemable preference shares	**-**	-	**(106)**	6,400
Net cash (used in)/generated from investing activities	**(185,181)**	(97,464)	**43,759**	50,786

Statements of Cash Flows

For the financial year ended 31 March 2024

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Cash flows from financing activities				
Net drawdown/(repayment) of short term borrowings	**76,003**	13,036	**2,654**	(5,567)
Repayment of lease liabilities	**(18,592)**	(18,137)	**(904)**	(887)
Dividends paid to equity holders	**(33,045)**	(41,414)	**(33,045)**	(41,414)
Dividends paid by subsidiaries to non-controlling interests of subsidiaries	**(21,372)**	(17,968)	**-**	-
Net cash generated from/(used in) financing activities	**2,994**	(64,483)	**(31,295)**	(47,868)
Net (decrease)/increase in cash and cash equivalents	**(26,147)**	(34,643)	**4,690**	1,704
Effect of foreign exchange rate changes in cash and cash equivalents	**1,028**	3,381	**-**	-
Cash and cash equivalents at beginning of year	**139,311**	170,573	**5,624**	3,920
Cash and cash equivalents at end of year (Note 26)	**114,192**	139,311	**10,314**	5,624

Reconciliation of liabilities arising from financing activities:

2024	**1 April 2023 RM'000**	**Addition/ Others RM'000**	**Paid RM'000**	**Drawdown RM'000**	**Interest expense RM'000**	**31 March 2024 RM'000**
Group						
Lease liabilities	**221,437**	**4,051**	**(18,592)**	**-**	**11,769**	**218,665**
Borrowings	**72,933**	**-**	**(29,015)**	**105,018**	**-**	**148,936**
Company						
Lease liabilities	**1,449**	**-**	**(904)**	**-**	**47**	**592**
Borrowings	**33,912**	**-**	**(12,094)**	**14,748**	**-**	**36,566**

2023	**1 April 2022 RM'000**	**Addition/ Others RM'000**	**Paid RM'000**	**Drawdown RM'000**	**Interest expense RM'000**	**31 March 2023 RM'000**
Group						
Lease liabilities	222,204	6,983	(18,137)	-	10,387	221,437
Borrowings	59,897	-	(28,059)	41,095	-	72,933
Company						
Lease liabilities	574	1,727	(887)	-	35	1,449
Borrowings	39,479	-	(26,259)	20,692	-	33,912

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 property holding, and trading. The principal activities of the subsidiaries and the associates are described in Notes 43 and 44, respectively. There have been no significant changes in the nature of these activities during the 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.

2. MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of preparation

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards ("IFRSs") and the requirements of the Companies Act, 2016 in Malaysia.

The financial statements of the Group and of the Company have been prepared on a historical cost basis except as disclosed in the accounting policies below.

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

2.2 Changes in accounting policies arising from adoption of new MFRSs, amendments to MFRSs and IC Interpretations

(a) Changes in accounting policies

On 1 April 2023, the Group and the Company adopted the following new amendments to MFRSs mandatory for annual financial periods beginning on or after 1 January 2023.

Description	Effective for financial periods beginning on or after
MFRS 17: Insurance Contracts	1 January 2023
Amendments to MFRS 17: Initial Application of MFRS 17 and MFRS 9 - Comparative Information	1 January 2023
Amendments to MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 101: Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108: Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 112: International Tax Reform - Pillar Two Model Rules	1 January 2023

The adoption of the above amendments standards did not have any material effect on the financial performance or position of the Group and the Company.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.3 Standards issued but not yet effective

The standards and interpretations that are issued but not yet effective up to the date of issuance of the Group's and of the Company's financial statements are disclosed below. The Group and the Company intend to adopt these standards, if applicable, when they become effective.

Description	Effective for financial periods beginning on or after
Amendments to MFRS 16: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101: Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025
MFRS 18: Presentation and Disclosure in Financial Statements	1 January 2027
Amendments to MFRS 10 and MFRS 128: Sales or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The adoption of the above standards are not expected to have material impact on the financial statements in the period of initial application.

2.4 Summary of material accounting policy information

(a) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiary companies as at the reporting date. The financial statements of the subsidiary companies used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied for like transactions and events in similar circumstances.

The Company controls an investee if and only if the Company has the following:

(i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);

(ii) Exposure, or rights, to variable returns from its investment with the investee; and

(iii) The ability to use its power over the investee to affect its returns.

Subsidiary companies are consolidated when the Company obtains control over the subsidiary company and ceases when the Company loses control of the subsidiary company. All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated in full.

Profit or loss and each component of other comprehensive income are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.4 Summary of material accounting policy information (cont'd.)

(a) Basis of consolidation (cont'd.)

Changes in the Group's ownership interests in subsidiary companies that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary company. The resulting difference is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary company, a gain or loss calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets and liabilities of the subsidiary company and any non-controlling interest, is recognised in profit or loss. The subsidiary company's cumulative gain or loss which has been recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss or where applicable, transferred directly to retained earnings. The fair value of any investment retained in the former subsidiary company at the date control is lost is regarded as the cost on initial recognition of the investment.

Business combinations

Acquisitions of subsidiaries are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. The Group elects on a transaction-by-transaction basis whether to measure the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Transaction costs incurred are expensed off and included in administrative expenses.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes in the fair value of the contingent consideration, which is deemed to be an asset or liability, will be recognised in accordance with MFRS 9 *Financial Instruments* either in profit or loss or as a change to other comprehensive income. If the contingent consideration is classified as equity, it will not be remeasured. Subsequent settlement is accounted for within equity. In instances where the contingent consideration does not fall within the scope of MFRS 9, it is measured in accordance with the appropriate MFRS.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the acquisition date of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than fair value of the net assets of the subsidiary company acquired, the difference is recognised in profit or loss. The accounting policy for goodwill is set out in Note 2.4(h).

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.4 Summary of material accounting policy information (cont'd.)

(b) Subsidiaries

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

(c) Transactions with non-controlling interests

Non-controlling interests at the reporting date, being the portion of the net assets of subsidiary companies attributable to equity interests that are not owned by the Company, whether directly or indirectly through subsidiary companies, are presented in the consolidated statement of financial position and statement of changes in equity within equity, separately from equity attributable to the equity shareholders of the Company. Non-controlling interests in the results of the Group are presented in the consolidated statement of comprehensive income as an allocation of the profit or loss and the comprehensive income for the year between the non-controlling interests and the equity shareholders of the Company.

Losses applicable to the non-controlling interest in a subsidiary company are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

The Group treats all changes in its ownership interest in a subsidiary company that do not result in a loss of control as equity transactions between the Group and its non-controlling interest holders. Any difference between the Group's share of net assets before and after the change, and any consideration received or paid, is adjusted to or against Group reserves.

(d) Investment in associate companies

An associate is an entity, not being a subsidiary or a joint venture, in which the Group has significant influence. An 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.

The Group's investment in associates are accounted for using the equity method. Under the equity method, the investment in an associate is measured in the statement of financial position at cost plus post-acquisition changes in the Group's share of net assets of the associate. Goodwill relating to the associate is included in the carrying amount of the investment. 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 for 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, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in its associates. The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in profit or loss.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.4 Summary of material accounting policy information (cont'd.)

(d) Investment in associate companies (cont'd.)

The financial statements of the associate are prepared as of the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

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 profit or loss.

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 policies are adopted for like transactions and events in similar circumstances.

(e) Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset, if and only if, it is probable that future economic benefits associated with the item will flow to the Group and the Company and the cost of the item can be measured reliably.

Bearer plants are living plants used in the production or supply of agricultural produce, are expected to bear produce for more than one period and have a remote likelihood of being sold as agricultural produce, except for incidental scrap sales.

Bearer plants mainly include mature and immature oil palm plantations. Immature plantations includes costs incurred for field preparation, planting, fertilising and maintenance, capitalisation of borrowing costs incurred on loans used to finance the developments of immature plantations and an allocation of other indirect costs based on planted hectares. Depreciation for bearer plants commence when the oil palms reach their maturity.

Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced in intervals, the Group and the Company recognise such parts as individual assets with specific useful life and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria is satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Freehold land has an unlimited useful life and therefore is not depreciated.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.4 Summary of material accounting policy information (cont'd.)

(e) Property, plant and equipment (cont'd.)

Other property, plant and equipment is depreciated 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% - 20.0%
Bearer plants	4.0%
Infrastructure	2.0%
Plant and machineries	4.0% - 50.0%
Fish canning facilities	2.0%
Warehouses, storage tanks and pipelines	4.0%
Motor vehicles	10.0% - 33.3%
Office equipment, furniture and fittings	6.7% - 33.3%
Renovations	2.0% - 20.0%
Tools, accessories and computer equipment	20.0% - 33.3%

Assets under construction or capital work-in-progress included in property, plant and equipment are not depreciated as these assets are not yet available for use. Immature plantations, which in general will mature 36 months after field planting are not depreciated until maturity.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in the profit or loss in the year the asset is derecognised.

(f) Biological assets

Fresh Fruit Bunches ("FFB")

Biological assets comprise produce growing on bearer plants. Biological assets are classified as current assets for bearer plants that are expected to be harvested and sold or used for production on a date not more than 15 days after the reporting date.

Biological assets are measured at fair value less costs to sell. Any gains or losses arising from changes in the fair value less costs to sell are recognised in profit or loss. Fair value is determined based on the present value of expected net cash flows from the biological assets. The expected net cash flows are estimated using the expected output (FFB harvest) and market price at reporting date of crude palm oil and palm kernel adjusted for extraction rates less processing, harvesting and transportation costs.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.4 Summary of material accounting policy information (cont'd.)

(f) Biological assets (cont'd.)

Pineapples

Biological assets are measured at fair value less costs to sell. Any gains or losses arising from the changes in the fair value less costs to sell are recognised in profit or loss. The fair value of pineapples is determined based on the present value of the expected net cash flows from the biological assets. The expected net cash flows are estimated using the expected output of the planted area (pineapple harvest) and market price at reporting date of pineapple by grades, adjusted for type of pineapple grades less processing, harvesting and transportation costs.

Livestock

Biological assets are measured at fair value less costs to sell. Any gains or losses arising from changes in the fair value less costs to sell are recognised in profit or loss. The fair value of cattles is determined based on the present value of the expected net cash flows from the biological assets. The expected net cash flows are estimated using the expected output (number of livestock) and market price at reporting date of livestock by weight less transportation costs.

(g) 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:

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

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.

An investment property is derecognised when either it has 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.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.4 Summary of material accounting policy information (cont'd.)

(h) 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.

(i) Impairment of non-financial assets

The Group and the Company assess 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 and the Company make 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 the 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.

Impairment losses are recognised in profit or loss.

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 the profit or loss.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.4 Summary of material accounting policy information (cont'd.)

(j) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, or fair value through profit or loss ("FVTPL") or fair value through other comprehensive income ("FVTOCI").

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group and the Company have applied the practical expedient, the Group and the Company initially measure a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group and the Company applied the practical expedient are measured at the transaction price determined under MFRS 15 *Revenue from Contract with Customers*.

In order for a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. The assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's and the Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group or the Company commits to purchase or sell the asset.

Subsequent measurement

Financial assets at amortised cost (debt instruments)

The Group and the Company measure financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's and the Company's financial assets at amortised cost include trade and other receivables, amount due from related companies and cash and bank balances.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.4 Summary of material accounting policy information (cont'd.)

(j) Financial assets (cont'd.)

Financial assets at FVTPL

Financial assets at FVTPL include financial assets held for trading, financial assets designated upon initial recognition at FVTPL, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at FVTPL, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at FVTOCI, debt instruments may be designated at FVTPL on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at FVTPL are carried in the statements of financial position at fair value with net changes in fair value recognised in the statements of profit or loss.

As at 31 March 2024, the Group and the Company measure their financial investments, which comprise of money market unit trust funds, at FVTPL.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's and the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or

- The Group and the Company have transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group and the Company have transferred substantially all the risks and rewards of the asset, or (b) the Group and the Company have neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group and the Company have transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, they evaluate if, and to what extent, they have retained the risks and rewards of ownership. When they have neither nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group and the Company continue to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group and the Company also recognise an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group and the Company have retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group and the Company could be required to repay.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.4 Summary of material accounting policy information (cont'd.)

(k) Impairment of financial assets

The Group and the Company recognise an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVTPL. ECLs are based on difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group and the Company expect to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For trade receivables, contract assets and other financial assets at amortised cost, the Group and the Company apply a simplified approach in calculating ECLs. Therefore, the Group and the Company do not track changes in credit risk, but instead recognise a loss allowance based on lifetime ECLs at each reporting date. The Group and the Company have established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group and the Company consider a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group and the Company may also consider a financial asset to be in default when internal or external information indicates that the Group and the Company are unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group and the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

(l) Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost of direct materials such as raw materials, consumables, printing materials, oil palm products and fertilizer are determined based on a weighted average and first-in-first-out ("FIFO") basis.

Cost of finished goods and work-in-progress includes direct materials, direct labour, other direct costs and appropriate production overheads.

Net realisable value represents the estimated selling price in the ordinary course of business less all estimated costs to completion and the estimated costs necessary to make the sale.

(m) Cash and cash equivalents

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term highly liquid deposits with a maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.4 Summary of material accounting policy information (cont'd.)

(n) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL or other financial liabilities, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's and the Company's financial liabilities include trade payables, other payables, amount due to related companies, lease liabilities and borrowings.

As at 31 March 2024, the Group and the Company have not designated any financial liabilities at FVTPL.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

(i) Other financial liabilities

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.

Derecognition

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.

(o) Provisions for liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations and the amount of the obligation can be estimated reliably.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.4 Summary of material accounting policy information (cont'd.)

(o) Provisions for liabilities (cont'd.)

(i) Warranty claim

The Group has contracts with government agencies and third parties for the supply of security and confidential documents. Under these contracts, the Group provides warranty for defective products claimable within 3 to 5 years from the point of sale.

(p) Share capital

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Ordinary shares are equity instruments.

Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

(q) Revenue recognition

Revenue from contracts with customers

The Group is in the business of production of security and confidential documents, oil palm production, sale of food products, provision of bulking services and property management services. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

(i) **Sale of security documents, sale of goods and fish trading**

Revenue is recognised at point of time, net of sales taxes and upon transfer of control to the buyer. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

(ii) **Sale of oil palm and local fruits products**

Revenue is recognised at the point in time when control of the goods is transferred to the customer.

(iii) **Bulking and logistic services, and property management services**

Revenue are recognised as and when services are rendered. The services are transferred to customers at a point in time.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.4 Summary of material accounting policy information (cont'd.)

(q) Revenue recognition (cont'd.)

Other revenue

(i) **Rental income**

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

(ii) **Dividend income and distribution from financial investments**

Dividend income and distribution from financial investments are recognised when the right to receive payment is established.

(iii) **Management fees**

Management fees are recognised as and when services are rendered.

(iv) **Interest and profit income**

Interest and profit income are recognised using the effective interest/profit method.

(r) Government grant

Government grant is recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at nominal amounts and released to profit or loss over the expected useful life of the asset, based on the pattern of consumption of the benefits of the underlying asset by equal annual instalments.

(s) Segment reporting

For management purposes, the Group is organised into operating segments based on their products and services/business activities. An operating segment's operating results are reviewed regularly by the chief operating decision maker, who will make decisions to allocate resources to the segments and assess the segment performance.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.4 Summary of material accounting policy information (cont'd.)

(t) 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

Transactions in foreign currencies other than the Company's functional currency (foreign currencies) are recorded in the functional currencies at exchange rates approximating those ruling at the transaction dates. At each reporting date, monetary items denominated in foreign currencies are translated at the rates prevailing on the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated 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 translated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are included in the profit or loss for the period except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations. These are initially taken directly to the foreign currency translation reserve within equity until the disposal of the foreign operations, at which time they are recognised in profit or loss. Exchange differences arising on monetary items that form part of the Company's net investment in foreign operations are recognised in profit or loss in the Company's separate financial statements or the individual financial statements of the foreign operation, as appropriate.

Exchange difference 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. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.4 Summary of material accounting policy information (cont'd.)

(u) 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.

(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 foreign subsidiary in Indonesia, operates an unfunded, defined benefit Retirement Benefit Scheme ("the Scheme") for its eligible employees. The foreign subsidiary's obligation under the Scheme, calculated using the Projected Unit Credit Method, is determined based on actuarial assumptions by independent actuaries, through which the amount of benefit that employees have earned in return for their services in the current and prior years is estimated. That benefit is discounted in order to determine its present value. Actuarial gains and losses are recognised immediately through other comprehensive income in order for the net pension assets or liability recognised in the statement of financial position to reflect the full value of the plan deficit or surplus. Past service costs are recognised immediately to the extent that the benefits are already vested, and otherwise are amortised on a straight-line basis over the average period until the amended benefits become vested.

The latest actuarial valuation was carried out using the employee data as at 31 March 2024 by Kantor Konsultan Aktuaria Yasi dan Rekan, an independent actuary, who issued a valuation report on 7 June 2024.

(v) Leases

(i) As lessee

The Group and the Company apply a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group and the Company recognise lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.4 Summary of material accounting policy information (cont'd.)

(v) Leases (cont'd.)

(i) As lessee (cont'd.)

Right-of-use assets

The Group and the Company recognise a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of the right-of-use assets are determined on the same basis as those of plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurement of the lease liability.

Lease liabilities

At the commencement date of the lease, the Group and the Company recognise lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and the Company and payments of penalties for terminating the lease, if the lease term reflects the Group and the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group and the Company use their incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(ii) As lessor

Leases in which the Group and the Company do not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.4 Summary of material accounting policy information (cont'd.)

(w) Income taxes

(i) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

(ii) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of taxable temporary differences associated with investments in subsidiary companies, associated companies and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of deductible temporary differences associated with investments in subsidiary companies, associated companies and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be utilised.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.4 Summary of material accounting policy information (cont'd.)

(w) Income taxes (cont'd.)

(ii) Deferred tax (cont'd.)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(x) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or

- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Group and the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group and the Company use valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.4 Summary of material accounting policy information (cont'd.)

(x) Fair value measurement (cont'd.)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) prices in active markets for identical assets or liabilities.

- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

- Level 3 — Valuation techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group and the Company determine whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.5 Significant accounting judgements and estimates

Estimates, assumptions concerning the future and judgements are made in the preparation of the financial statements. They affect the application of the Group's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an on-going basis and are based on experience and other relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

The significant 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) Impairment of goodwill

Goodwill is tested for impairment annually and at other times when such indicators exist. This requires an estimation of the value-in-use of the CGU to which goodwill is allocated. Estimating a value-in-use requires management to make an estimate of the expected future cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows. Further details are disclosed in Note 19.

(ii) ECLs on trade and other receivables

For financial assets, the Group and the Company apply a simplified approach in calculating allowance for ECLs in respect of trade and other receivables. The Group and the Company consider amongst others, its historical credit loss experience, adjust for forward-looking factors specific to the debtors and the economic environment.

The carrying amount of the Group's and the Company's trade and other receivables as at 31 March 2024 are disclosed in Note 22 and Note 23, respectively.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.5 Significant accounting judgements and estimates (cont'd.)

(iii) 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 judgement 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 and the Company's deferred tax assets as at 31 March 2024 are disclosed in Note 33.

(iv) Impairment of investments in subsidiaries

Determining whether investments in subsidiaries are impaired requires an estimation of the recoverable amounts of the investments.

Management exercises its judgement in estimating the recoverable amounts of these investments.

When there is an indication that the carrying amount of the investments in subsidiary companies may be impaired, their respective recoverable amount, being the higher of its fair value less costs of disposal ("FVLCD") and its value in use ("VIU"), will be determined.

Determining the recoverable amount of an asset, involves estimating the future cash inflows and outflows that will be derived from these investments and discounting them at an appropriate rate. Changes in the assumptions could affect the results of the Company's financial position and results.

The Company's investment in subsidiaries as at 31 March 2024 are disclosed in Note 17.

(v) Impairment of property, plant and equipment and right-of-use assets

At each reporting date, the Group assesses if any indication of impairment exists. If there is any indication, the Group will make an estimate of the recoverable amounts of its property, plant and equipment and right-of-use assets.

The Group carried out the impairment test based on a variety of estimation including the value in use ("VIU") of the CGU to which the property, plant and equipment and right-of-use assets are allocated. Estimating the VIU requires the Group to make an estimate of the expected future cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

The carrying amounts of property, plant and equipment and right-of-use assets of the Group are disclosed in Note 14 and Note 15 respectively.

3. REVENUE FROM CONTRACTS WITH CUSTOMERS

(a) Disaggregation of revenue from contracts with customers:

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Manufacturing	**61,573**	129,562	**-**	-
Sales of oil palm and local fruits products	**177,027**	204,408	**-**	-
Sales of food products	**168,193**	186,098	**-**	-
Bulking and logistic services	**227,957**	185,249	**-**	-
Trading of fish	**-**	-	**17,289**	19,601
	634,750	705,317	**17,289**	19,601
Timing of revenue recognition:				
Transferred at a point in time	**459,207**	576,206	**17,289**	19,601
Transferred over time	**175,543**	129,111	**-**	-
	634,750	705,317	**17,289**	19,601
Geographical market:				
Malaysia	**349,940**	382,183	**17,289**	19,601
Indonesia	**121,202**	142,061	**-**	-
Papua New Guinea	**163,608**	181,073	**-**	-
	634,750	705,317	**17,289**	19,601

(b) Performance obligations

Manufacturing
Contracts with customers are mainly for production and trading of security and confidential documents. Performance obligation is satisfied at a point in time upon delivery of the documents to the customers.

