



KUMPULAN FIMA BERHAD (197201000167)(11817-V)
(Incorporated in Malaysia)

Condensed Consolidated Financial Statements
For the Third Quarter Ended 31 December 2022

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2022
(THE FIGURES HAVE NOT BEEN AUDITED)

	Note	Current quarter		9 months cumulative	
		Current year quarter 31-12-2022	Preceding year corresponding quarter 31-12-2021	Current year to date 31-12-2022	Preceding year corresponding period 31-12-2021
		RM'000	RM'000	RM'000	RM'000
Revenue	A9	157,027	204,405	500,434	489,667
Cost of sales		(91,473)	(115,494)	(304,926)	(268,603)
Gross profit		65,554	88,911	195,508	221,064
Other income		3,535	2,961	8,694	7,543
Other items of expense					
Administrative expenses		(29,402)	(22,900)	(68,577)	(65,902)
Selling and marketing expenses		(3,929)	(4,384)	(13,592)	(18,911)
Other operating expenses		(4,513)	(12,843)	(15,526)	(22,873)
		(37,844)	(40,127)	(97,695)	(107,686)
Finance costs		(3,123)	(1,003)	(8,857)	(2,734)
Share of results of associates		2,031	(23)	4,683	1,597
Profit before tax and zakat	A9/A10	30,153	50,719	102,333	119,784
Income tax expense and zakat	B5	(9,673)	(13,832)	(29,274)	(29,492)
Profit net of tax		20,480	36,887	73,059	90,292
Other comprehensive (expense)/income					
Foreign exchange translation (loss)/gain		(11,294)	(3,176)	3,310	1,690
Total comprehensive income for the period		9,186	33,711	76,369	91,982
Profit attributable to :					
Equity holders of the Company		15,015	23,592	56,231	64,119
Non-controlling interests		5,465	13,295	16,828	26,173
Profit for the period		20,480	36,887	73,059	90,292
Total comprehensive income attributable to :					
Equity holders of the Company		5,098	20,965	59,716	65,479
Non-controlling interests		4,088	12,746	16,653	26,503
Total comprehensive income for the period		9,186	33,711	76,369	91,982
Earnings per share attributable to equity holders of the Company :					
Basic/diluted earnings per share (sen)	B12	5.44	8.51	20.37	23.13

(The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 March 2022 and the accompanying explanatory notes attached to the interim financial statements).

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	As at 31-12-2022	As at 31-03-2022
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	430,274	391,530
Right-of-use assets	434,317	413,782
Investment properties	59,815	60,728
Investment in associates	41,227	36,544
Deferred tax assets	14,217	14,090
Goodwill on consolidation	12,710	12,710
	<u>992,560</u>	<u>929,384</u>
Current assets		
Inventories	127,377	105,281
Biological assets	5,886	8,051
Trade receivables	84,924	98,328
Other receivables	56,456	35,352
Financial investments	190,304	230,212
Cash and bank balances	148,867	170,573
	<u>613,814</u>	<u>647,797</u>
TOTAL ASSETS	<u>1,606,374</u>	<u>1,577,181</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	311,670	311,670
Treasury shares	(11,400)	(10,431)
Other reserves	62,510	59,025
Retained earnings	546,659	531,842
	<u>909,439</u>	<u>892,106</u>
Non-controlling interests	253,570	255,128
Total equity	<u>1,163,009</u>	<u>1,147,234</u>
Non-current liabilities		
Lease liabilities	206,394	211,484
Long term borrowing	19,646	7,900
Retirement benefit obligation	1,699	1,801
Deferred tax liabilities	50,168	48,545
	<u>277,907</u>	<u>269,730</u>
Current liabilities		
Lease liabilities	10,108	10,720
Short term borrowings	44,030	51,997
Trade and other payables	100,131	72,271
Provisions	1,986	1,710
Tax payable	9,203	23,519
	<u>165,458</u>	<u>160,217</u>
TOTAL LIABILITIES	<u>443,365</u>	<u>429,947</u>
TOTAL EQUITY AND LIABILITIES	<u>1,606,374</u>	<u>1,577,181</u>
Net assets per share (RM)	<u>3.22</u>	<u>3.16</u>

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 March 2022 and the accompanying explanatory notes attached to the interim financial statements).

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2022**

Group	Attributable to equity holders of the Company									
	Share capital	Treasury shares	Other reserves	Non-distributable			Distributable			
	RM'000	RM'000	RM'000	Capital reserve	Capital reserve arising from bonus issue in subsidiary	Foreign exchange reserve	Retained earnings	Total	Non-controlling interests	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 April 2022	311,670	(10,431)	59,025	437	66,459	(7,871)	531,842	892,106	255,128	1,147,234
Profit for the period	-	-	-	-	-	-	56,231	56,231	16,828	73,059
Other comprehensive income for the period	-	-	3,485	-	-	3,485	-	3,485	(175)	3,310
Total comprehensive income for the period	-	-	3,485	-	-	3,485	56,231	59,716	16,653	76,369
Transactions with equity holders										
Dividend	-	-	-	-	-	-	(41,414)	(41,414)	-	(41,414)
Dividend paid to minority shareholders of subsidiaries	-	-	-	-	-	-	-	-	(17,968)	(17,968)
Purchase of treasury shares	-	(969)	-	-	-	-	-	(969)	(243)	(1,212)
Total transactions with equity holders	-	(969)	-	-	-	-	(41,414)	(42,383)	(18,211)	(60,594)
At 31 December 2022	311,670	(11,400)	62,510	437	66,459	(4,386)	546,659	909,439	253,570	1,163,009
At 1 April 2021	311,670	(6,823)	56,483	437	66,459	(10,413)	462,468	823,798	234,467	1,058,265
Profit for the period	-	-	-	-	-	-	64,119	64,119	26,173	90,292
Other comprehensive income for the period	-	-	1,360	-	-	1,360	-	1,360	330	1,690
Total comprehensive income for the period	-	-	1,360	-	-	1,360	64,119	65,479	26,503	91,982
Transaction with equity holders										
Dividend	-	-	-	-	-	-	(33,240)	(33,240)	-	(33,240)
Dividend paid to minority shareholders of subsidiaries	-	-	-	-	-	-	-	-	(26,723)	(26,723)
Purchase of treasury shares	-	(3,050)	-	-	-	-	-	(3,050)	(1,262)	(4,312)
Total transaction with equity holders	-	(3,050)	-	-	-	-	(33,240)	(36,290)	(27,985)	(64,275)
At 31 December 2021	311,670	(9,873)	57,843	437	66,459	(9,053)	493,347	852,987	232,985	1,085,972

(The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 March 2022 and the accompanying explanatory notes attached to the interim financial statements).

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2022**

	← 9 months ended →	
	<u>31-12-2022</u>	<u>31-12-2021</u>
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	102,333	119,784
Adjustments for:		
Depreciation of investment properties	1,238	1,228
Depreciation for property, plant and equipment	17,418	19,369
Depreciation of right-of-use assets	12,180	13,790
Fair value changes on biological assets	2,090	(1,817)
Net provision for impairment on trade and other receivables	61	4,583
Interest expense	8,857	2,734
Profit income	(1,447)	(1,224)
Interest income	(150)	(104)
Distribution from financial investments	(2,794)	(2,321)
Net provision/(reversal of provision) for retirement benefit obligation	2	(21)
Net provision/(reversal of provision) for warranty	276	(554)
Net unrealised forex (gain)/loss	(1,426)	49
Net gain on disposal of property, plant and equipment	(39)	-
Share of results of associates	(4,683)	(1,597)
Inventories written down	847	549
Operating profit before working capital changes	<u>134,763</u>	<u>154,448</u>
Increase in inventories	(22,943)	(17,143)
(Increase)/decrease in receivables	(5,168)	2,237
Increase in payables	27,860	27,129
Cash generated from operations	<u>134,512</u>	<u>166,671</u>
Interest paid	(1,509)	(1,095)
Taxes paid	(43,235)	(12,184)
Zakat paid	(605)	(418)
Retirement benefits paid	(55)	(35)
Net cash generated from operating activities	<u>89,108</u>	<u>152,939</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	1,306	-
Purchase of property, plant and equipment	(55,686)	(31,926)
Purchase of investment property	(325)	-
Payment for acquisition of land	(33,030)	(16,015)
Acquisition of treasury shares	(969)	(3,050)
Profit income received	1,447	1,224
Interest income received	150	104
Distribution received from financial investments	2,794	2,321
Net dividend received from an associated company	-	3,549
Net redemption/(purchase) of financial investments	39,908	(35,710)
Net cash used in investing activities	<u>(44,405)</u>	<u>(79,503)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Net drawdown of borrowings	3,779	20,055
Repayment of lease liabilities	(13,148)	(11,251)
Dividend paid	(41,414)	(33,240)
Dividend paid by subsidiaries to non-controlling interests	(17,968)	(26,723)
Net cash used in financing activities	<u>(68,751)</u>	<u>(51,159)</u>
NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS	(24,048)	22,277
EFFECT ON FOREIGN EXCHANGE RATE CHANGES IN CASH AND CASH EQUIVALENTS	2,342	(2,114)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	<u>170,573</u>	<u>116,497</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>148,867</u>	<u>136,660</u>
CASH AND CASH EQUIVALENTS COMPRISE:		
Cash and bank balances	86,818	129,986
Fixed deposits with financial institutions	62,049	6,674
	<u>148,867</u>	<u>136,660</u>