Sale of oil palm and local fruits products
Contracts with customers are mainly for sales of fresh fruits bunches ("FFB"), crude palm oil, palm kernel and local fruits. Performance obligation is satisfied at a point in time upon delivery of oil palm and local fruits products to customers.

Sale of foods products and trading of fish
Performance obligation is satisfied at a point in time upon delivery of the products to the customers.

Bulking and logistic services
Performance obligation is satisfied upon completion of services rendered to the customers.

4. COST OF SALES/SERVICES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Manufacturing	**46,986**	98,952	**-**	-
Sales of oil palm and local fruits products	**104,464**	106,522	**-**	-
Sales of food products	**120,838**	147,539	**-**	-
Bulking and logistic services	**96,997**	85,481	**-**	-
Investment property related expenses	**3,325**	4,115	**203**	207
Trading of fish	**-**	-	**14,574**	16,026
	372,610	442,609	**14,777**	16,233

5. OTHER INCOME

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Net gain on disposal of property, plant and equipment	**84**	912	**-**	1
Grant from Government of Malaysia	**-**	375	**-**	-
Profit income	**2,393**	1,668	**120**	86
Interest income	**418**	360	**25**	-
Interest income on advances to a subsidiary	**-**	-	**1,912**	2,395
Distribution from financial investments	**5,794**	4,870	**551**	339
Management fees	**-**	-	**3,199**	3,068
By-product and scrap sales	**2,213**	2,292	**-**	-
Others	**2,994**	3,728	**73**	71
	13,896	14,205	**5,880**	5,960

6. STAFF COSTS

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Wages and salaries	**75,289**	75,802	**6,276**	7,712
Social security costs	**811**	706	**41**	39
Pension costs:				
- Defined contribution plan	**7,560**	7,233	**1,200**	1,233
- Defined benefit plan (Note 32)	**936**	(32)	**-**	-
Other staff related expenses	**4,277**	4,292	**371**	364
	88,873	88,001	**7,888**	9,348

Included in staff costs of the Group and of the Company is the Group Managing Director's remuneration amounting to RM3,050,000 (2023: RM3,361,000) and RM1,777,000 (2023: RM1,967,000), respectively as further disclosed in Note 7.

7. DIRECTORS' REMUNERATION

The Company's directors' remuneration receivable from the Group and from the Company are as follows:

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Executive:				
Salaries and other emoluments	**1,439**	1,397	**863**	838
Bonus	**1,048**	1,357	**629**	814
Pension costs - defined contribution plan	**476**	527	**285**	315
Total excluding benefits-in-kind	**2,963**	3,281	**1,777**	1,967
Benefits-in-kind	**87**	80	**-**	-
	3,050	3,361	**1,777**	1,967
Non-executive:				
Fees	**810**	795	**425**	425
Other emoluments	**274**	271	**136**	138
Total excluding benefits-in-kind	**1,084**	1,066	**561**	563
Benefits-in-kind	**299**	417	**186**	201
	1,383	1,483	**747**	764
Total	**4,433**	4,844	**2,524**	2,731

7. DIRECTORS' REMUNERATION (CONT'D.)

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Analysis excluding benefits-in-kind:				
Total executive director's remuneration	**2,963**	3,281	**1,777**	1,967
Total non-executive directors' remuneration	**1,084**	1,066	**561**	563
Total directors' remuneration	**4,047**	4,347	**2,338**	2,530

The total remuneration of the directors of the subsidiaries of the Group is disclosed in Note 38(b).

8. NET (WRITE BACK)/CHARGE OF IMPAIRMENT LOSS AND EXPECTED CREDIT LOSSES ("ECLS")

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
ECLs on:				
- trade receivables (Note 22)	**123**	736	**-**	-
- other receivables (Note 23)	**-**	1,543	**-**	-
	123	2,279	**-**	-
Reversal of impairment loss on investment in associate	**-**	-	**-**	(621)
Write back of ECLs on:				
- trade receivables (Note 22)	**(783)**	(619)	**-**	-
- other receivables (Note 23)	**-**	(438)	**-**	-
	(783)	(1,057)	**-**	(621)
	(660)	1,222	**-**	(621)

9. FINANCE COSTS

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Interest expense on:				
- borrowings	**4,447**	2,254	**1,453**	1,248
- lease liabilities (Note 31)	**11,769**	10,387	**47**	35
	16,216	12,641	**1,500**	1,283

10. PROFIT BEFORE TAX AND ZAKAT

The following amounts have been debited/(credited) in arriving at profit before tax and zakat:

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Auditors' remuneration:				
Statutory audit				
- Ernst & Young PLT	**751**	720	**148**	142
- other member firms of Ernst & Young Global	**296**	276	**-**	-
- other auditor	**17**	16	**-**	-
Other services				
- Ernst & Young PLT	**24**	24	**12**	12
- other member firms of Ernst & Young Global	**94**	64	**-**	-
Changes in fair value of biological assets (Note 21)	**215**	1,270	**-**	-
Depreciation of:				
- property, plant and equipment (Note 14)	**28,512**	23,159	**214**	245
- right-of-use assets (Note 15)	**16,574**	17,395	**1,334**	1,285
- investment properties (Note 16)	**1,313**	1,657	**38**	39
Net foreign exchange loss/(gain):				
- realised	**3,437**	1,578	**(1,510)**	(2,025)
- unrealised	**1,099**	(1,382)	**201**	46
Provision/(reversal of provision) for retirement benefit obligation (Note 32)	**936**	(32)	**-**	-
Gain on termination of lease	**(951)**	(842)	**-**	-
Net reversal of provision for warranty (Note 36)	**(473)**	(53)	**-**	-
Net provision for general claim	**500**	-	**-**	-
Inventories write down	**627**	3,704	**-**	-
Property, plant and equipment written off	**1,303**	47	**-**	-

11. INCOME TAX EXPENSE

Major components of income tax expense

The major components of income tax expense for the years ended 31 March 2024 and 2023 are:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Current income tax:				
- Malaysian income tax	**15,275**	18,945	**404**	479
- Foreign income tax	**7,288**	11,847	**-**	-
- Under/(over) provision in prior years	**42**	(846)	**181**	(34)
	22,605	29,946	**585**	445
Deferred tax (Note 33):				
- Relating to origination and reversal of temporary differences	**12,815**	9,004	**22**	(260)
- Under/(over) provision in prior years	**3,995**	2,598	**(7)**	(10)
	16,810	11,602	**15**	(270)
Total income tax expense	**39,415**	41,548	**600**	175

Domestic current income tax is calculated at the statutory tax rate of 24% (2023: 24%) 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 were 22% (2023: 22%) and 30% (2023: 30%), respectively.

Reconciliation between tax expense and accounting profit

A reconciliation of income tax expense applicable to profit before tax and zakat 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	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Profit before tax and zakat	**122,548**	119,292	**33,296**	52,849
Taxation at Malaysian statutory tax rate of 24% (2023: 24%)	**29,412**	28,630	**7,991**	12,684
Effect of tax rates in foreign jurisdiction	**(819)**	(861)	**-**	-
Effect of partial tax exemption	**(29)**	(21)	**-**	-
Effect of income and/or other items not subject to tax	**(3,285)**	(2,663)	**(9,346)**	(13,840)
Effect of expenses not deductible for tax purposes	**8,136**	7,538	**1,781**	1,375

11. INCOME TAX EXPENSE (CONT'D.)

Reconciliation between tax expense and accounting profit (cont'd.)

A reconciliation of income tax expense applicable to profit before tax and zakat 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: (cont'd.)

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Effect of share results of associates	**(1,285)**	(1,048)	**-**	-
Effect of reversal of previously recognised tax losses	**2,187**	7,163	**-**	-
Deferred tax assets not recognised in respect of tax losses and unabsorbed capital allowances	**1,061**	1,058	**-**	-
Under/(over) provision of income tax expense in prior years	**42**	(846)	**181**	(34)
Under/(over)provision of deferred tax in prior years	**3,995**	2,598	**(7)**	(10)
	39,415	41,548	**600**	175

12. EARNINGS PER SHARE

(a) Basic

Basic earnings per share is calculated by dividing the Group's profit for the year, net of tax, attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the financial year, excluding treasury shares held by the Company.

The following tables reflect the profit and share data used in the computation of basic and diluted earnings per share for the years ended 31 March 2024 and 2023:

	Group	
	2024 RM'000	**2023 RM'000**
Profit net of tax attributable to equity holders of the Company used in the computation of basic/diluted earnings per share	**72,802**	63,221

	Number of shares	
	2024 '000	**2023 '000**
Weighted average number of ordinary shares for basic earnings per share computation	**275,378**	275,852

12. EARNINGS PER SHARE (CONT'D.)

(a) Basic (cont'd.)

	Group	
	2024 **sen**	**2023** **sen**
Basic earnings per share for the year (sen)	**26.44**	22.92

(b) Diluted

Diluted earnings per share is the same as basic earnings per share as the Company has no potentially dilutive shares in issue.

13. DIVIDENDS

	Amount		Net dividends per share	
	2024 **RM'000**	**2023** **RM'000**	**2024** **sen**	**2023** **sen**
Recognised during the year:				
Interim dividend for 2022: 9.0 sen single-tier ordinary shares paid on 22 August 2022	**-**	24,848	**-**	9.0
Special dividend for 2022: 6.0 sen single-tier ordinary shares paid on 22 August 2022	**-**	16,566	**-**	6.0
Interim dividend for 2023: 9.0 sen single-tier ordinary shares paid on 18 August 2023	**24,784**	-	**9.0**	-
Special dividend for 2023: 3.0 sen single-tier ordinary shares paid on 18 August 2023	**8,261**	-	**3.0**	-
	33,045	41,414	**12.0**	15.0

Subsequent to the financial year end, on 29 May 2024, the directors declared a single-tier interim and special dividend in respect of the current financial year ended 31 March 2024 of 9.0 sen and 3.0 sen per share, respectively on 275,378,400 shares, amounting to a total of approximately RM33,045,000, payable on 16 August 2024.

The financial statements for the current year do not reflect this dividend. This dividend will be accounted for in the statement of changes in equity as an appropriation of retained earnings in the next financial year ending 31 March 2025.

The directors do not recommend the payment of any final dividend in respect of the current financial year.

14. PROPERTY, PLANT AND EQUIPMENT

Group

At 31 March 2024 **At cost**	Freehold land RM'000	Buildings RM'000	Bearer plants and infrastructure RM'000	Construction work-in-progress RM'000	Other assets* RM'000	Total RM'000
At 1 April 2023	66,300	57,151	323,679	63,292	465,157	975,579
Additions	-	453	18,346	111,933	14,301	145,033
Disposals	-	-	-	(1,557)	(493)	(2,050)
Write off	-	-	(1,288)	(9)	(5,927)	(7,224)
Reclassification	-	6,508	-	(136,709)	130,201	-
Exchange differences	-	100	931	(201)	542	1,372
At 31 March 2024	66,300	64,212	341,668	36,749	603,781	1,112,710
Accumulated depreciation and impairment losses						
At 1 April 2023	-	41,231	122,222	1,762	342,026	507,241
Depreciation charge for the year (Note 10)	-	2,435	9,813	-	16,264	28,512
Disposals	-	-	-	-	(493)	(493)
Write off	-	-	-	-	(5,921)	(5,921)
Exchange differences	-	204	843	-	702	1,749
At 31 March 2024	-	43,870	132,878	1,762	352,578	531,088
Analysed as:						
Accumulated depreciation	-	38,337	111,040	-	352,310	501,687
Accumulated impairment losses	-	5,533	21,838	1,762	268	29,401
-	-	43,870	132,878	1,762	352,578	531,088
Net carrying amount	66,300	20,342	208,790	34,987	251,203	581,622

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

Group

At 31 March 2023 **At cost**	**Freehold land RM'000**	**Buildings RM'000**	**Bearer plants and infrastructure RM'000**	**Construction work-in-progress RM'000**	**Other assets* RM'000**	**Total RM'000**
At 1 April 2022	66,300	47,424	310,810	23,557	438,672	886,763
Additions	-	171	12,886	55,880	23,926	92,863
Transfer from investment properties (Note 16)	-	9,080	-	2,057	-	11,137
Disposals	-	-	-	(1,180)	(11,415)	(12,595)
Write-off	-	(2,389)	(17)	-	(4,106)	(6,512)
Reclassification	-	1,453	-	(17,013)	15,560	-
Exchange differences	-	1,412	-	(9)	2,520	3,923
At 31 March 2023	66,300	57,151	323,679	63,292	465,157	975,579
Accumulated depreciation and impairment losses						
At 1 April 2022	-	36,349	113,241	1,762	343,881	495,233
Depreciation charge for the year (Note 10)	-	2,224	8,959	-	11,976	23,159
Transfer from investment properties (Note 16)	-	4,481	-	-	-	4,481
Disposals	-	-	-	-	(11,218)	(11,218)
Write off	-	(2,388)	28	-	(4,105)	(6,465)
Exchange differences	-	565	(6)	-	1,492	2,051
At 31 March 2023	-	41,231	122,222	1,762	342,026	507,241
Analysed as:						
Accumulated depreciation	-	35,698	100,384	-	341,758	477,840
Accumulated impairment losses	-	5,533	21,838	1,762	268	29,401
	-	41,231	122,222	1,762	342,026	507,241
Net carrying amount	66,300	15,920	201,457	61,530	123,131	468,338

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

Other assets*

Group

	Plant and machineries RM'000	Fish canning facilities RM'000	Warehouses, storage tanks and pipes RM'000	Motor vehicles RM'000	Office equipment, furniture and fittings RM'000	Renovations RM'000	Tools, accessories and computer equipment RM'000	Total RM'000
At 31 March 2024								
At cost								
At 1 April 2023	122,320	82,716	147,208	26,188	63,476	20,834	2,415	465,157
Additions	2,071	1,260	2,146	4,987	3,748	31	58	14,301
Disposals	(57)	(292)	-	(111)	(33)	-	-	(493)
Write off	(2,219)	-	(298)	-	(2,503)	(864)	(43)	(5,927)
Reclassification	10,458	8,813	110,397	257	70	206	-	130,201
Exchange differences	461	(309)	-	(8)	226	172	-	542
At 31 March 2024	133,034	92,188	259,453	31,313	64,984	20,379	2,430	603,781
Accumulated depreciation and impairment losses								
At 1 April 2023	106,784	33,364	100,580	21,099	58,888	19,595	1,716	342,026
Depreciation charge for the year	3,085	2,154	5,504	2,168	2,753	173	427	16,264
Disposals	(57)	(292)	-	(111)	(33)	-	-	(493)
Write off	(2,219)	-	(293)	-	(2,503)	(864)	(42)	(5,921)
Exchange differences	403	(85)	-	(12)	224	172	-	702
At 31 March 2024	107,996	35,141	105,791	23,144	59,329	19,076	2,101	352,578
Analysed as:								
Accumulated depreciation	107,781	35,141	105,738	23,144	59,329	19,076	2,101	352,310
Accumulated impairment losses	215	-	53	-	-	-	-	268
	107,996	35,141	105,791	23,144	59,329	19,076	2,101	352,578
Net carrying amount	25,038	57,047	153,662	8,169	5,655	1,303	329	251,203

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

Other assets* (cont'd.)

Group (cont'd.)

	Plant and machineries RM'000	Fish canning facilities RM'000	Warehouses, storage tanks and pipes RM'000	Motor vehicles RM'000	Office equipment, furniture and fittings RM'000	Renovations RM'000	Tools, accessories and computer equipment RM'000	Total RM'000
At 31 March 2023								
At cost								
At 1 April 2022	121,441	78,294	128,288	22,809	64,569	20,987	2,284	438,672
Additions	3,958	214	13,727	4,237	1,498	147	145	23,926
Disposals	(632)	(5,141)	(2,858)	(642)	(2,142)	-	-	(11,415)
Write off	(2,444)	-	(58)	(396)	(755)	(439)	(14)	(4,106)
Reclassification	-	7,004	8,109	-	308	139	-	15,560
Exchange differences	(3)	2,345	-	180	(2)	-	-	2,520
At 31 March 2023	122,320	82,716	147,208	26,188	63,476	20,834	2,415	465,157
Accumulated depreciation and impairment losses								
At 1 April 2022	107,067	35,392	100,657	19,652	59,926	19,881	1,306	343,881
Depreciation charge for the year	2,804	1,730	2,754	2,257	1,854	153	424	11,976
Disposals	(632)	(5,138)	(2,773)	(551)	(2,124)	-	-	(11,218)
Write off	(2,444)	-	(58)	(384)	(766)	(439)	(14)	(4,105)
Exchange differences	(11)	1,380	-	125	(2)	-	-	1,492
At 31 March 2023	106,784	33,364	100,580	21,099	58,888	19,595	1,716	342,026
Analysed as:								
Accumulated depreciation	106,569	33,364	100,527	21,099	58,888	19,595	1,716	341,758
Accumulated impairment losses	215	-	53	-	-	-	-	268
	106,784	33,364	100,580	21,099	58,888	19,595	1,716	342,026
Net carrying amount	15,536	49,352	46,628	5,089	4,588	1,239	699	123,131

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

Company

	Freehold land RM'000	Motor vehicles RM'000	Furniture, fittings and equipment RM'000	Total RM'000
At 31 March 2024				
At cost				
At 1 April 2023	**16,075**	**15**	**4,091**	**20,181**
Additions	**-**	**-**	**166**	**166**
At 31 March 2024	**16,075**	**15**	**4,257**	**20,347**
Accumulated depreciation				
At 1 April 2023	**157**	**15**	**3,604**	**3,776**
Depreciation charge for the year (Note 10)	**-**	**-**	**214**	**214**
At 31 March 2024	**157**	**15**	**3,818**	**3,990**
Net carrying amount	**15,918**	**-**	**439**	**16,357**
At 31 March 2023				
At cost				
At 1 April 2022	16,075	15	3,978	20,068
Additions	-	-	174	174
Disposals	-	-	(61)	(61)
At 31 March 2023	16,075	15	4,091	20,181
Accumulated depreciation				
At 1 April 2022	157	15	3,420	3,592
Depreciation charge for the year (Note 10)	-	-	245	245
Disposals	-	-	(61)	(61)
At 31 March 2023	157	15	3,604	3,776
Net carrying amount	15,918	-	487	16,405

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

(a) Buildings, plant and machinery, warehouse, storage tanks and pipelines of the subsidiaries carrying out bulking activities with a net book value of approximately RM171,644,000 (2023: RM55,360,000) and RM6,751,000 (2023: RM5,925,000) respectively are situated on land which is sub-leased from Northport (Malaysia) Berhad and Penang Port Sdn. Bhd. by the subsidiaries. The leases with a net book value amounting to RM111,771,000 (2023:RM116,682,000), RM35,675,000 (2023:RM38,000,000) and RM1,471,000 (2023:RM212,000) will expire in July 2042, July 2039 and June 2026 respectively.

(b) 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 RM306,820,000 (2023: RM296,970,000) and RM3,458,000 (2023: RM2,959,000) respectively.

15. RIGHT-OF-USE ASSETS

As lessee

Group

At 31 March 2024

At cost	Leasehold land RM'000	Buildings RM'000	Barge and machinery RM'000	Total RM'000
At 1 April 2023	536,364	4,107	5,467	545,938
Additions	1,962	136	3,376	5,474
Lease modification	(470)	-	-	(470)
Termination	-	(3,691)	(3,070)	(6,761)
Exchange differences	-	(1)	39	38
At 31 March 2024	537,856	551	5,812	544,219
Accumulated depreciation and impairment loss				
At 1 April 2023	98,035	3,993	2,132	104,160
Depreciation charge for the year (Note 10)	14,427	183	1,964	16,574
Termination	-	(3,691)	(3,070)	(6,761)
Exchange differences	-	(5)	41	36
At 31 March 2024	112,462	480	1,067	114,009
Analyse as:				
Accumulated depreciation	100,486	480	1,067	102,033
Accumulated impairment loss	11,976	-	-	11,976
	112,462	480	1,067	114,009
Net carrying amount	425,394	71	4,745	430,210

15. RIGHT-OF-USE ASSETS (CONT'D.)

As lessee (cont'd.)

Group (cont'd.)

At 31 March 2023

At cost	Leasehold land RM'000	Buildings RM'000	Barge and machinery RM'000	Total RM'000
At 1 April 2022	490,862	4,086	4,675	499,623
Additions	38,675	-	2,106	40,781
Transfer from investment properties (Note 16)	6,814	-	-	6,814
Termination	-	-	(1,395)	(1,395)
Exchange differences	13	21	81	115
At 31 March 2023	536,364	4,107	5,467	545,938
Accumulated depreciation and impairment loss				
At 1 April 2022	82,440	2,631	770	85,841
Depreciation charge for the year (Note 10)	14,126	1,356	1,913	17,395
Transfer from investment properties (Note 16)	1,469	-	-	1,469
Termination	-	-	(578)	(578)
Exchange differences	-	6	27	33
At 31 March 2023	98,035	3,993	2,132	104,160
Analyse as:				
Accumulated depreciation	86,059	3,993	2,132	92,184
Accumulated impairment loss	11,976	-	-	11,976
	98,035	3,993	2,132	104,160
Net carrying amount	438,329	114	3,335	441,778

Company

At 31 March 2024	Leasehold land RM'000	Building RM'000	Total RM'000
At cost			
At 1 April 2023 and 31 March 2024	**28,748**	**1,727**	**30,475**
Accumulated depreciation			
At 1 April 2023	**5,856**	**294**	**6,150**
Depreciation charge for the year (Note 10)	**477**	**857**	**1,334**
At 31 March 2024	**6,333**	**1,151**	**7,484**
Net carrying amount	**22,415**	**576**	**22,991**

15. RIGHT-OF-USE ASSETS (CONT'D.)

As lessee (cont'd.)

Company (cont'd.)

At 31 March 2023	Leasehold land RM'000	Building RM'000	Total RM'000
At cost			
At 1 April 2022	28,748	2,892	31,640
Additions	-	1,727	1,727
Derecognition	-	(2,892)	(2,892)
At 31 March 2023	28,748	1,727	30,475
Accumulated depreciation			
At 1 April 2022	5,385	2,372	7,757
Depreciation charge for the year (Note 10)	471	814	1,285
Derecognition	-	(2,892)	(2,892)
At 31 March 2023	5,856	294	6,150
Net carrying amount	22,892	1,433	24,325

Right-of-use assets of the Group and of the Company are mainly in relation to lease of land from state governments and lease of office building, machineries and barge from third parties.

16. INVESTMENT PROPERTIES

Group

At 31 March 2024	Freehold land RM'000	Buildings RM'000	Work in progress RM'000	Total RM'000
At cost				
At 1 April 2023	**15,284**	**65,952**	**195**	**81,431**
Additions	**-**	**-**	**6**	**6**
Reclassification	**-**	**201**	**(201)**	**-**
At 31 March 2024	**15,284**	**66,153**	**-**	**81,437**
Accumulated depreciation				
At 1 April 2023	**-**	**32,001**	**-**	**32,001**
Depreciation charge for the year (Note 10)	**-**	**1,313**	**-**	**1,313**
At 31 March 2024	**-**	**33,314**	**-**	**33,314**
Net carrying amount	**15,284**	**32,839**	**-**	**48,123**

16. INVESTMENT PROPERTIES (CONT'D.)

Group (cont'd.)

At 31 March 2023	Leasehold land RM'000	Freehold land RM'000	Buildings RM'000	Work in progress RM'000	Total RM'000
At cost					
At 1 April 2022	6,814	15,284	74,924	-	97,022
Additions	-	-	108	2,252	2,360
Transfer to property, plant and equipment (Note 14)	-	-	(9,080)	(2,057)	(11,137)
Transfer to right-of-use assets (Note 15)	(6,814)	-	-	-	(6,814)
At 31 March 2023	-	15,284	65,952	195	81,431
Accumulated depreciation					
At 1 April 2022	1,383	-	34,911	-	36,294
Depreciation charge for the year (Note 10)	86	-	1,571	-	1,657
Transfer to property, plant and equipment (Note 14)	-	-	(4,481)	-	(4,481)
Transfer to right-of-use assets (Note 15)	(1,469)	-	-	-	(1,469)
At 31 March 2023	-	-	32,001	-	32,001
Net carrying amount	-	15,284	33,951	195	49,430

Company

	2024 RM'000	2023 RM'000
Building		
At cost		
At 1 April 2023/2022 and 31 March	**3,408**	3,408
Accumulated depreciation		
At 1 April 2023/2022	**504**	465
Depreciation charge for the year (Note 10)	**38**	39
At 31 March	**542**	504
Net carrying amount	**2,866**	2,904

16. INVESTMENT PROPERTIES (CONT'D.)

(a) The land title of a freehold land and building of the Group with a net book value of approximately RM42,084,000 (2023: RM43,228,000) is pledged as security for certain unutilised credit facilities of the Group.

(b) On 31 March 2023, the cost and accumulated depreciation of a building and a leasehold land of a subsidiary, Percetakan Keselamatan Nasional Sdn. Bhd. have been transferred to property, plant and equipment and right-of-use assets as the significant portion of them are now intended for own use.

(c) As at 31 March 2024 and 2023, the fair values of the investment properties are based on valuation performed by an independent professional valuer. The total market value of the investment properties of the Group and the Company are RM72,980,000 (2023: RM67,418,000) and RM4,220,000 (2023: RM4,020,000), respectively. Valuations are performed by an accredited independent valuer with recent experience in the location and category of properties being valued. The valuations are based on the comparison approach and cost approach.

Under the comparison approach, a property's fair value is estimated based on the comparable transactions. The fair value of certain of the Group's investment properties amounting to RM1,340,000 (2023: RM1,138,000) are valued under the cost approach which entails the building cost to erect equivalent buildings. The building cost reflects current estimates of finishes, contractors' overheads, fees and profits and adjusted for factors of obsolescence and existing physical condition of the building.

The fair value disclosed in the financial statements is categorised within the Level 3 fair value hierarchy which is described as inputs for the asset or liability that are based on unobservable market data. The details are as follows:

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Comparison approach:				
Average value (RM/psf)				
- Land	**10-550**	8-510	**-**	-
- Buildings	**250-480**	220-455	**480**	455
Cost approach:				
Building cost (RM/psf)	**130-150**	110-130	**-**	-

The estimated fair value would increase/(decrease) if the average value per square foot and building cost per square foot were higher/(lower), respectively.

16. INVESTMENT PROPERTIES (CONT'D.)

(d) Rental income generated from and direct operating expenses incurred on the investment properties are as follows:

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Rental income	**4,070**	4,429	**700**	697
Direct operating expenses	**(3,325)**	(4,115)	**(203)**	(207)

(e) Other details of future minimum rental receivable under non-cancellable operating leases are disclosed in Note 37(b).

17. INVESTMENT IN SUBSIDIARIES

	Company	
	2024 RM'000	**2023 RM'000**
Unquoted ordinary shares, at cost		
In Malaysia	**156,763**	156,763
Outside Malaysia	**44,415**	44,415
	201,178	201,178
Redeemable preference shares (Note (a))	**198,956**	198,850
Advances to subsidiaries	**396**	396
	400,530	400,424
Less: Accumulated impairment losses	**(17,066)**	(17,066)
	383,464	383,358

(a) During the year, the Company has subscribed to 30,000 units of redeemable preference shares at SGD1 each, issued by Endell Pte. Ltd..

Details of the subsidiaries are described in Note 43.

17. INVESTMENT IN SUBSIDIARIES (CONT'D.)

The summarised financial information (before intra-group elimination) of Fima Corporation Berhad and its subsidiaries ("FCB Group") and International Food Corporation Limited ("IFC") that have non-controlling interests that are material to the Group are as follows:

		FCB Group		IFC	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
(i)	**Summarised statement of financial position**				
	Non-current assets	**449,644**	421,749	**60,892**	63,433
	Cash and cash equivalents	**49,413**	67,747	**33,894**	49,071
	Other current assets	**211,648**	229,033	**109,672**	91,474
	Total assets	**710,705**	718,529	**204,458**	203,978
	Non-current liabilities	**(87,421)**	(86,120)	**(31,373)**	(14,788)
	Current liabilities	**(35,947)**	(32,144)	**(55,017)**	(79,502)
	Total liabilities	**(123,368)**	(118,264)	**(86,390)**	(94,290)
	Net assets	**587,337**	600,265	**118,068**	109,688
	Equity attributable to equity holders of the subsidiary	**570,216**	579,440	**118,068**	109,688
(ii)	**Summarised statement of comprehensive income**				
	Revenue	**206,749**	295,917	**163,608**	181,073
	Profit for the financial year	**25,955**	38,996	**8,777**	2,598
	Other comprehensive income	**981**	179	**-**	-
	Total comprehensive income for the year	**26,936**	39,175	**8,777**	2,598
	Dividends paid to non-controlling interests	**21,372**	17,968	**-**	-
(iii)	**Summarised statement of cash flows**				
	Net cash generated from/(used in) operating activities	**70,950**	39,009	**(11,973)**	716
	Net cash (used in)/generated from investing activities	**(43,921)**	9,347	**(2,755)**	(8,935)
	Net cash used in financing activities	**(45,754)**	(46,926)	**(671)**	(1,329)
	Net (decrease)/increase in cash and cash equivalents	**(18,725)**	1,430	**(15,399)**	(9,548)
	Cash and cash equivalents at beginning of year	**67,747**	66,102	**49,071**	55,744
	Effect of exchange rate changes	**391**	215	**222**	2,875
	Cash and cash equivalents at end of year	**49,413**	67,747	**33,894**	49,071

18. INVESTMENT IN ASSOCIATES

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Unquoted shares, at cost	**12,251**	12,251	**2,251**	2,251
Share of post acquisition results	**34,012**	28,657	**-**	-
	46,263	40,908	**2,251**	2,251

Details of the associates are described in Note 44.

The financial statements of the associates are coterminous with those of the Group, except for Giesecke & Devrient Malaysia Sdn. Bhd. ("G&D") which has a financial year end of 31 December to conform with its holding company's financial year end. For the purpose of applying the equity method of accounting, the financial statements of G&D for the year ended 31 December 2023 have been used and appropriate adjustments have been made for the effects of transactions between 31 December 2023 and 31 March 2024.

An impairment review of the carrying amount of investment in associates at the reporting date was undertaken by comparing its recoverable amount. A reversal of impairment loss of RM nil (2023: RM621,000) was recognised during the year.

Summarised financial information in respect of Marushin Canneries (Malaysia) Sdn. Bhd. ("Marushin") and G&D are set out below. The summarised financial information represents the amounts in the financial statements of the associates and not the Group's share of those amounts.

(i) Summarised statement of financial position

	Marushin		G&D	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Current assets	**31,970**	33,635	**124,884**	91,862
Non-current assets	**8,247**	4,869	**154,812**	159,635
Total assets	**40,217**	38,504	**279,696**	251,497
Current liabilities	**24,522**	26,848	**3,670**	10,284
Non-current liabilities	**713**	724	**58,336**	42,601
Total liabilities	**25,235**	27,572	**62,006**	52,885
Net assets	**14,982**	10,932	**217,690**	198,612

(ii) Summarised statement of comprehensive income

Revenue	**50,318**	51,289	**209,088**	185,191
Profit for the year, representing total comprehensive income, for the year	**4,050**	1,931	**19,078**	18,151

18. INVESTMENT IN ASSOCIATES (CONT'D.)

(iii) Reconciliation of the summarised financial information presented above to the carrying amount of the Group's interest in associates

	Marushin		G&D	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Net assets at 1 April 2023/2022	**10,932**	9,001	**198,612**	180,461
Total comprehensive income for the year	**4,050**	1,931	**19,078**	18,151
Net assets at 31 March	**14,982**	10,932	**217,690**	198,612
Interest in associates	**38%**	38%	**20%**	20%
Share of net assets	**5,693**	4,154	**43,538**	39,722
Negative goodwill	**(2,968)**	(2,968)	**-**	-
Carrying value of Group's interest in associates	**2,725**	1,186	**43,538**	39,722

19. GOODWILL ON CONSOLIDATION

	Group	
	2024 RM'000	2023 RM'000
At 1 April 2023/2022 and 31 March	**12,710**	12,710

(a) Impairment tests for goodwill

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

	Bulking RM'000	Plantation RM'000	Total RM'000
At 1 April 2023/2022 and at 31 March 2024/2023	**12,200**	**510**	**12,710**

The Group performs a review on the recoverable amount of goodwill on consolidation on an annual basis. At reporting date, the recoverable amount of goodwill was determined on the basis of value-in-use calculation for the CGU using a five-year cash flow projection approved by the Board of Directors.

19. GOODWILL ON CONSOLIDATION (CONT'D.)

(b) Key assumptions used in the value-in-use calculation

Goodwill for the bulking segment represents goodwill arising from the acquisition of Fima Bulking Services Berhad and Fima Butterworth Installation Sdn. Bhd and goodwill for the plantation segment represents goodwill arising from the acquisition of PT Nunukan Jaya Lestari. An impairment review of the carrying amount of the goodwill at the reporting date was undertaken by comparing to the recoverable amount of the CGU, which was derived based on value-in-use calculation. The value-in-used is most sensitive to the following key assumptions:

Revenue
Revenue of the bulking segment is estimated based on existing customer contracts and anticipated future projects. Revenue of the plantation segment is estimated based on future expected yield and price.

Discount rate
Discount rate of 11.5% (2023: 11.5%) and 15% (2023: 15%) are used based on the risk specific to the CGU of the bulking and plantation segments, respectively.

(c) Sensitivity analysis

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 value of the goodwill to materially exceed their recoverable amounts.

20. INVENTORIES

	Group	
	2024 RM'000	**2023 RM'000**
Raw materials	**25,183**	14,120
Printing materials	**5,083**	6,233
Fertilizer	**1,916**	3,775
Oil palm products	**4,221**	6,004
Work-in-progress	**7,371**	17,749
Finished goods	**33,368**	25,417
Consumables	**4,706**	5,570
Total inventories at the lower of cost and net realisable value	**81,848**	78,868

During the year, the amount of inventories recognised as an expense in cost of sales of the Group was RM127,040,000 (2023: RM172,889,000).

21. BIOLOGICAL ASSETS

	Group	
	2024 RM'000	**2023 RM'000**
At 1 April 2023/2022	**6,787**	8,051
Changes in fair value less cost to sell (Note 10)	**(215)**	(1,270)
Exchange differences	**59**	6
At 31 March	**6,631**	6,787

The biological assets of the Group comprised:

(i) FFB

The fair value of biological assets is based on the actual quantity of fresh fruit bunches ("FFB") for 15 days period after the financial year and the observable current market price of FFB at reporting period less processing, harvesting and transportation costs. The quantity of unharvested FFB included in the valuation for the Group is 4,974 (2023: 7,144) metric tonnes. The fair value disclosed in the financial statements is categorised within the Level 3 fair value hierarchy.

<u>Sensitivity analysis</u>

A 10% increase/(decrease) in the average FFB selling price (RM/MT) would result in the following to the fair value change of the biological asset:

	Group	
	2024 RM'000	**2023 RM'000**
10% increase	**356**	468
10% decrease	**(356)**	(468)

(ii) Pineapple

Pineapple represents the standing pineapple prior to harvest whereby the values are dependent on the age and condition on 31 March 2024. The estimated quantity of unharvested pineapple as at 31 March 2024 included in the fair valuation of pineapple of the Company was 386 acre (2023: 367 acre).

<u>Sensitivity analysis</u>

A 10% increase/(decrease) in the average pineapple selling price (RM/MT) would result in the following to the fair value change of the biological asset:

	Group	
	2024 RM'000	**2023 RM'000**
10% increase	**16**	59
10% decrease	**(16)**	(59)

21. BIOLOGICAL ASSETS (CONT'D.)

The biological assets of the Group comprised: (cont'd.)

(iii) Livestock

Livestock comprises of the cattle bred for sale. The total number of cattles as at 31 March 2024 included in the fair valuation of livestock of the Company was 78 cattles (2023: 80 cattles) with an average weight of 346kg per cattle (2023: 266kg per cattle).

Sensitive analysis

A 10% increase/(decrease) in the average cattle selling price (RM/kg) would result in the following to the fair value change of the biological asset:

	Group	
	2024 RM'000	**2023 RM'000**
10% increase	**57**	59
10% decrease	**(57)**	(59)

22. TRADE RECEIVABLES

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Third parties	**92,767**	114,909	**69**	2
Less: Allowance for ECLs	**(4,533)**	(5,265)	**-**	-
Trade receivables, net	**88,234**	109,644	**69**	2

Trade receivables are non-interest bearing. The Group's and the Company's normal trade credit term ranges from 30 to 90 days (2023: from 30 to 90 days). Other credit terms are assessed and approved on a case-by-case basis. Overdue balances are reviewed regularly by senior management. Trade receivables are recognised at original invoice amounts which represent their fair values on initial recognition.

At the reporting date, approximately RM9,984,000 (2023: RM28,767,000) of the Group's trade receivables were due from the Government of Malaysia.

The ageing analysis of the Group's and the Company's trade receivables are disclosed in Note 41(d).

22. TRADE RECEIVABLES (CONT'D.)

Movements in allowance accounts are as follows:

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
At 1 April 2023/2022	**5,265**	5,010	**-**	-
Charge for the year (Note 8)	**123**	736	**-**	-
Write back of ECLs (Note 8)	**(783)**	(619)	**-**	-
Exchange differences	**(72)**	138	**-**	-
At 31 March	**4,533**	5,265	**-**	-

23. OTHER RECEIVABLES

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Deposits	**2,532**	2,383	**1,336**	1,342
Prepayments	**13,709**	14,712	**124**	122
Sundry receivables	**18,175**	21,531	**507**	713
	34,416	38,626	**1,967**	2,177
Less: Allowance for ECLs	**(1,658)**	(1,632)	**-**	-
	32,758	36,994	**1,967**	2,177

Movements in allowance accounts are as follows:

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
At 1 April 2023/2022	**1,632**	535	**-**	-
Charge for the year (Note 8)	**-**	1,543	**-**	-
Write back of ECLs (Note 8)	**-**	(438)	**-**	-
Exchange differences	**26**	(8)	**-**	-
As 31 March	**1,658**	1,632	**-**	-

24. DUE FROM/(TO) SUBSIDIARIES

	Company	
	2024 RM'000	**2023 RM'000**
Non-current		
Due from subsidiaries	**2,531**	7,389
Current		
Due from subsidiaries	**54,450**	47,912
Total amout due from subsidiaries	**56,981**	55,301
Due to subsidiaries	**(22)**	(38)

All the amounts due from/(to) subsidiaries are unsecured, interest free and repayable on demand except for the amount due from certain subsidiaries amounting to RM56,882,000 (2023: RM55,227,000), which bear interest ranging from 4.5% to 5.5% (2023: 4.5% to 5.5%) per annum. All settlement occurs in cash.

25. FINANCIAL INVESTMENTS

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
At FVTPL:				
Islamic money market unit trust funds, in Malaysia	**234,163**	188,491	**31,858**	34,922

Other details of the fair value of the Group's and the Company's financial investments are further disclosed in Note 40.

26. CASH AND BANK BALANCES

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Cash in hand and at banks	**88,493**	79,889	**10,314**	5,624
Fixed deposits with licensed banks	**49,002**	78,040	**-**	-
Total cash and bank balances	**137,495**	157,929	**10,314**	5,624

26. CASH AND BANK BALANCES (CONT'D.)

For the purpose of the statements of cash flows, cash and cash equivalents comprise the following as at the reporting date:

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Cash and bank balances	**137,495**	157,929	**10,314**	5,624
Less: Fixed deposits with licensed banks with maturity of more than three months	**(23,303)**	(18,618)	**-**	-
Total cash and cash equivalents	**114,192**	139,311	**10,314**	5,624

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

	Group		Company	
	2024 %	**2023 %**	**2024 %**	**2023 %**
Licensed banks	**2.42**	2.36	**-**	-

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

	Group		Company	
	2024 Days	**2023 Days**	**2024 Days**	**2023 Days**
Licensed banks	**90**	120	**-**	-

27. SHARE CAPITAL

	Number of ordinary shares		Amount	
	2024 '000	**2023 '000**	**2024 RM'000**	**2023 RM'000**
Issued and fully paid-up:				
At 1 April 2023/2022 and at 31 March	**282,232**	282,232	**311,670**	311,670

The holders of ordinary shares (except treasury shares) are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions.

28. TREASURY SHARES

This amount relates to the acquisition cost of treasury shares.

The shareholders of the Company, by an ordinary resolution passed in a general meeting held on 28 August 2023, gave their approval for the Company's plan to buy back its own shares. The directors of the Company are committed to enhancing the value of the Company to its shareholders and believe that the share buy back plan can be applied in the best interests of the Company and its shareholders.

During the financial year, the Company bought back 15,000 (2023: 745,100) of its issued ordinary shares from the open market at an average price of RM2.05 (2023: RM2.00) per ordinary share. The total consideration paid for the buy back including transactions costs was RM31,000 (2023: RM1,501,000). The shares bought back are being held as treasury shares in accordance with Section 127 of the Companies Act, 2016.

Of the total 282,231,600 (2023: 282,231,600) issued and fully paid ordinary shares as at 31 March 2024, 6,853,200 (2023: 6,838,200) are held as treasury shares by the Company. As at 31 March 2024, the number of outstanding ordinary shares in issue and fully paid-up is therefore 275,378,400 (2023: 275,393,400).