(The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 March 2022 and the accompanying explanatory notes attached to the interim financial statements).

PART A - Explanatory notes pursuant to MFRS 134

A1. Basis of preparation

The interim statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standard ("MFRS") 134: *Interim Financial Reporting*, International Accounting Standard (IAS) 34: *Interim Financial Reporting*, paragraph 9.22 of the Listing Requirements of the Bursa Securities and the requirements of the Companies Act 2016 in Malaysia, where applicable.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 March 2022. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 31 March 2022.

A2. Changes in accounting policies

The significant accounting policies adopted are consistent with those of the statutory financial statements for the financial year ended 31 March 2022 except for the adoption of the following new and revised MFRSs, Amendments to MFRSs and IC Interpretations.

(a) Adoption of MFRSs, amendments to MFRSs and IC Interpretation

On 1 April 2022, the Group adopted the following new and amended MFRSs and IC Interpretation:

- Amendments to MFRS 3: Reference to Conceptual Framework
- Amendments to MFRS 116: Property, Plant and Equipment - Proceeds before Intended Use
- Amendments to MFRS 137: Onerous Contracts - Cost of Fulfilling a Contract
- Annual improvements to MFRS 2018 - 2020

The adoption of the above standards and interpretation did not have a significant impact on the financial statements in the period of initial application.

(b) Standards and Interpretations issued but not yet effective

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

Description	Effective for financial period 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: Classification of Liabilities as Current or Non-current	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 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 10 and MFRS 128: Sales or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

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

A3. Auditors' report on preceding annual financial statements

The financial statements of the Group for the financial year ended 31 March 2022 were not subject to any audit qualification.

A4. Seasonal and cyclical factors

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

A5. Unusual items affecting the financial statements

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence.

A6. Changes in estimates

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

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

Save as disclosed below, there were no issuances, cancellations, repurchases, resale and repayments of debts and equity securities for the current quarter.

During the current quarter, the Company repurchased 339,100 of its issued ordinary shares from open market at an average price of RM1.98. The total transaction paid for the repurchase including transaction costs was RM676,000. Of the total 282,231,600 issued ordinary shares, 6,572,900 shares are held as treasury shares by the Company.

A8. Dividend paid

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

		9 months cumulative	
		31-12-2022	31-12-2021
		RM'000	RM'000
Interim dividend			
2021	Single-tier interim dividend of 9.0 sen (Paid on 17 September 2021)	-	24,930
2022	Single-tier interim dividend of 9.0 sen (Paid on 22 August 2022)	24,848	-
Special dividend			
2021	Single-tier special dividend of 3.0 sen (Paid on 17 September 2021)	-	8,310
2022	Single-tier special dividend of 6.0 sen (Paid on 22 August 2022)	16,566	-

A9. Segmental information
(i) Segmental revenue and results for business segments

	Quarter ended		9 months cumulative	
	31-12-2022	31-12-2021	31-12-2022	31-12-2021
Revenue	RM'000	RM'000	RM'000	RM'000
Manufacturing*	32,999	34,168	97,956	77,414
Plantation	44,074	74,314	145,236	168,134
Bulking	36,105	44,082	113,526	114,374
Food	42,733	50,824	140,377	126,561
Others	5,998	4,891	20,398	11,402
	161,909	208,279	517,493	497,885
Eliminations	(4,882)	(3,874)	(17,059)	(8,218)
	157,027	204,405	500,434	489,667
Profit before tax				
Manufacturing*	4,765	4,949	11,916	4,126
Plantation	9,961	37,714	37,342	73,450
Bulking	15,592	13,964	47,384	45,459
Food	(1,465)	1,268	8,631	6,762
Others	(731)	(7,153)	(7,623)	(11,610)
	28,122	50,742	97,650	118,187
Associated companies	2,031	(23)	4,683	1,597
	30,153	50,719	102,333	119,784

* Production and trading of security documents.