29. OTHER RESERVES

Group	Capital reserve RM'000	Foreign currency translation deficit* RM'000	Capital reserve arising from bonus issue in subsidiary RM'000	Total RM'000
At 1 April 2023	**437**	**(2,750)**	**66,459**	**64,146**
Foreign currency translation	**-**	**574**	**-**	**574**
At 31 March 2024	**437**	**(2,176)**	**66,459**	**64,720**
At 1 April 2022	437	(7,871)	66,459	59,025
Foreign currency translation	-	5,121	-	5,121
At 31 March 2023	437	(2,750)	66,459	64,146

* The foreign currency translation reserve/(deficit) is used to record exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency. It is also used to record the exchange differences arising from monetary items which form part of the Group's net investment in foreign operations, where the monetary item is denominated in either the functional currency of the reporting entity or the foreign operation.

30. RETAINED EARNINGS

As at 31 March 2024, the Company may distribute the entire balance of the retained earnings under the single tier system.

31. LEASE LIABILITIES

The carrying amounts and the movement of lease liabilities for the year ended 31 March 2024 and 2023 are as follows:

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
At 1 April 2023/2022	**221,437**	222,204	**1,449**	574
Interest expenses (Note 9)	**11,769**	10,387	**47**	35
Additions	**5,474**	7,749	**-**	1,727
Termination	**(951)**	(842)	**-**	-
Payments	**(18,592)**	(18,137)	**(904)**	(887)
Modification to lease	**(470)**	-	**-**	-
Exchange differences	**(2)**	76	**-**	-
At 31 March	**218,665**	221,437	**592**	1,449
Analysed as:				
Current	**6,243**	8,617	**592**	857
Non-current	**212,422**	212,820	**-**	592
	218,665	221,437	**592**	1,449

a) As lessee

The Group has lease contract for a leasehold land that contains variable payments based on the average Crude Palm Oil ("CPO") price for the year. The following provides information on the Group's variable lease payments, including the magnitude in relation to fixed payments:

	Fixed payments RM'000	**Variable payments RM'000**	**Total RM'000**
Group			
At 31 March 2024			
Fixed rent	**3,065**	**-**	**3,065**
Variable rent with minimum payment	**1,566**	**1,259**	**2,825**
	4,631	**1,259**	**5,890**
At 31 March 2023			
Fixed rent	4,103	-	4,103
Variable rent with minimum payment	1,577	1,110	2,687
	5,680	1,110	6,790

Certain lease contract of the Group contains variable payments, which is based on future of CPO price and tenure of the lease.

32. RETIREMENT BENEFIT OBLIGATION

	Group	
	2024 RM'000	2023 RM'000
At 1 April 2023/2022	**1,636**	1,801
Recognised in profit or loss (Note 6)	**936**	(32)
Benefits paid	**(425)**	(195)
Remeasurement of defined benefit liability	**1**	60
Exchange differences	**14**	2
At 31 March	**2,162**	1,636

The foreign subsidiary in Indonesia operates 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 2024.

(a) The amounts recognised in the statements of financial position are determined as follows:

	Group	
	2024 RM'000	2023 RM'000
Present value of unfunded defined benefits obligations	**2,162**	1,636
Analysed as:		
Non-current	**2,162**	1,636

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

	Group	
	2024 RM'000	2023 RM'000
Current service cost	**395**	246
Past service cost	**457**	(366)
Interest cost	**84**	88
Total, included in employee benefits expense (Note 6)	**936**	(32)

32. RETIREMENT BENEFIT OBLIGATION (CONT'D.)

(c) The principle assumptions used by the foreign subsidiary in Indonesia in determining the employee benefits liability as of 31 March 2024 and 2023 are as follows:

	2024	2023
Discount rate	**6.62%**	6.53%
Annual salary increase	**7.00%**	7.00%
Retirement age	**58 to 65**	58 to 65

The discount rate is determined based on the Indonesian Government Bond Spot Rate at the end of reporting period in accordance with the estimated maturity of post-employment benefits obligations for the remaining of the working period of each employee.

33. DEFERRED TAX

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
At 1 April 2023/2022	**46,375**	34,455	**5,294**	5,564
Recognised in:				
- profit or loss (Note 11)	**16,810**	11,602	**15**	(270)
- other comprehensive income	**-**	(13)	**-**	-
Exchange differences	**101**	331	**-**	-
At 31 March	**63,286**	46,375	**5,309**	5,294
Presented after appropriate offsetting as follows:				
Deferred tax assets	**(17,483)**	(15,458)	**-**	-
Deferred tax liabilities	**80,769**	61,833	**5,309**	5,294
	63,286	46,375	**5,309**	5,294

33. DEFERRED TAX (CONT'D.)

Deferred tax liabilities of the Group:

	Accelerated capital allowances RM'000	Right-of-use assets and others RM'000	Total RM'000
At 31 April 2022	77,229	36,156	113,385
Recognised in profit or loss	4,141	(1,688)	2,453
Exchange differences	-	1	1
At 31 March 2023	**81,370**	**34,469**	**115,839**
Recognised in profit or loss	**29,801**	**6,768**	**36,569**
Exchange difference	**-**	**13**	**13**
At 31 March 2024	**111,171**	**41,250**	**152,421**

Deferred tax assets of the Group:

	Retirement benefit obligations RM'000	Property, plant and equipment and lease liabilities RM'000	Tax losses and unabsorbed capital allowances RM'000	Others RM'000	Total RM'000
At 1 April 2022	(406)	(28,195)	(41,329)	(9,000)	(78,930)
Recognised in:					
- Profit or loss	51	1,107	7,911	80	9,149
- Other comprehensive income	(13)	-	-	-	(13)
Exchange differences	-	-	330	-	330
At 31 March 2023	**(368)**	**(27,088)**	**(33,088)**	**(8,920)**	**(69,464)**
Recognised in:					
- Profit or loss	**(115)**	**2,471**	**(3,752)**	**(18,363)**	**(19,759)**
Exchange differences	**(3)**	**(99)**	**190**	**-**	**88**
At 31 March 2024	**(486)**	**(24,716)**	**(36,650)**	**(27,283)**	**(89,135)**

33. DEFERRED TAX (CONT'D.)

Deferred tax liabilities/(assets) of the Company:

	Accelerated capital allowances RM'000	Provision for liabilities RM'000	Total RM'000
At 1 April 2022	5,982	(418)	5,564
Recognised in profit or loss	(137)	(133)	(270)
At 31 March 2023	**5,845**	**(551)**	**5,294**
Recognised in profit or loss	**(338)**	**353**	**15**
At 31 March 2024	**5,507**	**(198)**	**5,309**

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

	Group	
	2024 RM'000	**2023 RM'000**
Unutilised tax losses	**122,624**	109,257
Unabsorbed capital allowances	**10,142**	9,977
Unabsorbed reinvestment allowances	**1,528**	1,528
	134,294	120,762

Effective from Year Assessment 2021, the unutilised tax losses shall only be allowed to be carried forward for a maximum period of ten consecutive years of assessment. Any amount which is not utilised at the end of the period of ten years of assessment shall be disregarded.

The unabsorbed capital allowances of the Group are available indefinitely for offsetting against future taxable profits of the respective entities within the Group, subject to no substantial changes in shareholdings of those entities under the Income Tax, 1967 and guidelines issued by the tax authority.

Certain deferred tax assets of the Group arising from unutilised tax losses and unabsorbed capital allowances have not been recognised as there may not be sufficient future taxable profits against which these items can be utilised given that the respective subsidiaries have a recent history of losses.

33. DEFERRED TAX (CONT'D.)

Pursuant to Section 44(5F) of the Income Tax Act, 1967, the unutilised tax losses only can be carried forward as follows:

	Group	
	2024 RM'000	2023 RM'000
Year of assessment 2028	**89,200**	60,979
Year of assessment 2029	**5,657**	24,771
Year of assessment 2030	**10,391**	10,391
Year of assessment 2031	**5,836**	5,836
Year of assessment 2032	**2,804**	2,804
Year of assessment 2033	**4,476**	4,476
Year of assessment 2034	**4,260**	-
	122,624	109,257

34. BORROWINGS

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-current				
Unsecured				
- Term loan	**91,559**	19,196	**-**	-
Current				
Unsecured				
- Bankers' acceptances	**6,566**	3,912	**6,566**	3,912
- Revolving credit	**34,784**	45,121	**30,000**	30,000
- Term loan	**16,027**	4,704	**-**	-
	57,377	53,737	**36,566**	33,912
Total borrowings	**148,936**	72,933	**36,566**	33,912

34. BORROWINGS (CONT'D.)

The maturity of borrowings are as follows:

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Within one year	**57,377**	53,737	**36,566**	33,912
More than 1 year but less than 5 years	**89,226**	17,986	**-**	-
More than 5 years	**2,333**	1,210	**-**	-
	148,936	72,933	**36,566**	33,912

The revolving credit facility is rolled over every three months.

The weighted average effective interest rate (per annum) of the facilities during the financial year were as follows:

	Group		Company	
	2024 %	**2023 %**	**2024 %**	**2023 %**
Bankers' acceptances and revolving credits	**4.56**	4.03	**4.73**	4.15
Term loan	**4.78**	4.79	**-**	-

35. TRADE AND OTHER PAYABLES

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Trade payables				
Third parties	**22,229**	42,184	**-**	-
Other payables				
Accruals	**30,571**	22,436	**751**	669
Deposits	**1,436**	1,311	**88**	88
Receipt in advance	**6,266**	1,992	**-**	-
Sundry payables	**21,441**	21,409	**1,710**	2,440
	59,714	47,148	**2,549**	3,197
Total trade and other payables	**81,943**	89,332	**2,549**	3,197

Trade payables are non-interest bearing which are normally settled within 30 to 90 days (2023: 30 to 90 days).

36. PROVISIONS

	Group	
	2024	**2023**
	RM'000	**RM'000**
Provision for warranty (Note (a))	**497**	970
Others	**1,187**	687
	1,684	1,657

(a) Provision for warranty is based on current volumes of products sold still under warranty, historic quality rates, and estimates and assumptions regarding future quality rates for new products.

Movements in the provisions are as follows:

	Group	
	2024	**2023**
	RM'000	**RM'000**
Provision for warranty:		
As at 1 April 2023/2022	**970**	1,023
Charge for the year	**205**	396
Reversal during the year	**(678)**	(449)
Net reversal of provision for warranty (Note 10)	**(473)**	(53)
As at 31 March	**497**	970

37. COMMITMENTS

(a) Capital expenditure

	Group		Company	
	2024	**2023**	**2024**	**2023**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Approved and contracted for:				
Property, plant and equipment	**54,047**	59,600	**-**	92
Approved but not contracted for:				
Property, plant and equipment	**126,847**	88,937	**306**	328
	180,894	148,537	**306**	420

37. COMMITMENTS (CONT'D.)

(b) Operating lease commitments - as lessor

The Group and the Company have entered into operating leases on their investment properties consisting of certain office, commercial buildings and land as disclosed in Note 16. These leases have terms of between one to five years. All leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions.

Future minimum rentals receivable under non-cancellable operating leases as at 31 March 2024 and 2023 for the Group and the Company are as follows:

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Within one year	**2,844**	4,186	**803**	583
After one year but not more than five years	**1,696**	2,590	**1,060**	214
	4,540	6,776	**1,863**	797

38. 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.

	Income/(expense)	
	2024 RM'000	**2023 RM'000**
Group		
Transaction with companies connected to Company's directors, subsidiaries' directors and corporate shareholders:		
- Rental income	**-**	24
- Purchase of products	**(9,095)**	(7,356)
- Service rendered	**(266)**	(241)

38. RELATED PARTY DISCLOSURES (CONT'D.)

(a) Significant related party transactions (cont'd.)

	Income/(expense)	
	2024 RM'000	**2023 RM'000**
Company		
Transaction with a corporate shareholder:		
- Advisory services	**(120)**	(120)
Transaction with subsidiaries:		
- Dividend income from subsidiaries	**38,390**	57,328
- Management fees from subsidiaries	**3,199**	3,068
- Interest charged to a subsidiary	**1,912**	2,395
- Sales of fish to a subsidiary	**17,289**	19,601
- Rental income from a subsidiary	**338**	338

The directors are of the opinion that the 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.

(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 of the Group and of the Company include directors of the Company and subsidiaries and certain members of senior management of the Group and of the Company. Their compensation are as follows:

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Salaries and other short-term employee benefits	**9,036**	8,765	**3,522**	3,619
Contributions to defined contribution plan	**1,057**	1,231	**411**	651
	10,093	9,996	**3,933**	4,270

Included in the total key management personnel above are the remuneration in respect of the directors of the Company:

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Directors' remuneration:				
Directors of the Company (Note 7)	**4,433**	4,844	2,524	2,731

39. 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 various types of liquid and semi-liquid products; as well as transportation and forwarding services.

(iii) Plantation - Oil palm, pineapple estate operations and cattle farming.

(iv) Food - Fish processing, canning and distribution and packaging of food products.

(v) Others - Investment holding, rental and management of commercial properties and trading.

(b) Geographical segments

The Group's geographical segments are based on the location of the Group's assets. Sales to external customers disclosed in geographical segments are based on the geographical location of its customers. The Group's three business segments predominately operate in three separate geographical areas:

(i) Malaysia - the operations in this area are principally printing and trading of security and confidential documents, sale of oil palm, local fruits products and cattle farming, certain sale of food products, bulking and logistic services, property management and investment holding.

(ii) Indonesia - the operation in this area is principally oil palm production and processing.

(iii) Papua New Guinea - the operation in this area is principally sale of food products.

39. SEGMENTAL INFORMATION (CONT'D.)

(a) Business segments (cont'd.)

	Manufacturing		Plantation		Food		Bulking		Others		Eliminations		Consolidated	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Revenue														
External sales	61,573	129,562	177,027	204,408	168,193	186,098	227,957	185,249	4,070	4,429	-	-	638,820	709,746
Inter-segment sales	-	-	-	-	-	-	-	-	161,790	144,605	(161,790)	(144,605)	-	-
Total revenue	61,573	129,562	177,027	204,408	168,193	186,098	227,957	185,249	165,860	149,034	(161,790)	(144,605)	638,820	709,746
Results														
Segment results	389	10,130	28,885	46,700	13,499	4,910	99,006	72,061	(8,370)	(6,232)	-	-	133,409	127,569
Profit from operations													133,409	127,569
Finance costs, net	-	(25)	(2,729)	(1,314)	(125)	(125)	(11,908)	(9,957)	(1,454)	(1,220)	-	-	(16,216)	(12,641)
Share of profit of associates	-	-	-	-	-	-	-	-	5,355	4,364	-	-	5,355	4,364
Income tax expense													(39,415)	(41,548)
Zakat													(467)	(605)
Profit for the year													82,666	77,139
Non-controlling interests											9,864	13,918	(9,864)	(13,918)
Profit attributable to equity holders of the Company													72,802	63,221
Assets														
Segment assets	147,741	164,538	635,830	664,371	206,058	205,120	477,014	351,646	679,642	661,661	(474,034)	(483,855)	1,672,251	1,563,481
Deferred tax assets	3,496	1,883	11,345	9,948	2,189	2,495	429	1,107	24	25	-	-	17,483	15,458
Investment in associate	-	-	-	-	-	-	-	-	46,263	40,908	-	-	46,263	40,908
Consolidated total assets													1,735,997	1,619,847
Liabilities														
Segment liabilities	20,654	16,284	122,767	183,709	86,796	94,991	290,329	205,611	48,403	46,085	(30,117)	(95,182)	538,832	451,498
Consolidated total liabilities													538,832	451,498
Other information														
Capital expenditure	13,314	3,129	25,423	20,655	3,855	13,930	102,106	57,243	341	266	-	-	145,039	95,223
Depreciation of:														
Property, plant and equipment	1,501	1,426	14,915	13,468	3,285	2,718	8,500	5,105	311	442	-	-	28,512	23,159
Right-of-use assets	107	1,331	7,398	7,093	579	588	7,940	7,825	550	558	-	-	16,574	17,395
Investment properties	-	-	93	89	-	-	-	-	1,220	1,568	-	-	1,313	1,657
ECLs on:														
Trade receivables	123	731	-	-	-	-	-	-	-	5	-	-	123	736
Other receivables	-	-	-	1,543	-	-	-	-	-	-	-	-	-	1,543

39. SEGMENTAL INFORMATION (CONT'D.)

(b) Geographical segments (cont'd.)

	Total revenue from external customers RM'000	Segment assets RM'000	Capital expenditure RM'000
31 March 2024			
Malaysia	**354,010**	**1,910,319**	**140,201**
Papua New Guinea	**163,608**	**204,458**	**3,678**
Indonesia	**121,202**	**95,254**	**1,160**
Eliminations	**-**	**(474,034)**	**-**
Consolidated	**638,820**	**1,735,997**	**145,039**
31 March 2023			
Malaysia	386,612	1,791,243	79,489
Papua New Guinea	181,073	203,978	13,847
Indonesia	142,061	108,481	1,887
Eliminations	-	(483,855)	-
Consolidated	709,746	1,619,847	95,223

40. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

The table below provides an analysis of financial instruments categorised as follows:

(i) Financial assets and financial liabilities measured at amortised cost ("AC"); and

(ii) Financial assets measured at fair value through profit of loss ("FVTPL").

	Note	Carrying amount RM'000	AC RM'000	FVTPL RM'000
Group				
31 March 2024				
Financial assets				
Trade receivables	22	**88,234**	**88,234**	**-**
Other receivables (less prepayments)	23	**19,049**	**19,049**	**-**
Financial investments	25	**234,163**	**-**	**234,163**
Cash and bank balances	26	**137,495**	**137,495**	**-**
		478,941	**244,778**	**234,163**

40. FINANCIAL INSTRUMENTS (CONT'D.)

(a) Categories of financial instruments (cont'd.)

	Note	Carrying amount RM'000	AC RM'000	FVTPL RM'000
Group (cont'd.)				
31 March 2024				
Financial liabilities				
Trade payables	35	**(22,229)**	**(22,229)**	**-**
Other payables	35	**(59,714)**	**(59,714)**	**-**
Lease liabilities	31	**(218,665)**	**(218,665)**	**-**
Borrowings	34	**(148,936)**	**(148,936)**	**-**
		(449,544)	**(449,544)**	**-**
31 March 2023				
Financial assets				
Trade receivables	22	109,644	109,644	-
Other receivables (less prepayments)	23	22,282	22,282	-
Financial investments	25	188,491	-	188,491
Cash and bank balances	26	157,929	157,929	-
		478,346	289,855	188,491
Financial liabilities				
Trade payables	35	(42,184)	(42,184)	-
Other payables	35	(47,148)	(47,148)	-
Lease liabilities	31	(221,437)	(221,437)	-
Borrowings	34	(72,933)	(72,933)	-
		(383,702)	(383,702)	-
Company				
31 March 2024				
Financial assets				
Trade receivables	22	**69**	**69**	**-**
Other receivables (less prepayments)	23	**1,843**	**1,843**	**-**
Due from subsidiaries	24	**56,981**	**56,981**	**-**
Financial investments	25	**31,858**	**-**	**31,858**
Cash and bank balances	26	**10,314**	**10,314**	**-**
		101,065	**69,207**	**31,858**

40. FINANCIAL INSTRUMENTS (CONT'D.)

(a) Categories of financial instruments (cont'd.)

	Note	Carrying amount RM'000	AC RM'000	FVTPL RM'000
Company (cont'd.)				
31 March 2024				
Financial liabilities				
Other payables	35	**(2,549)**	**(2,549)**	**-**
Lease liabilities	31	**(592)**	**(592)**	**-**
Borrowings	34	**(36,566)**	**(36,566)**	**-**
Due to subsidiaries	24	**(22)**	**(22)**	**-**
		(39,729)	**(39,729)**	**-**
31 March 2023				
Financial assets				
Trade receivables	22	2	2	-
Other receivables (less prepayments)	23	2,055	2,055	-
Due from subsidiaries	24	55,301	55,301	-
Financial investments	25	34,922	-	34,922
Cash and bank balances	26	5,624	5,624	-
		97,904	62,982	34,922
Financial liabilities				
Other payables	35	(3,197)	(3,197)	-
Lease liabilities	31	(1,449)	(1,449)	-
Borrowings	34	(33,912)	(33,912)	-
Due to subsidiaries	24	(38)	(38)	-
		(38,596)	(38,596)	-

40. FINANCIAL INSTRUMENTS (CONT'D.)

(b) Determination of fair value

The following methods and assumptions are used to estimate the fair values of the following classes of financial instruments:

(i) Cash and bank balances, borrowings, receivables and payables

The carrying amounts of these financial instruments approximate their fair values due to the relatively short term in nature.

(ii) Financial investments

Financial investments relate to Islamic money market unit trust funds whose fair value is determined by reference to the fair value provided by the fund manager of the unit trust funds at the close of the business on the reporting date. The investments are classified as Level 2 in the fair value hierarchy.

There were no transfer between the fair value hierarchy during the financial year (2023: no transfer in either directions).

The following table analyses financial instruments that are not carried at fair value, together with their fair values and carrying amounts shown in the statements of financial position.

Fair value of financial instruments not carried at fair value

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	Carrying amount RM'000
Group					
31 March 2024					
Financial liability					
Long term borrowing	**-**	**(88,783)**	**-**	**(88,783)**	**(91,559)**
31 March 2023					
Financial liability					
Long term borrowing	-	(16,804)	-	(16,804)	(19,196)
Company					
31 March 2024					
Financial asset					
Amount due from subsidiaries	**-**	**2,155**	**-**	**2,155**	**2,531**
31 March 2023					
Financial asset					
Amount due from subsidiaries	-	6,520	-	6,520	7,389

41. 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, foreign exchange 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

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates. The Group's primary interest rate risk relates to interest-bearing debt as at year end. The investments in financial assets are mainly short term in nature and they are not held for speculative purposes but have been mostly placed in fixed deposits and money market unit trust funds which yield better return than cash at bank.

The Group finances its operations through operating cash flows and short-term borrowings. All bank borrowings are on floating rate terms.

The information on maturity dates and effective interest rates of financial assets and liabilities are disclosed in their respective notes.

The Group and the Company do not have significant interest rate exposures at the reporting date.

(b) Liquidity/funding risk

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

The Group and the Company actively manage their 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 and the Company maintain sufficient levels of cash or cash convertible instruments to meet its working capital requirements. To ensure availability of funds, the Group and the Company closely monitor their cash flow position on a regular basis.

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

(b) Liquidity/funding risk (cont'd.)

Analysis of financial instruments by remaining contractual maturities

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

	On demand or within one year RM'000	Two to five years RM'000	Over five years RM'000	Total RM'000
Group				
31 March 2024				
Financial liabilities:				
Trade and other payables	**81,943**	**-**	**-**	**81,943**
Lease liabilities	**17,087**	**76,512**	**372,548**	**466,147**
Borrowings	**58,608**	**107,136**	**2,448**	**168,192**
	157,638	**183,648**	**374,996**	**716,282**
31 March 2023				
Financial liabilities:				
Trade and other payables	89,332	-	-	89,332
Lease liabilities	17,025	70,649	401,307	488,981
Borrowings	54,723	21,110	1,234	77,067
	161,080	91,759	402,541	655,380
Company				
31 March 2024				
Financial liabilities:				
Trade and other payables	**2,549**	**-**	**-**	**2,549**
Due to subsidiaries	**22**	**-**	**-**	**22**
Lease liabilities	**602**	**-**	**-**	**602**
Short term borrowings	**37,022**	**-**	**-**	**37,022**
	40,195	**-**	**-**	**40,195**
31 March 2023				
Financial liabilities:				
Trade and other payables	3,197	-	-	3,197
Due to subsidiaries	38	-	-	38
Lease liabilities	904	602	-	1,506
Short term borrowings	34,327	-	-	34,327
	38,466	602	-	39,068

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

(c) Foreign exchange 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 the Indonesian Rupiah ("IDR"), Papua New Guinea Kina ("PNGK") and United States Dollar ("USD").

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

Group	SGD RM'000	JPY RM'000	USD RM'000	IDR RM'000	Total RM'000
31 March 2024					
Financial assets					
- Trade and other receivables	**-**	**-**	**9,567**	**10,879**	**20,446**
- Cash and bank balances	**3,743**	**2,600**	**921**	**42,823**	**50,087**
	3,743	**2,600**	**10,488**	**53,702**	**70,533**
Financial liability					
- Trade and other payables	**-**	**-**	**-**	**(6,505)**	**(6,505)**
Net exposure	**3,743**	**2,600**	**10,488**	**47,197**	**64,028**
31 March 2023					
Financial assets					
- Trade and other receivables	-	-	7,774	10,004	17,778
- Cash and bank balances	-	1,304	1,073	57,774	60,151
	-	1,304	8,847	67,778	77,929
Financial liability					
- Trade and other payables	-	-	-	(6,747)	(6,747)
Net exposure	-	1,304	8,847	61,031	71,182

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

(c) Foreign exchange risk (cont'd.)

Sensitivity analysis

With all other variables held constant, the following table demonstrates the sensitivity of the Group's profit before taxation to a reasonably possible change in those exchange rates against RM:

	Group Effect on profit before tax/pre-tax equity	
	2024 **RM'000**	**2023** **RM'000**
SGD - strengthen 5% (2023: 5%)	**187**	-
SGD - weaken 5% (2023: 5%)	**(187)**	-
JPY - strengthen 5% (2023: 5%)	**130**	65
JPY - weaken 5% (2023: 5%)	**(130)**	(65)
USD - strengthen 5% (2023: 5%)	**524**	442
USD - weaken 5% (2023: 5%)	**(524)**	(442)
IDR - strengthen 1% (2023: 1%)	**359**	464
IDR - weaken 1% (2023: 1%)	**(359)**	(464)

(d) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade receivables.

At the reporting date, the Group's and the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position as disclosed in Note 40.

Trade receivables

The Group and the Company minimise credit risk by entering into contracts with highly credit rated counterparties and through credit approval, financial limits and on-going monitoring procedures. Counterparties credit evaluation is done systematically using quantitative and qualitative criteria on credit risks specified by individual operating units. Depending on the creditworthiness of the counterparty, the Group and the Company may require collateral or other credit enhancements.

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

(d) Credit risk (cont'd.)

Trade receivables (cont'd.)

The Group and the Company use ageing analysis and credit limit review to monitor the credit quality of the receivables. Any customers exceeding their credit limit are monitored closely. With respect to the trade receivables that are neither impaired nor past due, there are no indications as of the reporting date that the debtors will not meet their payment obligations.

With respect to the trade receivables which have no realistic prospect of recovery, the gross carrying amounts of the credit impaired receivables will be written off (either in partial or in full).

Recognition and measurement of impairment loss

The Group and the Company measure their impairment losses for financial assets using a forward-looking expected credit loss ("ECL") approach. In determining the ECL, the probability of default assigned to each customer is based on their individual both quantitative and qualitative information and analysis, Group's and Company's historical experience and informed credit assessment and including forward-looking information.

The following table provides information about the exposure to credit risk and ECLs for trade receivables as at 31 March 2024 and 31 March 2023:

	Weighted average loss rate %	Gross amount RM	Expected credit loss RM
Group			
31 March 2024			
Trade receivables			
Current	**0%**	**48,785**	**-**
1 to 60 days past due	**0%**	**24,540**	**-**
61 to 120 days past due	**0%**	**11,049**	**-**
More than 121 days past due	**54%**	**8,393**	**4,533**
		92,767	**4,533**
31 March 2023			
Trade receivables			
Current	0%	55,448	-
1 to 60 days past due	0%	30,918	-
61 to 120 days past due	0%	11,971	-
More than 121 days past due	32%	16,572	5,265
		114,909	5,265

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

(d) Credit risk (cont'd.)

Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the geographical location of its business on an ongoing basis. The credit risk concentration profile of the Group's net trade receivables at the reporting date are as follows:

	Group			
	2024		2023	
	RM'000	% of total	RM'000	% of total
Malaysia	**49,652**	**56%**	78,243	71%
Papua New Guinea	**29,032**	**33%**	25,281	23%
Indonesia	**9,550**	**11%**	6,120	6%
	88,234	**100%**	109,644	100%

Exposure to expected credit losses increases with concentrations of credit risk which may exist when a number of counterparties are involved in similar activities or operate in the same industry sector or geographical area, which may result in their ability to meet contractual obligations being impacted by changes in economic, political or other conditions.

At the reporting date, approximately RM9,984,000 (2023: RM28,767,000) of the Group's trade receivables was due from the Government of Malaysia.

Fixed deposits with licenced banks are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

42. 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 businesses and maximise shareholders' 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 and purchase of treasury shares. The Group's approach in managing capital is 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.

43. SUBSIDIARIES AND ACTIVITIES

Set out below is a list of the subsidiaries of the Company as at 31 March 2024, all of which are incorporated in Malaysia, unless otherwise indicated:

Name of subsidiaries	Effective ownership interest 2024 %	Effective ownership interest 2023 %	Principal activities
Manufacturing			
Security Printers (M) Sdn. Bhd.	**60.02**	60.02	Trading of security and confidential documents
Percetakan Keselamatan Nasional Sdn. Bhd.	**60.02**	60.02	Production and trading of security and confidential documents
Property investment			
Fima Metal Box Holdings Sdn. Bhd.	**100.0**	100.0	Investment holding
Fima Corporation Berhad#	**60.02**	60.02	Property management, oil palm plantation and investment holding
Fima Technology Sdn. Bhd.	**60.02**	60.02	Property management and engineering consultation services
FCB Plantation Holdings Sdn. Bhd.	**60.02**	60.02	Investment holding
Bulking			
Fima Bulking Services Berhad	**100.0**	100.0	Providing bulk handling storage of liquid and semi-liquid products and investment holding
Fimachem Sdn. Bhd.	**100.0**	100.0	Providing bulk storage of liquid and semi-liquid hazardous products
Fima Liquid Bulking Sdn. Bhd.	**100.0**	100.0	Providing bulk storage of latex and palm oleo based products
Fima Palmbulk Services Sdn. Bhd.	**100.0**	100.0	Bulk handling of liquid and semi-liquid products
Fima Freight Forwarders Sdn. Bhd.	**100.0**	100.0	Provision of warehousing, transportation and forwarding services
Fima Butterworth Installation Sdn. Bhd.	**100.0**	100.0	Bulk handling of oil palm and edible oils
Fima Logistics Sdn. Bhd.	**100.0**	100.0	Inactive
Biodiesel			
Fima Biodiesel Sdn. Bhd.	**100.0**	100.0	Manufacturing of biodiesel and trading of its related products

43. SUBSIDIARIES AND ACTIVITIES (CONT'D.)

Set out below is a list of the subsidiaries of the Company as at 31 March 2024, all of which are incorporated in Malaysia, unless otherwise indicated: (cont'd.)

Name of subsidiaries	Effective ownership interest 2024 %	2023 %	Principal activities
Plantation			
Pineapple Cannery of Malaysia Sendirian Berhad	**100.0**	100.0	Oil palm cultivation, sales of local fruits and cattle farming
PT Nunukan Jaya Lestari^	**48.02**	48.02	Oil palm production and processing
Victoria Square Plantation Sdn. Bhd.	**80.0**	80.0	Investment holding
Amgreen Gain Sdn. Bhd.	**52.0**	52.0	Oil palm cultivation
Ladang Fima Sdn. Bhd.	**100.0**	100.0	Inactive
Fima-TLP Feedlot Sdn. Bhd.	**85.0**	85.0	Inactive
Cendana Laksana Sdn. Bhd.	**60.02**	60.02	Oil palm plantation
Gabungan Warisan Sdn. Bhd.	**60.02**	60.02	Oil palm plantation
Next Oasis Sdn. Bhd.	**60.02**	60.02	Investment holding
Taka Worldwide Trading Sdn. Bhd.	**60.02**	60.02	Oil palm plantation
Etika Gangsa Sdn. Bhd.	**60.02**	60.02	Oil palm plantation
Fima Sg. Siput Estate Sdn. Bhd.	**42.01**	42.01	Oil palm plantation
FCB Eastern Plantations Sdn. Bhd.	**60.02**	60.02	Investment holding
Ladang Bunga Tanjong Sdn. Bhd.	**48.02**	48.02	Oil palm plantation
Food			
International Food Corporation Limited+	**95.6**	95.6	Fish processing, canning and distribution
Fima Instanco Sdn. Bhd.	**100.0**	100.0	Packaging of food products
Fima-Mr. Juicy Sdn. Bhd.	**100.0**	100.0	Inactive
IFC Marketing and Distribution Limited+	**95.6**	95.6	Inactive
Others			
Malaysian Transnational Trading (MATTRA) Corporation Berhad	**100.0**	100.0	Inactive
Mattra Premier Sdn. Bhd.	**100.0**	100.0	Inactive
KF Commodities Sdn. Bhd.	**100.0**	100.0	Inactive
Fima Overseas Holdings Sdn. Bhd.	**100.0**	100.0	Investment holding
Endell Pte. Ltd.*	**80.0**	80.0	Investment holding
Fima Fraser's Hill Sdn. Bhd.	**60.0**	60.0	Inactive

43. SUBSIDIARIES AND ACTIVITIES (CONT'D.)

Set out below is a list of the subsidiaries of the Company as at 31 March 2024, all of which are incorporated in Malaysia, unless otherwise indicated: (cont'd.)

* Incorporated in Singapore.
+ Incorporated in Papua New Guinea, audited by a member firm of Ernst & Young Global in Papua New Guinea.
^ Incorporated in Indonesia, audited by a member firm of Ernst & Young Global in Indonesia.
* Audited by a firm of auditors other than Ernst & Young PLT or Ernst & Young Global.
# Listed on the Main Board of Bursa Malaysia Securities Berhad.

44. ASSOCIATES AND ACTIVITIES

Details of associates are as follows:

Name of associates	Effective ownership interest 2024 %	2023 %	Principal activities
Marushin Canneries (Malaysia) Sdn. Bhd.*	**38.0**	38.0	Manufacturer and sale of canned fish
Held through subsidiary:			
Giesecke & Devrient Malaysia Sdn. Bhd.*	**20.0**	20.0	Printing of bank notes

* Audited by a firm of auditors other than Ernst & Young PLT.

45. CONTINGENT LIABILITY

Based on the decision of the Ministerial Order 25 July 2016, PTNJL is to apply for a new land title for the Area Penggunaan Lain ("APL") areas. The APL area is outside the forest area and the Bupati Nunukan is empowered to approve or issue the Izin Usaha Perkebunan ("IUP") for the APL area. Bupati Nunukan has issued the revised IUP for an area measuring 16,589 Ha via Keputusan Nunukan No. 188.45/24/I/2023 on 2 January 2023, covering the APL area (non-forestry) and forestry area, which is net of the overlapping area of 3,500ha with a third party.

The application of the land rights/Hak Guna Usaha ("HGU") will be initiated once PTNJL's application for release of forestry area for its plantation area has been approved. On 27 October 2021, PTNJL applied for the release of forest area for its plantation area of approximately 6.373 hectares overlapping with forest area. KLHK is still processing PTNJL's application for the release of forestry area and engagement with them are still ongoing.

As at 31 March 2024, the Group has contingent liabilities arising from PTNJL's application for release of forestry area. For this purpose, the administrative fine must be paid to the local authority for settlement of planted oil palm within the forestry area and subsequently the revised IUP and the License of the Release of Forest Area will be used to apply for HGU. The extent of the administrative fine, cannot be reliably ascertained at this reporting date. PTNJL will the get the HGU upon approval and payment of the administrative fine.

46. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the year ended 31 March 2024 were authorised for issue in accordance with resolution of the directors on 27 June 2024.

Properties of the **Group**

No.	Location	Description/ Existing Use	Latest Valuation/ Acquisition Date	Tenure Expiry Date	Land Area (Acre)	Built-Up Area (Sq.ft)	NBV As At 31/03/2024 (RM'000)	Approximate Age Of Buildings (Years)
KUMPULAN FIMA BERHAD								
1.	H.S.(D)1396, PTD 257 Mukim Ulu Sg. Sedili Besar Daerah Kota Tinggi Johor Darul Takzim	Agriculture/Oil Palm Plantation	23/03/2015	Leasehold expiring 17/02/2077	1,010.27	N/A	21,027	N/A
2.	H.S.(D) 1397, PTD 258 Mukim Ulu Sg. Sedili Besar Daerah Kota Tinggi Johor Darul Takzim	Agriculture/Oil Palm Plantation	23/03/2015	Leasehold expiring 17/02/2077	47.88	N/A	997	N/A
3.	H.S.(D) 1398, PTD 331 Mukim Kota Tinggi Daerah Kota Tinggi Johor Darul Takzim	Agriculture/Oil Palm Plantation	23/03/2015	Leasehold expiring 17/02/2077	18.82	N/A	391	N/A
4.	GRN 497074 LOT 8022 Mukim Ayer Baloi Daerah Pontian Johor Darul Takzim	Agriculture/Oil Palm Plantation	23/03/2015	Freehold	5.91	N/A	54	N/A
5.	GRN 346599 LOT 8024 Mukim Ayer Baloi Daerah Pontian Johor Darul Takzim	Agriculture/ Pineapple Plantation	23/03/2015	Freehold	496.42	N/A	4,565	N/A
6.	GRN 561307 LOT 14771 Mukim Ayer Baloi Daerah Pontian Johor Darul Takzim	Agriculture/Oil Palm Plantation	23/03/2015	Freehold	136.00	N/A	1,251	N/A
7.	GRN 558083 LOT 8020 Mukim Ayer Baloi Daerah Pontian Johor Darul Takzim	Agriculture/Oil Palm Plantation	23/03/2015	Freehold	173.14	N/A	1,582	N/A
8.	GRN 346581 LOT 8026 Mukim Ayer Baloi Daerah Pontian Johor Darul Takzim	Agriculture/ Pineapple Plantation	23/03/2015	Freehold	217.57	N/A	2,001	N/A
9.	GRN 497075 LOT 8021 Mukim Ayer Baloi Daerah Pontian Johor Darul Takzim	Agriculture/Oil Palm Plantation	23/03/2015	Freehold	320.98	N/A	2,951	N/A
10.	GRN 346571, LOT 8025 Mukim Ayer Baloi Daerah Pontian Johor Darul Takzim	Agriculture/ Pineapple Plantation	23/03/2015	Freehold	382.51	N/A	3,517	N/A

Properties of the Group

No.	Location	Description/ Existing Use	Latest Valuation/ Acquisition Date	Tenure Expiry Date	Land Area (Acre)	Built-Up Area (Sq.ft)	NBV As At 31/03/2024 (RM'000)	Approximate Age Of Buildings (Years)
KUMPULAN FIMA BERHAD (CONT'D.)								
11.	PJ Trade Centre (3 units) Menara Bata No. 8, Jalan PJU 8/8A Bandar Damansara Perdana 47820 Petaling Jaya Selangor	Office Units	23/03/2015	Leasehold	N/A	8,852	2,866	15
	Sub Total				**2,809.50**	**8,852**	**41,202**	
AMGREEN GAIN SDN. BHD.								
1.	Lot No. 1, Block 10 Puyut Land District Sg Karap and Sg Kulak Baram Miri, Sarawak	Mixed Zone Land/ Oil Palm Plantation	23/03/2015	Lease of State Land 60 years expiring 12/08/2069	12,080.73	25,244	43,353	N/A
	Sub Total				**12,080.73**	**25,244**	**43,353**	
FIMA CORPORATION BERHAD								
1.	H.S.(D) 13531, PTD 4656 Mukim Jeram Batu Daerah Pontian Johor Darul Takzim	Industrial Land/ Factory & Office Buildings	07/07/1993/ 23/03/2015	Freehold	2.72	66,608	698	56
2.	Lot 1176 Mukim Pasir Panjang Port Dickson Negeri Sembilan Darul Khusus	Bungalow	07/07/1993/ 12/02/2015	Freehold	0.82	N/A	1,895	75
3.	Lot 52068, GRN 50064 Mukim of Kuala Lumpur Wilayah Persekutuan	Office Building	17/08/1995/ 23/03/2015	Freehold	1.45	270,372	42,048	26
4.	PT 363 HSD 27345 Mukim Kuala Betis Daerah Betis Jajahan Kecil Lojing Kelantan	Agriculture/Oil Palm Plantation	03/05/2021	Leasehold Expiring 05/03/2077	5,688.36	N/A	98,359	N/A
5.	Lot 3468 PN 6353 Mukim Relai, Daerah Chiku Jajahan Gua Musang Kelantan	Agriculture/Oil Palm Plantation	03/05/2021	Leasehold Expiring 05/03/2077	2,311.17	N/A	40,978	N/A
	Sub Total				**8,004.52**	**336,980**	**183,978**	

Properties of the Group

No.	Location	Description/ Existing Use	Latest Valuation/ Acquisition Date	Tenure Expiry Date	Land Area (Acre)	Built-Up Area (Sq.ft)	NBV As At 31/03/2024 (RM'000)	Approximate Age Of Buildings (Years)
CENDANA LAKSANA SDN. BHD.								
1.	H.S.(D) 398, PT 757 P Mukim Tebak Daerah Kemaman Terengganu	Oil Palm Plantation/Building	06/01/2014/ 20/3/2015	Leasehold expiring 08/08/2039	1,000.00	N/A	21,261	N/A
2.	PN 7602, LOT 2925 Mukim Tebak Daerah Kemaman Terengganu	Oil Palm Plantation	06/01/2014/ 20/3/2015	Leasehold expiring 08/08/2048	940.73	N/A	20,001	N/A
	Sub Total				**1,940.73**	**-**	**41,262**	
GABUNGAN WARISAN SDN. BHD.								
1.	H.S.(D) 9350, PT 4718 Mukim Kuala Stong Jajahan Kuala Krai Kelantan	Oil Palm Plantation	17/10/2014/ 10/03/2015	Leasehold expiring 22/07/2112	617.27	N/A	14,120	N/A
	Sub Total				**617.27**	**-**	**14,120**	
TAKA WORLDWIDE TRADING SDN. BHD.								
1.	H.S.(D) 2345, PT 6943 Mukim Relai Jajahan Gua Musang Kelantan	Oil Palm Plantation	18/03/2015	Leasehold expiring 05/03/2107	500.00	N/A	9,177	N/A
	Sub Total				**500.00**	**-**	**9,177**	
ETIKA GANGSA SDN. BHD.								
1.	H.S.(D) 2346, PT 6944 Mukim Relai Jajahan Gua Musang Kelantan	Oil Palm Plantation	18/03/2015	Leasehold expiring 05/03/2107	500.00	N/A	8,103	N/A
	Sub Total				**500.00**	**-**	**8,103**	
PERCETAKAN KESELAMATAN NASIONAL SDN. BHD.								
1.	GRN 173 Lot 27306, Section 13 Mukim Kajang Daerah Hulu Langat Selangor	Industrial Land/ Building	26/01/2006	Leasehold expiring 29/09/2086	8.30	250,560	9,586	37
	Sub Total				**8.30**	**250,560**	**9,586**	

Properties of the Group

No.	Location	Description/ Existing Use	Latest Valuation/ Acquisition Date	Tenure Expiry Date	Land Area (Acre)	Built-Up Area (Sq.ft)	NBV As At 31/03/2024 (RM'000)	Approximate Age Of Buildings (Years)
FIMA SG SIPUT ESTATE SDN. BHD.								
1.	PT 14352 H.S.(D) 16214 Mukim Sungai Siput District of Kuala Kangsar Perak	Agriculture/Oil Palm Plantation	04/12/2015	Leasehold expiring 03/08/2075	4,942.00	N/A	34,390	N/A
	Sub Total				**4,942.00**	**-**	**34,390**	
LADANG BUNGA TANJONG SDN. BHD.								
1.	GRN 36415 Lot 2429 Mukim Lubok Bungor Jajahan Jeli Kelantan	Agriculture/Oil Palm Plantation/ Building	20/02/2018	Leasehold expiring 28/09/2069	3,288.97	N/A	48,330	N/A
	Sub Total				**3,288.97**	**-**	**48,330**	
PT NUNUKAN JAYA LESTARI								
1.	Izin Usaha Perkebunan	Agriculture/Oil Palm Plantation	09/04/2007/ 31/12/2014	-	40,992.31	N/A	12,174	N/A
2.	Hak Guna Bangunan (HGB) No. 50 Kelurahan Nunukan Barat Kabupaten & Kecamatan Nunukan Propinsi Kalimantan Timur Indonesia	Palm Oil Mill	09/04/2007/ 31/12/2014	Expiring 18/03/2035	286.15	N/A		19
	Sub Total				**41,278.46**	**-**	**12,174**	
PINEAPPLE CANNERY OF MALAYSIA SDN. BHD.								
1.	H.S.(D) 62211, PTD 5525 Mukim Machap Daerah Kluang Johor Darul Takzim	Agriculture	23/03/2015	Leasehold expiring 16/10/2038	209.90	N/A	618	N/A
2.	Lot 1790, GM 1721 Mukim Jeram Batu Daerah Pontian Johor Darul Takzim	Agriculture/Rubber Plantation	23/03/2015	Freehold	4.39	N/A	381	N/A
3.	Lot 4552, GM 280 Mukim Jeram Batu Daerah Pontian Johor Darul Takzim	Agriculture/ Effluent Pond	23/03/2015	Freehold	2.63	N/A	228	N/A

No.	Location	Description/ Existing Use	Latest Valuation/ Acquisition Date	Tenure Expiry Date	Land Area (Acre)	Built-Up Area (Sq.ft)	NBV As At 31/03/2024 (RM'000)	Approximate Age Of Buildings (Years)
PINEAPPLE CANNERY OF MALAYSIA SDN. BHD. (CONT'D.)								
4.	Lot 4554, GM 278 Mukim Jeram Batu Daerah Pontian Johor Darul Takzim	Agriculture/ Effluent Pond	23/03/2015	Freehold	2.40	N/A	208	N/A
5.	Lot 1681, GM 4287 Mukim Jeram Batu Daerah Pontian Johor Darul Takzim	Agriculture/ Dumping Ground	23/03/2015	Freehold	2.42	N/A	250	N/A
6.	H.S.(D) 13531, PTD 4656 & H.S.(D) 13532, PTD 4657 (Lot 3767, 3768 & 3769) Mukim Jeram Batu Daerah Pontian Johor Darul Takzim	Industrial Land/ Factory & Office Buildings/ Residential/Single Storey House	23/03/2015	Freehold	25.12	235,160	8,141	56
7.	Lot 3886, GN 96493 Mukim Jeram Batu Daerah Pontian Johor Darul Takzim	Agriculture/ Orchard	23/03/2015	Freehold	10.00	N/A	2,647	N/A
8.	Lot 3887, GN 96495 Mukim Jeram Batu Daerah Pontian Johor Darul Takzim	Agriculture/ Orchard	23/03/2015	Freehold	10.00	N/A	2,647	N/A
9.	Lot 3890, GN 96497 Mukim Jeram Batu Daerah Pontian Johor Darul Takzim	Agriculture/ Orchard	23/03/2015	Freehold	6.46	N/A	1,710	N/A
10.	Lot 3891, GN 96499 Mukim Jeram Batu Daerah Pontian Johor Darul Takzim	Agriculture/ Orchard	23/03/2015	Freehold	10.00	N/A	2,647	N/A
11.	Lot 1789, GM 1720 Mukim Jeram Batu Daerah Pontian Johor Darul Takzim	Agriculture	23/03/2015	Freehold	4.06	N/A	352	N/A
12.	Lot 180, GM 136 Mukim Api-Api Daerah Pontian Johor Darul Takzim	Agriculture/Single Storey Factory Building	23/03/2015	Freehold	7.22	42,782	291	51
13.	Lot 181, GM 137 Mukim Api-Api Daerah Pontian Johor Darul Takzim	Agriculture/Single Storey Factory Building	23/03/2015	Freehold	6.78	40,175	273	51

Properties of the Group

No.	Location	Description/ Existing Use	Latest Valuation/ Acquisition Date	Tenure Expiry Date	Land Area (Acre)	Built-Up Area (Sq.ft)	NBV As At 31/03/2024 (RM'000)	Approximate Age Of Buildings (Years)
PINEAPPLE CANNERY OF MALAYSIA SDN. BHD. (CONT'D.)								
14.	Lot 182, H.S.(D) 1976 Mukim Api-Api Daerah Pontian Johor Darul Takzim	Industrial Land/ Single Storey Factory Building	23/03/2015	Leasehold expiring 03/01/2079	1.59	9,422	14	51
15.	Lot 183, GM 135 Mukim Api-Api Daerah Pontian Johor Darul Takzim	Agriculture/Single Storey Factory Building	23/03/2015	Freehold	3.80	22,517	153	51
16.	Lot 184, GM 134 Mukim Api-Api Daerah Pontian Johor Darul Takzim	Agriculture/Single Storey Factory Building	23/03/2015	Freehold	2.73	16,532	110	51
17.	Lot 185, GM 85 Mukim Api-Api Daerah Pontian Johor Darul Takzim	Agriculture	23/03/2015	Freehold	3.19	N/A	103	N/A
18.	Lot 560, GM 132 Mukim Api-Api Daerah Pontian Johor Darul Takzim	Agriculture/Single Storey Residential Buildings & One Hostel Block	23/03/2015	Freehold	3.34	16,310	142	51
19.	Lot 561, GM 133 Mukim Api-Api Daerah Pontian Johor Darul Takzim	Agriculture/Two Single Storey Hostel Blocks	23/03/2015	Freehold	2.16	4,800	92	51
20.	Lot 2945, GM 138 Mukim Api-Api Daerah Pontian Johor Darul Takzim	Agriculture/Single Storey Factory Building	23/03/2015	Freehold	2.31	13,984	93	51
21.	H.S.(D) 1396, PTD 257 & H.S.(D) 1397, PTD 258 Mukim Ulu Sg. Sedili Besar & Mukim Kota Tinggi Daerah Kota Tinggi Johor Darul Takzim	Office & Staff/ Workers Quarters	23/03/2015	Land owned by KFima	N/A	12,376	723	46
22.	GRN 346571, LOT 8025 Mukim Ayer Baloi Daerah Pontian Johor Darul Takzim	Office Building & Workers Quarters	23/03/2015	Land owned by KFima	N/A	5,520	613	12
	Sub Total				**320.50**	**419,578**	**22,436**	

Properties of the Group

No.	Location	Description/ Existing Use	Latest Valuation/ Acquisition Date	Tenure Expiry Date	Land Area (Acre)	Built-Up Area (Sq.ft)	NBV As At 31/03/2024 (RM'000)	Approximate Age Of Buildings (Years)
BULKING GROUP OF COMPANIES								
1.	Part of H.S.(D) 24616 PT 11689, Mukim Kapar Daerah Klang Selangor Darul Ehsan	Office Building (Terminal 1)	23/03/2015	Leasehold expiring 14/07/2042	30.80	38,438	277	42
2.	Part of H.S.(D) 24616 PT 11689, Mukim Kapar Daerah Klang Selangor Darul Ehsan	Office Building (Terminal 2)	23/03/2015	Leasehold expiring 31/07/2039	13.00	14,560	652	35
3.	H.S.(D) 620626 PTD 5616 Mukim Sungai Tiram Daerah Johor Bahru Johor Darul Takzim	Office Building *(under construction)*	20/09/2022	Leasehold expiring 19/9//2082	18.00	-	-	-
4.	H.S.(D) 9813, Plot A Bandar Butterworth Seksyen 4 Daerah Seberang Perai Utara Pulau Pinang	Office Building	23/03/2015	Tenancy expiring 30/06/2026	5.17	27,238	290	40
	Sub Total				**66.97**	**80,236**	**1,219**	
INTERNATIONAL FOOD CORPORATION LIMITED								
1.	Portion 361 Malahang, Lae Papua New Guinea	Industrial Land/ Office Building, Amenities Building & 2 Factory Buildings		State Lease expiring 19/10/2093	35.65	204,999	22,957	29
	Sub Total				**35.65**	**204,999**	**22,957**	
FIMA FRASER'S HILL SDN. BHD.								
1.	Lot 4509, PN 4503 Mukim Teras, Daerah Raub Pahang Darul Makmur	Agriculture	23/03/2015	Leasehold expiring 01/01/2036	130.17	N/A	713	N/A
	Sub Total				**130.17**	**-**	**713**	
	GRAND TOTAL				**76,524**	**1,326,449**	**493,000**	

Analysis of **Shareholdings**

As at 24 June 2024

THIRTY LARGEST SHAREHOLDERS

No.	Name	No. of Shares	% of Total Shareholdings
1.	ROZANA ZETI BINTI BASIR	49,415,100	17.94
2.	ROSHAYATI BINTI BASIR	49,200,000	17.87
3.	BHR ENTERPRISE SDN. BHD.	47,852,300	17.38
4.	SUBUR RAHMAT SDN. BHD.	11,509,200	4.18
5.	HSBC NOMINEES (ASING) SDN. BHD. QUINTET LUXEMBOURG FOR SAMARANG UCITS – SAMARANG ASIAN PROSPERITY	11,113,900	4.04
6.	M & A NOMINEE (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR SUBUR RAHMAT SDN. BHD. (M&A)	7,700,000	2.80
7.	NEOH CHOO EE & COMPANY, SDN. BERHAD	4,702,000	1.71
8.	CIMB GROUP NOMINEES (ASING) SDN. BHD. EXEMPT AN FOR DBS BANK LTD (SFS)	2,000,000	0.73
9.	PM NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR CHAN KUANG (D)	1,926,900	0.70
10.	CHEE SAI MUN	1,411,200	0.51
11.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR ROSLAN BIN HAMIR	1,291,000	0.47
12.	BAGHLAF ALZAFER GROUP LTD	1,200,000	0.44
13.	PUBLIC NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR TAN TIAN SANG @ TAN TIAN SONG (E-PPG)	1,065,000	0.39
14.	AFFIN HWANG NOMINEES (ASING) SDN. BHD. DBS VICKERS SECS (S) PTE LTD FOR LITTLE RAIN ASSETS LIMITED	1,035,300	0.38
15.	ROZILAWATI BINTI HAJI BASIR	1,000,000	0.36
16.	M & A NOMINEE (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR ZAILINI BINTI ZAINAL ABIDIN (M&A)	909,000	0.33
17.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. JINCAN SDN. BHD.	900,000	0.33
18.	ROSHAYATI BINTI BASIR	884,100	0.32
19.	PUSAT ANTARA SDN. BHD.	814,800	0.30
20.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR GAN TEE JIN	800,000	0.29
21.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. MAYBANK PRIVATE WEALTH MANAGEMENT FOR ROZILAWATI BINTI HAJI BASIR (PW-M00823) (421210)	747,700	0.27
22.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LIM CHEN YIK (PENANG-CL)	710,000	0.26
23.	CITIGROUP NOMINEES (ASING) SDN. BHD. CBNY FOR EMERGING MARKET CORE EQUITY PORTFOLIO DFA INVESTMENT DIMENSIONS GROUP INC	709,900	0.26
24.	UOB KAY HIAN NOMINEES (ASING) SDN. BHD. EXEMPT AN FOR UOB KAY HIAN PTE LTD (A/C CLIENTS)	701,700	0.26
25.	HSBC NOMINEES (ASING) SDN. BHD. TNTC FOR LSV EMERGING MARKETS SMALL CAP EQUITY FUND, LP	690,100	0.25
26.	LIM KHUAN ENG	640,000	0.23

Analysis of Shareholdings

As at 24 June 2024

No.	Name	No. of Shares	% of Total Shareholdings
27.	KENANGA NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LOW KHIAN BENG (003)	564,300	0.21
28.	PM NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LOW KHIAN BENG (D)	544,100	0.20
29.	CITIGROUP NOMINEES (ASING) SDN. BHD. CBNY FOR DIMENSIONAL EMERGING MARKETS VALUE FUND	523,748	0.19
30.	PUBLIC NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR CHEE SAI MUN (E-KLC)	510,400	0.19

SUBSTANTIAL SHAREHOLDERS

		Direct Holdings		Indirect Holdings	
No.	**Name**	**No. of Shares**	**% of Shareholdings**	**No. of Shares**	**% of Shareholdings**
1.	DR. ROSHAYATI BINTI BASIR	50,084,100	18.19	121,212,700 [(a)]	44.02
2.	ROZANA ZETI BINTI BASIR	49,415,100	17.94	121,881,700 [(a)]	44.26
3.	BHR ENTERPRISE SDN. BHD.	47,852,300	17.38	-	-
4.	SUBUR RAHMAT SDN. BHD.	11,509,200	4.18	9,375,200 [(b)]	3.40

Notes:

(a) *Deemed interested by virtue that:*

- (i) *Puan Sri Datin Hamidah Binti Abdul Rahman is the mother of Dr. Roshayati Binti Basir ("Dr. Roshayati"), Datin Rozilawati Binti Haji Basir ("Datin Rozilawati"), Rozana Zeti Binti Basir ("Rozana Zeti") and Ahmad Riza Bin Basir ("Ahmad Riza") and her shareholding of preference shares in BHR Enterprise Sdn. Bhd. ("BHR") which carry veto rights in all the decisions in BHR;*
- (ii) *Dr. Roshayati, Datin Rozilawati and Rozana Zeti are sisters and their shareholdings in BHR of more than 20%;*
- (iii) *Rozana Zeti's direct shareholding in RZB Holdings Sdn. Bhd. ("RZB") pursuant to Section 8 of the Companies Act, 2016 ("the Act"). RZB holds 102,000 ordinary shares (or 0.04%) in the Company; and*
- (iv) *Ahmad Riza is the son of Puan Sri Datin Hamidah Binti Abdul Rahman and brother of Dr. Roshayati, Datin Rozilawati and Rozana Zeti and:*
  - (1) *his indirect shareholdings in the Company which are held through M & A Nominee (Tempatan) Sdn. Bhd. of 360,000 ordinary shares (or 0.13%) and Subur Rahmat Sdn. Bhd. ("SRSB") pursuant to Section 8 of the Act. SRSB holds 11,509,200 ordinary shares (or 4.18%) and 7,700,000 ordinary shares (or 2.80%) direct and indirect, respectively in KFima;*
  - (2) *his wife, Zailini Binti Zainal Abidin's ("Zailini") shareholding in SRSB pursuant to Section 8 of the Act and her indirect shareholding in KFima; and*
  - (3) *his children's shareholdings of 406,200 ordinary shares (or 0.15%) in KFima.*

(b) *SRSB's indirect shareholdings in the Company is held under M & A Nominee (Tempatan) Sdn. Bhd., Ahmad Riza, Zailini and their children. Ahmad Riza and his wife, Zailini are deemed interested by virtue of their interest in SRSB pursuant to Section 8 of the Act.*

Analysis of Shareholdings

As at 24 June 2024

DIRECTORS' SHAREHOLDINGS

Directors	Direct Holdings No. of Shares	Direct Holdings % of Shareholdings	Indirect Holdings No. of Shares	Indirect Holdings % of Shareholdings
DATO' IDRIS BIN KECHOT	10,000	0.00	-	-
DATO' ROSLAN BIN HAMIR	320,000	0.12	1,291,000 [a]	0.47
DATUK ANUAR BIN AHMAD	-	-	-	-
ROZANA ZETI BINTI BASIR	49,415,100	17.94	121,881,700 [b]	44.26
DATO' ROSMAN BIN ABDULLAH	-	-	-	-
DATIN ROZILAWATI BINTI HAJI BASIR	1,000,000	0.36	170,296,800 [c]	61.84
DANNY HOE KAM THONG	-	-	-	-

Notes:

[a] *1,291,000 ordinary shares are held under Maybank Nominees (Tempatan) Sdn. Bhd.*

[b] *Deemed interested by virtue of:*

- [i] *her shareholding in BHR of more than 20% and the direct and indirect shareholdings of her family members namely, Puan Sri Datin Hamidah Binti Abdul Rahman, Dr. Roshayati, Datin Rozilawati and Ahmad Riza, respectively, in the Company; and*
- [ii] *her shareholding in RZB Holdings Sdn. Bhd. ("RZB") pursuant to Section 8 of the Act. RZB holds 102,000 ordinary shares (or 0.04%) in the Company.*

[c] *Deemed interested by virtue of her indirect shareholdings in the Company which are held under Maybank Nominees (Tempatan) Sdn. Bhd. of 747,700 ordinary shares (or 0.27%), M & A Nominee (Tempatan) Sdn. Bhd. of 461,000 ordinary shares (or 0.17%) and Affin Hwang Nominees (Tempatan) Sdn. Bhd. of 200,000 ordinary shares (or 0.07%); and the direct and indirect shareholdings of her family members namely, Puan Sri Datin Hamidah Binti Abdul Rahman, Dr. Roshayati, Rozana Zeti and Ahmad Riza, respectively, in the Company.*

DISTRIBUTION BY SIZE OF SHAREHOLDINGS

Size of Holdings	No. of Holders	% of Holders	No. of Shares	% of Shareholdings
Less than 100	250	3.49	2,846	0.00
100 - 1,000	2,718	37.98	2,485,618	0.90
1,001 - 10,000	3,147	43.97	13,651,347	4.96
10,001 - 100,000	884	12.35	28,189,732	10.24
100,001 to less than 5% of issued shares	155	2.17	84,581,457	30.71
5% and above of issued shares	3	0.04	146,467,400	53.19
TOTAL	**7,157**	**100.00**	**275,378,400**	**100.00**

Analysis of Shareholdings

As at 24 June 2024

CLASSIFICATION OF SHAREHOLDERS

Category of Holders	No. of Holders	% of Holders	No. of Shares	% of Shareholdings
1. Individual	6,325	88.38	153,627,919	55.79
2. Body Corporate				
a. Banks/Finance Companies	1	0.01	1,000	0.00
b. Investment Trusts/Foundation/Charities	13	0.18	320,000	0.12
c. Industrial and Commercial Companies	87	1.22	70,119,700	25.46
3. Government Agencies/Institutions	1	0.01	10,000	0.00
4. Nominees	729	10.19	51,299,681	18.63
5. Others	1	0.01	100	0.00
TOTAL	**7,157**	**100.00**	**275,378,400**	**100.00**

Notice of **52nd Annual General Meeting**

NOTICE IS HEREBY GIVEN THAT the Fifty-Second ("52nd") Annual General Meeting ("AGM") of KUMPULAN FIMA BERHAD ("KFima" and/or "the Company") will be conducted on a virtual basis through live streaming and online remote voting using Remote Participation and Electronic Voting ("RPEV") facilities available at https://meeting.boardroomlimited.my, from the Broadcast Venue at the Training Room, Kumpulan Fima Berhad, Suite 4.1, Level 4, Block C, Plaza Damansara, No. 45, Jalan Medan Setia 1, Bukit Damansara, 50490 Kuala Lumpur on Thursday, 29 August 2024 at 3.00 p.m., to transact the following business:

ORDINARY BUSINESS

1. To receive the Audited Financial Statements of the Company for the financial year ended 31 March 2024 and the Directors' and Auditors' Reports thereon. **Please refer to Note A**

2. To re-elect the following Directors, who retire by rotation in accordance with Article 102 of the Company's Constitution and who, being eligible, offer themselves for re-election:

   (i) Dato' Idris bin Kechot **Resolution 1**
   (ii) Dato' Rosman bin Abdullah **Resolution 2**

3. To approve the payment of Directors' fees for each of the Non-Executive Directors of the Company for the ensuing financial year. **Resolution 3**

4. To approve the payment of Directors' fees for each of the Non-Executive Directors who sit on the Boards of KFima subsidiaries from 30 August 2024 until the conclusion of the next AGM of the Company. **Resolution 4**

5. To approve the payment of Directors' remuneration (excluding Directors' fees) for the Non-Executive Directors from 30 August 2024 until the conclusion of the next AGM of the Company. **Resolution 5**

6. To re-appoint Messrs. Ernst & Young PLT as Auditors of the Company for the financial year ending 31 March 2025 and to authorise the Directors to determine their remuneration. **Resolution 6**

SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions:

7. **PROPOSED NEW AND RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE** **Resolution 7**

   "THAT pursuant to Paragraph 10.09 of the Bursa Malaysia Securities Berhad ("Bursa") Main Market Listing Requirements ("Listing Requirements"), approval be and is hereby given for the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with the specified classes of Related Parties as stated in Sections 2.4.1 and 2.4.2 Part A of the Company's Circular/Statement to Shareholders dated 31 July 2024 which are necessary for the day-to-day operations of the Company and/or its subsidiaries, provided that such transactions are entered into in the ordinary course of business of the Company and/or its subsidiaries, are carried out 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; and the aggregate value of such transactions conducted pursuant to the Proposed Shareholders' Mandate during the financial year will be disclosed in the Annual Report for the said financial year.

THAT such approval shall continue to be in full force and effect until:

(i) the conclusion of the next AGM of the Company, at which time the authority will lapse, unless the authority is renewed by a resolution passed at such general meeting; or
(ii) the expiration of the period within which the Company's next AGM is required to be held under Section 340(1) of the Companies Act, 2016 ("the Act") (but shall not extend to such extension as may be allowed under Section 340(4) of the Act); or
(iii) revoked or varied by resolution passed by the shareholders of the Company at a general meeting,

whichever is the earlier;

AND THAT the Board of Directors of the Company be and is hereby empowered and 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 Company's Constitution, as may be required) as they may consider expedient or necessary to give effect to the proposed mandate."

8. **PROPOSED RENEWAL OF THE AUTHORITY FOR SHARES BUY-BACK** **Resolution 8**

"THAT subject to compliance with the Act, the Bursa Listing Requirements, provisions of the Company's Constitution, and all other applicable laws, guidelines, rules and regulations, approval and authority be and are hereby given to the Directors of the Company, to the extent permitted by law, to purchase such number of ordinary shares in KFima ("KFima Shares") as may be determined by the Directors from time to time through Bursa upon such terms and conditions as the Directors may deem fit, necessary and expedient in the interest of the Company, provided that:

(i) the maximum aggregate number of KFima Shares which may be purchased and/or held by the Company shall not exceed 10% of the issued share capital of the Company at any time; and
(ii) the maximum funds to be allocated by the Company for the purpose of purchasing its own shares shall not exceed the total retained profits of the Company for the time being.

THAT the Directors be and are hereby authorised to deal with the KFima Shares so purchased at their discretion, in the following manner:

(i) cancel the KFima Shares so purchased; or
(ii) retain the KFima Shares so purchased as treasury shares which may be dealt with in accordance with Section 127(7) of the Act; or
(iii) retain part of the KFima Shares so purchased as treasury shares and cancel the remainder of the KFima Shares,

or in any other manner as may be prescribed by the Act, all applicable laws, regulations and guidelines applied from time to time by Bursa and/or other relevant authority for the time being in force and that the authority to deal with the purchased KFima Shares shall continue to be valid until all the purchased KFima Shares have been dealt with by the Directors of the Company;

THAT the authority conferred by this resolution shall be effective immediately upon the passing of this resolution and shall continue to be in force until:

(i) the conclusion of the next AGM of the Company, at which time it shall lapse, unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or

(ii) the expiration of the period within which the next AGM of the Company is required by law to be held; or
(iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever occurs first but not so as to prejudice the completion of purchase(s) by the Company before the aforesaid expiry date and, in any event, in accordance with the provisions of the Bursa Listing Requirements or any other relevant authorities;

AND FURTHER THAT the Board be and is hereby authorised to do all such acts and things and to take all such steps as they deem fit, necessary, expedient and/or appropriate in order to complete and give full effect to the purchase by the Company of its own shares with full powers to assent to any condition, modification, variation and/or amendment as may be required or imposed by the relevant authorities."

9. To transact any other business of which due notice shall have been given in accordance with the Act and the Company's Constitution.

BY ORDER OF THE BOARD

JASMIN BINTI HOOD
(SSM PC No. 201908001455) (LS 0009071)
FADZIL BIN AZAHA
(SSM PC No. 201908001530) (CA 20995)
Company Secretaries

Kuala Lumpur
31 July 2024

NOTES:

(I) **Note A**
The Audited Financial Statements is for discussion only as they do not require shareholders' approval pursuant to the provision of Section 340(1)(a) of the Act. Hence, they are not put forward for voting.

(II) **Resolutions 1 and 2**
Article 102 of the Company's Constitution provides that one-third (1/3) of the Directors of the Company for the time being shall retire by rotation at an AGM of the Company provided always that all Directors, shall retire from office at least once in every three (3) years, but shall be eligible for re-election at the AGM. A Director retiring at a meeting shall retain office until the close of the meeting, whether adjourned or not.

At the 52nd AGM, Dato' Idris bin Kechot and Dato' Rosman bin Abdullah being the longest in office since their last retirements are to stand for re-election as Directors of the Company and being eligible, have offered themselves for re-election.

For the purpose of determining the eligibility of the Directors to stand for re-election at the 52nd AGM, the Board through its Nomination and Remuneration Committee (NRC), had assessed each of the retiring Directors, and considered the following:

(i) the Directors' level of contribution to Board discussions through his skills, experience and strength in qualities and his ability to act in the best interests of the Company in decision-making;

(ii) the evaluation of Directors' fitness and propriety to discharge their roles effectively as determined by the self and peer assessments conducted during the Board Effectiveness Evaluation for FYE2024; and

(iii) the Directors' commitment and time allocation to ensure effective fulfilment of their responsibilities.

Based on the outcome of the said assessments, the Board and the NRC are satisfied that the performance of each of the retiring Directors have met the performance criteria and the Board's expectations by continuously discharging their duties diligently as Directors of the Company. Accordingly, the Board recommends that shareholders vote in favour of their re-election.

Both Directors have completed their Annual Declaration and Disclosure of Interests Form, and there are no concerns noted.

The profiles of the retiring Directors are set out in Our Board of Directors section of the Company's Annual Report 2024.

(III) **Resolutions 3, 4 and 5**

Section 230(1) of the Act provides, among others, that the fees of the directors and any benefits payable to the directors of a listed company and its subsidiaries shall be approved at a general meeting. In this respect, the Board agreed that the shareholders' approval shall be sought at the 52nd AGM of the Company on the following payments to Directors in three (3) separate resolutions, as follows:

- **Resolution 3** on payment of Directors' fees for the ensuing financial year.
- **Resolution 4** on payment of Directors' fees for each of the Non-Executive Directors ("NEDs") who sit on the Board of Directors of KFima subsidiaries from 30 August 2024 until the conclusion of the next AGM of the Company.
- **Resolution 5** on payment of Directors' remuneration (excluding Directors' fees) to the NEDs from 30 August 2024 until the conclusion of the next AGM of the Company.

Ordinary Resolutions 3, 4 and 5 comprises fees, allowances and other benefits payable to the Non-Executive Chairman, NEDs and Board Committees, including fees and allowances payable to them by the subsidiaries. Payment of the said fees, allowances and other benefits referred to herein will be made by the Company as and when incurred.

Other fees payable to the NEDs remain unchanged. The Group Managing Director does not receive any Director's fees and meeting allowances.

Company

		Fee (per annum)	Meeting Allowance (per meeting)	Benefits
Board	Chairman	RM90,000	RM2,000	Medical coverage and other claimable benefits
	Member	RM60,000	RM2,000	
Committees	Chairman of Audit and Risk Committee	RM15,000	RM2,000	N/A
	Member of Audit and Risk Committee	RM10,000	RM2,000	N/A
	Member of Nomination and Remuneration Committee	N/A	RM2,000	N/A

		Fee (per annum)	Meeting Allowance (per meeting)	Benefits
Other Committees	Member of Group Sustainability Committee	N/A	RM2,000	N/A
	Member of Risk Steering Committee	N/A	RM2,000	N/A
	Member of Investment Committee	N/A	RM2,000	N/A
	Member of Plantation Executive Committee	N/A	RM2,000	N/A
	Member of Ad Hoc Committee	N/A	RM2,000	N/A

Subsidiaries

Subsidiary	Position Held	Fee Type	Amount
International Food Corporation Limited	Chairman	Director's fee per annum Meeting allowance per meeting	RM18,000 RM1,000
Fima Bulking Services Berhad	Chairman	Director's fee per annum Meeting allowance per meeting	RM18,000 RM1,000

In determining the estimated amount of remuneration payable to the NEDs, various factors, including the number of scheduled meetings of the Board, Board Committees and Board of subsidiaries, as well as the number of NEDs involved in these meetings were considered.

(IV) **Resolution 6**

The Board had at its meeting held on 27 June 2024 approved the Audit and Risk Committee's recommendation for shareholders' approval to be sought at the 52nd AGM for re-appointment of Messrs. Ernst & Young PLT as Auditors of the Company for the financial year ending 31 March 2025.

The Board and the Audit and Risk Committee collectively agreed that Messrs. Ernst & Young PLT has met the relevant criteria prescribed by Paragraph 15.21 of the Bursa Listing Requirements.

(V) **EXPLANATORY NOTES ON SPECIAL BUSINESS**

(a) Resolution 7

The proposed Ordinary Resolution 7, if passed, will empower the Company and/or its subsidiaries ("the Group") to enter into new and 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.

Further information on the Proposed New and Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature is set out in Part A of the Circular/Statement to Shareholders dated 31 July 2024, which is available under the 'Investors' section of the Company's website.

(b) Resolution 8

The proposed Ordinary Resolution 8, if passed, will renew the authority granted by the shareholders at the last AGM. The renewed authority will allow the Company to purchase its own shares of up to 10% of its prevailing ordinary issued share capital at any time. The renewed authority, unless revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting, will expire at the conclusion of the next AGM of the Company or the expiration of the period within which the next AGM is required by law to be held, whichever occurs first.

Further information on the Proposed Renewal of Shares Buy-Back Authority is set out in Part B of the Circular/Statement to Shareholders dated 31 July 2024, which is available on the 'Investors' section of the Company's website.

Notes:

A. Registration for Remote Participation and Voting through RPEV Facilities

1. The 52nd AGM of the Company will be conducted on a virtual basis through live streaming and RPEV facilities provided by Boardroom Share Registrars Sdn. Bhd. at https://meeting.boardroomlimited.my. Please follow the procedures provided in the Administrative Guide for the 52nd AGM in order to register, participate and vote remotely via the RPEV facilities.

2. The Broadcast Venue of the 52nd AGM is strictly for the purpose of complying with Section 327(2) of the Act which requires the Chairman of the 52nd AGM to be present at the main venue of the general meeting and to facilitate the conduct of the virtual meeting.

3. Members, proxies or corporate representatives are not allowed to be physically present at the Broadcast Venue. Only essential individuals and authorised personnel as determined by the Company shall be allowed entry into the Broadcast Venue.

B. Submission of Questions before and during the 52nd AGM

1. Members may submit questions electronically in relation to the agenda items for the 52nd AGM prior to the meeting via https://investor.boardroomlimited.com no later than 3.00 p.m. on Thursday, 22 August 2024. The responses to these questions will be shared at the 52nd AGM.

2. Members may also pose questions via real time submission at https://meeting.boardroomlimited.my during the 52nd AGM.

C. Appointment of Proxy(ies)

1. Only members whose names appear in the General Meeting Record of Depositors as at 22 August 2024 shall be entitled to participate, speak and vote at the 52nd AGM or appoint proxy(ies) to participate and/or vote on their behalf.

2. A member of the Company who is entitled to participate and vote at the 52nd AGM may appoint up to 2 proxies by specifying the proportion of his/her shareholding to be represented by each proxy. A proxy may not be a member of the Company.

3. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for the multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

4. The instrument appointing a proxy (proxy form) may be made in hard copy form or by electronic means in the following manner and must be deposited to the Company's share registrar, Boardroom Share Registrars Sdn. Bhd., not less than 48 hours before the time appointed for holding the 52nd AGM or adjournment thereof:

    (a) In hard copy form

    The proxy form must be deposited at the Company's share registrar's office situated at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan.

    (b) By electronic means

    The proxy form can also be lodged electronically through Boardroom Smart Investor Online Portal at https://investor.boardroomlimited.com. Kindly refer to the Administrative Guide for the 52nd AGM on the procedures for electronic lodgement of proxy form.

5. If the appointer is a corporation, the proxy form or certificate of appointment of corporate representative must be deposited by hand or post to Boardroom Share Registrars Sdn. Bhd. not less than 48 hours before the time appointed for holding the 52nd AGM or adjournment thereof. Alternatively, the proxy form or certificate of appointment of corporate representative may also be sent to Boardroom Share Registrars Sdn. Bhd. via email at BSR.Helpdesk@boardroomlimited.com.

6. If you have submitted your proxy form prior to the 52nd AGM and subsequently decide to participate in the 52nd AGM yourself, please write in to BSR.Helpdesk@boardroomlimited.com to revoke the appointment of your proxy(ies) 48 hours before the 52nd AGM. Your proxy(ies) on revocation will not be allowed to participate in the 52nd AGM. In such event, you should advise your proxy(ies) accordingly.

7. The voting at the 52nd AGM will be conducted on a poll. The Company will appoint independent scrutineers to verify the poll results.

Statement Accompanying **Notice of Annual General Meeting**

The Directors who are retiring pursuant to Article 102 of the Company's Constitution and seeking re-election are:

(i) Dato' Idris Bin Kechot
(ii) Dato' Rosman Bin Abdullah

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

Administrative Guide **for the 52nd AGM**

Meeting Day and Date	: Thursday, 29 August 2024
Online Meeting Platform	: https://meeting.boardroomlimited.my
Registration	: Virtual Meeting using Remote Participation and Electronic Voting ("RPEV") facilities online via the Boardroom Smart Investor Portal at https://investor.boardroomlimited.com
Commencement of Meeting	: 3.00 p.m.
Broadcast Venue	: Training Room, Kumpulan Fima Berhad, Suite 4.1, Level 4, Block C, Plaza Damansara, No. 45, Jalan Medan Setia 1, Bukit Damansara, 50490 Kuala Lumpur

1. Virtual 52nd Annual General Meeting ("52nd AGM")

1.1 The Company's 52nd AGM will be conducted virtually through live streaming and online remote participation using RPEV facilities from the Broadcast Venue, in accordance with the revised Guidance and FAQs on the Conduct of General Meetings for Listed Issuers issued by the Securities Commission of Malaysia on 7 April 2022. In this respect, the Company will continue to leverage technology, to ensure that the 52nd AGM supports meaningful engagement between the Board and shareholders of the Company.

1.2 The main and only venue for the 52nd AGM is the Broadcast Venue which is strictly for the purpose of complying with Section 327(2) of the Companies Act, 2016 that requires the Chairman of the Meeting to be present at the main venue of the meeting. No shareholders/proxies/corporate representatives should be physically present nor admitted at the Broadcast Venue on the day of the 52nd AGM.

1.3 Shareholders can participate in our 52nd AGM via online meeting platform at https://meeting.boardroomlimited.my by registering online via the Boardroom Smart Investor Portal at https://investor.boardroomlimited.com. With the RPEV facilities, you may exercise your right as a shareholder of the Company to participate and pose questions to the Board and vote at the 52nd AGM.

1.4 Kindly ensure the stability of the internet connectivity throughout the 52nd AGM proceedings is maintained as the quality of the live webcast and online remote voting are dependent on the bandwidth and stability of the internet connection of the participants.

1.5 No recording or photography of the meeting proceedings is allowed.

2. Entitlement to Participate and Vote

2.1 Only members whose names appear in the General Meeting Record of Depositors as at 22 August 2024 shall be entitled to participate in the 52nd AGM or appoint proxies to participate and vote on their behalf.

3. Proxy

3.1 If you are unable to participate the 52nd AGM and wish to appoint the proxies to participate and vote on your behalf or the Chairman of the meeting as your proxy, please indicate your voting instructions in the proxy form.

3.2 Corporate shareholders who require their corporate representative to participate and vote at the 52nd AGM must deposit their proxy form or certificate of appointment of corporate representative to the Company's share registrar, Boardroom Share Registrars Sdn. Bhd. ("Boardroom Share Registrars").

3.3 You may download the proxy form from our website at www.fima.com.my/agm.html.

4. Lodgement of Proxy Form

4.1 The instrument appointing a proxy (proxy form) may be made in hard copy form or by electronic means, and must be deposited to the Boardroom Share Registrars, not less than 48 hours before the time appointed for holding the 52nd AGM or adjournment thereof:

(a) <u>In hard copy form</u>

The proxy form must be deposited at the Boardroom Share Registrars' office situated at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan. Boardroom Share Registrars will also provide a box at the ground floor of its office building to facilitate drop-off of proxy forms.

(b) <u>By electronic means</u>

The proxy form can also be lodged electronically through Boardroom Smart Investor Online Portal at https://investor.boardroomlimited.com. Kindly refer to the procedures for electronic lodgement of proxy form provided below:

Step 1: Register Online with Boardroom Smart Investor Portal (for first time registration only)

Note: If you have already signed up with Boardroom Smart Investor Portal, you are not required to register again. You may proceed to Step 2 on e-Proxy Lodgement.

a. Access website https://investor.boardroomlimited.com.
b. Click <<Register>> to sign up as a user.
c. Complete your registration and upload softcopy of MyKad/Identification Card (front and back in JPEG/PNG/PDF format only) or Passport (for foreign shareholder) (in JPEG/PNG/PDF format only).
d. Please enter a valid email address and wait for Boardroom Share Registrars' email verification.
e. Your registration will be verified and approved within one (1) business day and an email notification will be provided.

Step 2: e-Proxy Lodgement

a. Login to https://investor.boardroomlimited.com using your user ID and password provided by Boardroom Share Registrars.
b. Select "KUMPULAN FIMA BERHAD 52ND ANNUAL GENERAL MEETING" from the list of Corporate Meeting and click "Enter".

For Individual/Corporate Shareholders:

1. Go to "PROXY" and click on "Submit eProxy Form".
2. Select the Company you would like to be represented if more than one Company (for corporate shareholder).
3. Enter your Central Depository System ("CDS") account number and insert the number of securities held.
4. Appoint your proxies or the Chairman of the AGM and enter the required particulars for your proxies.
5. Read and agree to the Terms and Condition by clicking "Next".
6. Indicate your voting instructions – For, Against or Abstain, otherwise your proxies will decide your votes.
7. Review and confirm your proxies' appointment.
8. Click "Apply".
9. Download or print the e-Proxy form acknowledgment.

For Authorised Nominee and Exempt Authorised Nominee:

1. Go to "PROXY" and click on "Submit eProxy Form".
2. Select the company you would like to be represented (if more than one).
3. Proceed to download the file format for "Submission of Proxy Form".
4. Prepare the file for the appointment of proxies by inserting the required data.
5. Proceed to upload the duly completed Proxy Appointment file.
6. Review and confirm your proxy appointment and click "Submit".
7. Download or print the e-Proxy form as acknowledgement.

Note: If you are the authorised representatives for more than one authorised nominee/exempt authorised nominee/corporate shareholder, kindly click the home button and select "Edit Profile" in order to add company's name.

4.2 If you wish to participate in the 52nd AGM yourself, please do not submit any proxy form for the 52nd AGM. You will not be allowed to participate in the 52nd AGM together with a proxy appointed by you.

4.3 If you have submitted your proxy form prior to the 52nd AGM and subsequently, decide to participate in the 52nd AGM yourself, please write in to BSR.Helpdesk@boardroomlimited.com to revoke the appointment of your proxies 48 hours before the 52nd AGM. Your proxies on revocation would not be allowed to participate in the 52nd AGM. In such event, you should advise your proxies accordingly.

5. Voting Procedures

5.1 The voting will be conducted by poll in accordance with Paragraph 8.29A of Bursa Listing Requirements.

5.2 The Company has appointed Boardroom Share Registrars as the Poll Administrator to conduct the poll by way of electronic voting ("e-Voting") and SKY Corporate Services Sdn. Bhd. as Scrutineers to verify the poll results.

5.3 During the 52nd AGM, the Chairman will invite the Poll Administrator to present a short video on the e-Voting housekeeping rules. The voting session will commence as soon as the Chairman calls for the poll to be opened and until such time when the Chairman announces the closure of the poll.

5.4 For the purpose of the 52nd AGM, e-Voting will be carried out using personal smart mobile phones, tablets, personal computers or laptops.

5.5 The Scrutineers will verify the poll result reports upon closing of the poll session by the Chairman. Thereafter, the Chairman will announce and declare whether the resolutions put to vote were successfully carried or not.

6. Remote Participation and Electronic Voting

6.1 Please note that all members including (i) individual members; (ii) corporate shareholders; (iii) authorised nominees; and (iv) exempt authorised nominee shall use the RPEV facilities to participate and vote remotely at the 52nd AGM.

6.2 If you wish to participate in the 52nd AGM, you will be able to view a live webcast of the 52nd AGM, ask questions and submit your votes in real time whilst the 52nd AGM is in progress.

6.3 Kindly follow the steps below on how to request for login ID and password and usage of the RPEV facilities:

BEFORE 52ND AGM	
Procedures	**Actions**
1. Register online with Boardroom Smart Investor Portal **(for first time registration only)** *Note: If you have already signed up with Boardroom Smart Investor Portal, you are not required to register again. You may proceed to Step 2 – Submit Request for Remote Participation User ID and Password.*	a. Access website https://investor.boardroomlimited.com. b. Click <<Register>> to sign up as a user. c. Complete your registration and upload softcopy of MyKad/Identification Card (front and back in JPEG/PNG/PDF format only) or Passport (for foreign shareholder) (in JPEG/PNG/PDF format only). d. Please enter a valid email address and wait for Boardroom Share Registrars' email verification. e. Your registration will be verified and approved within one (1) business day and an email notification will be provided.

Administrative Guide for the 52nd AGM

BEFORE 52ND AGM (CONT'D.)	
Procedures	**Actions**
2. Submit Request for Remote Participation User ID and Password *Note: Registration for remote access will be opened on 31 July 2024. Please note that the **closing time to submit your request** is not less than 48 hours before the time of holding the 52nd AGM or no later than 3.00 p.m. on 27 August 2024.*	**Individual Members** • Login to https://investor.boardroomlimited.com using your user ID and password. • Select "KUMPULAN FIMA BERHAD 52ND ANNUAL GENERAL MEETING" from the list of Corporate Meeting and click "Enter". • Click "Register for RPEV". • Read and accept the general terms and conditions and enter your CDS account number to submit your request. **Corporate Members** • Write in to BSR.Helpdesk@boardroomlimited.com by providing the name of member, CDS account number accompanied with the certificate of appointment of corporate representative or proxy form to submit the request. • Please provide a copy of corporate representative's MyKad/Identification Card (front and back) or Passport (for foreign shareholder) (in JPEG/PNG/PDF format only) as well as his/her email address. **Authorised Nominee and Exempt Authorised Nominee** • Write in to BSR.Helpdesk@boardroomlimited.com by providing the name of member, CDS account number accompanied with the proxy form to submit the request. • Please provide a copy of proxy holder's MyKad/Identification Card (front and back) or Passport (for foreign shareholder) (in JPEG/PNG/PDF format only) as well as his/her email address.
3. Email Notification	a. Upon system verification against the General Meeting Record of Depositors as at 22 August 2024, you will receive an email from Boardroom Share Registrars either approving or rejecting your registration for remote participation. b. If your registration is approved, you will receive your remote access user ID and password in the same email from Boardroom Share Registrars.

ON THE DAY OF THE 52ND AGM	
Procedures	**Actions**
1. Login to Online Meeting Platform	a. The Online Meeting Platform will be opened for login 1 hour before the commencement of the 52nd AGM at 2.00 p.m. on 29 August 2024. b. Follow the steps given to you in the email from Boardroom Share Registrars, using the remote access user ID and password provided. c. The steps will also guide you on how to view live webcast, pose questions and vote.
2. Participate	a. If you would like to view live webcast, select the broadcast icon. b. If you would like to ask a question during the 52nd AGM, select the messaging icon. c. Type your message within the chat box, click the send button once completed. d. The Chairman/the Board will endeavour their best to respond to the questions submitted by the shareholders/proxies which are related to the resolutions to be tabled at the 52nd AGM, as well as financial performance/prospect of the Company. e. In order to ensure a smooth and efficient conduct of the 52nd AGM, questions that are repetitive in nature and/or have been responded to will not be specifically addressed. f. All questions and responses will be made available on the Company's website after the 52nd AGM.

ON THE DAY OF THE 52ND AGM (CONT'D.)	
Procedures	**Actions**
3. Voting	a. Once the 52nd AGM is open for voting, the polling icon will appear with the resolutions and your voting choices. b. To vote, simply select your voting direction from the options provided. c. A confirmation message will appear to show your vote has been received. d. To change your vote, simply select another voting direction. e. If you wish to cancel your vote, please press "Cancel".
4. End of Participation	a. Upon the announcement by the Chairman on the closure of 52nd AGM, the live webcast will end and the messaging window will be disabled. b. You can now logout from the meeting platform.

7. No Door Gifts

There will be no distribution of door gifts or vouchers for the participation at this 52nd AGM.

8. Enquiries

8.1 The Company welcomes questions and views from shareholders on the 52nd AGM resolutions and Annual Report 2024 to be raised at the 52nd AGM. Please submit your questions via Boardroom Share Registrars' website at https://investor.boardroomlimited.com using the same user ID and password provided in Step 2: e-Proxy Lodgement and select "SUBMIT QUESTION" to pose questions commencing from 31 July 2024 and in any event no later than 3.00 p.m. on Tuesday, 22 August 2024. We will endeavour to provide responses to the queries during the 52nd AGM session.

8.2 If you have any enquiry relating to RPEV facilities or any of the above, please contact Boardroom Share Registrars during office hours on Monday to Friday from 9.00 a.m. to 5.00 p.m. (except on Public Holidays):

General Line : +603-7890 4700
Email : BSR.Helpdesk@boardroomlimited.com

8.3 Members are reminded to monitor the Company's website and announcements for any changes to the arrangements of the 52nd AGM.

<u>Annual Report 2024</u>

We strongly recommend you to download the digital version of the documents taking into consideration of the carbon footprints arising from the production and delivery of the documents. The Annual Report 2024 and Corporate Governance Report 2024 can be downloaded from the Company's website. Please access the online softcopy through your device by scanning this QR code.

Corporate **Information**

BOARD OF DIRECTORS

Dato' Idris Bin Kechot
Chairman /
Independent Non-Executive Director

Dato' Roslan Bin Hamir
Group Managing Director /
Non-Independent Executive Director

Datuk Anuar Bin Ahmad
Independent Non-Executive Director

Dato' Rosman Bin Abdullah
Non-Independent Non-Executive Director

Rozana Zeti Binti Basir
Non-Independent Non-Executive Director

Datin Rozilawati Binti Haji Basir
Non-Independent Non-Executive Director

Danny Hoe Kam Thong
Independent Non-Executive Director

AUDIT AND RISK COMMITTEE

Datuk Anuar Bin Ahmad
Chairman

Danny Hoe Kam Thong
Member

Dato' Rosman Bin Abdullah
Member

NOMINATION AND REMUNERATION COMMITTEE

Danny Hoe Kam Thong
Chairman

Datin Rozilawati Binti Haji Basir
Member

Datuk Anuar Bin Ahmad
Member

COMPANY SECRETARIES

Jasmin Binti Hood
LS 0009071
SSM PC No. 201908001455

Fadzil Bin Azaha
CA 20995
SSM PC No. 201908001530

REGISTERED OFFICE

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
E-mail : info@fima.com.my
Website: www.fima.com.my

PRINCIPAL BANKERS

Malayan Banking Berhad
Public Bank Berhad

SHARE REGISTRAR

Boardroom Share Registrars Sdn. Bhd.
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13, 46200 Petaling Jaya
Selangor
Tel : (+603) 7890 4700

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad
Stock Name: KFIMA
Stock Code: 6491
Sector: Industrial Products & Services
Sub-Sector: Diversified Industrials

AUDITORS

Messrs. Ernst & Young PLT

Directory of **Group Operations**

Fima Corporation Berhad
(197401004110) (21185-P)
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: +603-2092 5923
www.fimacorp.com

MANUFACTURING DIVISION

Percetakan Keselamatan Nasional Sdn. Bhd.
(198701007433) (166151-T)
No.6, Jalan P/1A, Kawasan
Perindustrian Bangi Seksyen 13
43650 Bandar Baru Bangi
Selangor Darul Ehsan
Telephone: +603-8912 1312
Facsimile: +603- 8912 0345

Security Printers (M) Sdn. Bhd.
(197701003239) (34025-W)
No.6, Jalan P/1A, Kawasan
Perindustrian Bangi Seksyen 13
43650 Bandar Baru Bangi
Selangor Darul Ehsan
Telephone: +603-8912 1312
Facsimile: +603- 8912 0345

BULKING DIVISION

www.fimabulking.com

Fima Bulking Services Berhad
(197901008826) (53110-X)
PT11689 Jalan Parang
2nd Extension, North Port
42000 Pelabuhan Klang, Selangor
Telephone: +603-3176 7211
Facsimile: +603-3176 5641

Fimachem Sdn. Bhd.
(198601002740) (151893-X)
PT11689 Jalan Parang
2nd Extension, North Port
42000 Pelabuhan Klang, Selangor
Telephone: +603-3176 6514

Fima Biodiesel Sdn. Bhd.
(200501033681) (715822-K)
Lot 11689, Jalan Parang
2nd Extension, North Port
42000 Pelabuhan Klang, Selangor
Telephone: +603-3176 7211
Facsimile: +603-3176 5641

Fima Liquid Bulking Sdn. Bhd.
(19890100559) (182904-W)
PT11689 Jalan Siakap
2nd Extension, North Port
42000 Pelabuhan Klang, Selangor
Telephone: +603-3176 7561

Fima Freight Forwarders Sdn. Bhd.
(199101013538) (223850-P)
PT11689 Jalan Parang
2nd Extension, North Port
42000 Pelabuhan Klang, Selangor
Telephone: +603-3176 2681

Fima Palmbulk Services Sdn. Bhd.
(198001007675) (61459-M)
PPSB Deep Water Wharves
P.O. Box 243
12720 Butterworth, Pulau Pinang
Telephone: +604-332 7019

Fima Butterworth Installation Sdn. Bhd. (198201001762) (81508-K)
PPSB Deep Water Wharves
P.O. Box 243
12720 Butterworth, Pulau Pinang
Telephone: +604-332 7019

PLANTATION DIVISION

Pineapple Cannery of Malaysia Sendirian Berhad
(196401000036) (5367-U)

Ladang Kota Tinggi
Batu 6, Jalan Mawai
81900 Kota Tinggi, Johor
Telephone: +607-891 0054

Ladang Ayer Baloi
Jalan Parit Panjang
82100 Ayer Baloi
Pontian, Johor
Telephone: +6013-839 2180

Ladang Ayer Hitam
Plot 49, Batu 8
Jalan Felda Ayer Hitam
86000 Kluang, Johor

Victoria Square Plantation Sdn. Bhd.
(200601013547) (733298-K)
Lot 1, Block 10, Puyut Land District
Miri, Sarawak

Amgreen Gain Sdn. Bhd.
(200401016733) (655236-V)
Lot 1, Block 10, Puyut Land District
Miri, Sarawak

Directory of Group Operations

PLANTATION DIVISION

PT Nunukan Jaya Lestari
(NPWP 02.033.898.4-725.000)
Jln. Hasanuddin No. 62, RT06
Sungai Bolong, Kec. Nunukan
Kab. Nunukan
Kalimantan Utara 77482
Indonesia

Cendana Laksana Sdn. Bhd.
(201201039689) (1024167-W)
Ladang Cendana
Batu 40, Jerangau-Jabor Highway
Air Putih, 24050 Kemaman
Terengganu

Gabungan Warisan Sdn. Bhd.
(199401042148) (327836-P)
Ladang Dabong
PT 4718, Mukim, Kuala Stong
Jajahan Kuala Krai, Kelantan

Next Oasis Sdn. Bhd.
(201401033412) (1109497-D)
Ladang Aring
PT 6943 & PT 6944
Mukim Relai, Jajahan Gua Musang
Kelantan

Taka Worldwide Trading Sdn. Bhd.
(200501032715) (714855-P)
Ladang Aring
PT 6943 Mukim Relai
Jajahan Gua Musang, Kelantan

Etika Gangsa Sdn. Bhd.
(200601035188) (754947-D)
Ladang Aring
PT 6944 Mukim Relai
Jajahan Gua Musang, Kelantan

Fima Sg. Siput Estate Sdn. Bhd.
(201301038071) (1067900-V)
Ladang Sg. Siput
PT 14352 Mukim Sungai Siput
31100 Kuala Kangsar, Perak

FCB Eastern Plantations Sdn. Bhd.
(199101000385) (210695-H)
Lot 2429, Mukim Lubok Bongor
Daerah Kuala Balah
17600 Jeli, Kelantan

Ladang Bunga Tanjong Sdn. Bhd.
(199601017476) (389827-K)
Ladang Bunga Tanjong
Lot 2429, Mukim Lubok Bongor
Daerah Kuala Balah
17600 Jeli, Kelantan

Ladang Fima Kuala Betis
PT 363 Mukim Kuala Betis
Jajahan Kecil Lojing
18300 Gua Musang, Kelantan

Ladang Fima Aring
Lot 3468, Mukim Relai
Jajahan Gua Musang
18300 Gua Musang
Kelantan

FOOD DIVISION

International Food Corporation Limited (C.1-19260)
Portion 361, Busu Road
Malahang, P.O. Box 1334
Lae 411, Morobe Province
Papua New Guinea
Telephone: 00 675 4720 655
Facsimile: 00 675 4720 607

Fima Instanco Sdn. Bhd.
(197401002015) (19196-T)
1st Floor, Main Building
Lot 6, Jalan P/1A
Seksyen 13
43650 Bandar Baru Bangi
Selangor
Telephone: +603-8927 5650
Facsimile: +603-8927 5654

OTHERS

Fima Technology Sdn. Bhd.
(199301010009) (264746-K)
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

ASSOCIATE COMPANIES

Marushin Canneries (Malaysia) Sdn. Bhd.
(198701004293) (162963-U)
PLO 213, Jalan Timah Satu
Pasir Gudang Industrial Estate
81700 Johor Bahru, Johor
Telephone: +607-251 4802
Facsimile: +607-251 4798

Giesecke & Devrient Malaysia Sdn. Bhd.
(200201005367) (573030-M)
Lot 6, Off Jalan Delima 1/1
Batu 3, 40150 Shah Alam, Selangor
Telephone: +603-5629 2929
Facsimile: +603-5629 2820

Appendix

MEMBERSHIP OF ASSOCIATIONS

GRI 102-13

Our active membership in industry associations provides valuable opportunities for collaboration and knowledge sharing. Through consultation and engagements with fellow members, we address key industry issues and stay informed of emerging trends, ultimately contributing to our own success and the betterment of the industry.

Malaysia	Indonesia	Papua New Guinea
Palm Oil Refiners Association of Malaysia (PORAM)	Gabungan Pengusaha Kelapa Sawit Indonesia (GAPKI)	Fishing Industry Association
Association of Malaysian Hauliers (AMH)	Association of Plantation Investors of Malaysia in Indonesia (APIMI)	Lae Chamber of Commerce
Incorporated Society of Planters (ISP)		Papua New Guinea University of Technology
Chemical Industry Council of Malaysia (CICM)		Malaysian Association of PNG
Malaysia-Pakistan Business Council (MALPAK)		Tuna Process Association
Malaysian Employers Federation		
Selangor Freight Forwarders and Logistics Association (SFFLA)		
Malaysian Biodiesel Association (MBA)		

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KUMPULAN FIMA BERHAD
(197201000167) (11817-V)

PROXY FORM

No. of Shares Held	
CDS Account No.	
Telephone No.	

I/We ____________________ NRIC/Company No: ____________________
(Full Name in Capital Letters)
of ____
(Full Address)
being a Member of **KUMPULAN FIMA BERHAD** ("KFima" and/or "the Company"), do hereby appoint the following person(s):

Proxy	Full Name (in Block Letters) as per NRIC/Passport No.	Telephone No.	NRIC/Passport No.	No. of Shares	%
1.					
	Email Address:				
2.					
	Email Address:				

or failing him/her, the Chairman of the Meeting as my/our proxy, to vote for me/us and on my/our behalf at the Fifty-Second ("52nd") Annual General Meeting ("AGM") of the Company to be held on 29 August 2024 and at any adjournment thereof in the manner indicated below in respect of the following Resolutions:

	RESOLUTIONS	FOR	AGAINST
1.	To re-elect Dato' Idris Bin Kechot who retires by rotation in accordance with Article 102 of the Company's Constitution. **- Ordinary Resolution 1**		
2.	To re-elect Dato' Rosman Bin Abdullah who retires by rotation in accordance with Article 102 of the Company's Constitution. **- Ordinary Resolution 2**		
3.	To approve the payment of Directors' fees for each of the Non-Executive Directors of the Company for the ensuing financial year. **- Ordinary Resolution 3**		
4.	To approve the payment of Directors' fees for each of the Non-Executive Directors who sit on the Boards of KFima subsidiaries from 30 August 2024 until the conclusion of the next AGM of the Company. **- Ordinary Resolution 4**		
5.	To approve the payment of Directors' remuneration (excluding Directors' fees) for the Non-Executive Directors from 30 August 2024 until the conclusion of the next AGM of the Company. **- Ordinary Resolution 5**		
6.	To re-appoint Messrs. Ernst & Young PLT as Auditors of the Company for the financial year ending 31 March 2025 and to authorise the Directors to determine their remuneration. **- Ordinary Resolution 6**		
AS SPECIAL BUSINESS:			
7.	Proposed new and renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature. **- Ordinary Resolution 7**		
8.	Proposed renewal of the authority for shares buy-back. **- Ordinary Resolution 8**		

* *Strike out whichever not applicable.*

____
Signature *(If shareholder is a corporation, this part should be executed under seal)*

Dated this ____________ **day of** ____________ **2024**

Notes:

1. *The 52nd AGM of the Company will be conducted on a virtual basis through live streaming and RPEV facilities which will be made available on the online portal provided by Boardroom Share Registrars Sdn. Bhd. at https://meeting.boardroomlimited.my. Please follow the procedures provided in the Administrative Guide for the 52nd AGM in order to register, participate and vote remotely via the RPEV facilities.*
2. *The Broadcast Venue of the 52nd AGM is strictly for the purpose of complying with Section 327(2) of the Act which requires the Chairman of the 52nd AGM to be present at the main venue of the general meeting and to facilitate the conduct of the virtual meeting.*
3. *Members, proxies or corporate representatives are not allowed to be physically present at the Broadcast Venue. Only essential individuals and authorised personnel as determined by the Company shall be allowed entry into the Broadcast Venue.*
4. *Members may login via https://investor.boardroomlimited.com to pose and submit questions electronically in relation to the agenda items for the 52nd AGM prior to the meeting and no later than 3.00 p.m. on Tuesday, 22 August 2024. The responses to these questions will be shared at the 52nd AGM. Members may also pose questions via real time submission at https://meeting.boardroomlimited.my during the 52nd AGM.*
5. *Only members whose name appears in the General Meeting Record of Depositors as at 22 August 2024 shall be entitled to participate, speak and vote at the 52nd AGM or appoint proxy(ies) to attend and/or vote on their behalf.*
6. *A member of the Company who is entitled to attend and vote at the 52nd AGM, may appoint up to 2 proxies by specifying the proportion of his/her shareholding to be represented by each proxy. A proxy may not be a member of the Company.*
7. *Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for the multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.*

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KUMPULAN FIMA BERHAD
(197201000167) (11817-V)

AFFIX STAMP

Boardroom Share Registrars Sdn. Bhd.
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13, 46200 Petaling Jaya
Selangor Darul Ehsan, Malaysia

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8. *The instrument appointing a proxy (proxy form) may be made in a hard copy form or by electronic means in the following manner and must be deposited to the Company's share registrar, Boardroom Share Registrars Sdn. Bhd. not less than 48 hours before the time appointed for holding the 52nd AGM or adjournment thereof:*
   (a) *In hard copy form*
   The proxy form must be deposited at the Company's share registrar's office situated at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan.
   (b) *By electronic means*
   The proxy form can also be lodged electronically through Boardroom Smart Investor Online Portal at https://investor.boardroomlimited.com. Kindly refer to the Administrative Guide for the 52nd AGM on the procedures for electronic lodgement of proxy form.
9. *If the appointer is a corporation, the proxy form or certificate of appointment of corporate representative must be deposited by hand or post to Boardroom Share Registrars Sdn. Bhd.. Alternatively, the proxy form or certificate of appointment of corporate representative may also be sent to Boardroom Share Registrars Sdn. Bhd. via email at BSR.Helpdesk@boardroomlimited.com.*
10. *If you have submitted your proxy form prior to the 52nd AGM and subsequently, decide to participate in the 52nd AGM yourself, please write in to BSR.Helpdesk@boardroomlimited.com to revoke the appointment of your proxy(ies) 48 hours before the 52nd AGM. Your proxy(ies) on revocation will not be allowed to participate in the 52nd AGM. In such event, you should advise your proxy(ies) accordingly.*
11. *The voting at the 52nd AGM will be conducted on a poll. The Company will appoint independent scrutineers to verify the poll results.*

KUMPULAN FIMA BERHAD
(197201000167) (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 : info@fima.com.my

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