(ii) Geographical segments

	Quarter ended		9 months cumulative	
	31-12-2022	31-12-2021	31-12-2022	31-12-2021
Revenue	RM'000	RM'000	RM'000	RM'000
Malaysia	89,232	107,586	286,312	262,994
Indonesia	31,200	50,922	94,515	110,869
Papua New Guinea	41,477	49,771	136,666	124,022
	161,909	208,279	517,493	497,885
Eliminations	(4,882)	(3,874)	(17,059)	(8,218)
	157,027	204,405	500,434	489,667
Profit before tax				
Malaysia	16,933	20,337	56,312	54,301
Indonesia	12,746	29,375	33,548	57,857
Papua New Guinea	(1,557)	1,030	7,790	6,029
	28,122	50,742	97,650	118,187
Associated companies	2,031	(23)	4,683	1,597
	30,153	50,719	102,333	119,784

← 9 months cumulative →

	Current year to date		Preceding year corresponding period	
	31-12-2022		31-12-2021	
Assets and liabilities	Assets	Liabilities	Assets	Liabilities
	RM'000	RM'000	RM'000	RM'000
Malaysia	1,781,792	369,054	1,618,976	271,032
Indonesia	85,339	10,878	82,716	14,443
Papua New Guinea	223,005	112,117	179,773	88,018
	2,090,136	492,049	1,881,465	373,493
Eliminations	(483,762)	(48,684)	(482,660)	(60,660)
	1,606,374	443,365	1,398,805	312,833

A10. Profit before tax and zakat

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

	Quarter ended		9 months cumulative	
	31-12-2022	31-12-2021	31-12-2022	31-12-2021
	RM'000	RM'000	RM'000	RM'000
Other income				
Profit income	529	380	1,447	1,224
Interest income	46	52	150	104
Distribution from financial investments	1,130	843	2,794	2,321
Operating expenses				
Depreciation	10,305	11,880	30,836	34,387
Interest expense on:				
- Borrowings	683	456	1,509	1,095
- Lease liabilities	2,440	547	7,348	1,639
Unrealised foreign exchange loss/(gain)	4,716	(572)	(1,426)	49
Realised forex exchange loss	531	1,415	569	2,030
Net (reversal of provision)/provision for impairment on trade and other receivables	(773)	1,368	61	4,583
Net gain on disposal of property, plant and equipment	-	-	(39)	-
Fair value changes on biological assets	1,139	(535)	2,090	(1,817)
Net (reversal of provision)/provision for retirement benefit obligation	(11)	27	2	(21)
Net provision/(reversal of provision) for warranty	127	(91)	276	(554)
Inventories written down	883	724	847	549

A11. Subsequent events

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

A12. Inventories

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

A13. Changes in the composition of the Group

There were no changes in the composition of the Group for the current quarter and financial period to date.

A14. Changes in contingent liabilities

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

A15. Significant acquisition of property, plant and equipment

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

	Current year to date
	RM'000
Plant and machinery	15,188
Land and buildings	1,236
Equipment, furniture and fittings and motor vehicles	4,191
Bearer plants and infrastructure	8,097
Work in progress	26,974
	55,686

A16. Capital commitments

The amount of commitments not provided for in the financial statements as at 31 December 2022 were as follows:

	Current year to date
	RM'000
Property, plant and equipment	
- Approved and contracted for	59,403

A17. Related party transactions

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

	Current year to date
	RM'000
Transactions with subsidiaries	
- Fima Corporation Berhad - Rental expenses payable	659
- Fima Corporation Berhad - Management fees receivable	754
- Fima Corporation Berhad - Services payable	218
- Pineapple Cannery of Malaysia Sendirian Berhad - Rental income	254
- International Food Corporation - Sales of fish	16,670
- International Food Corporation - Interest receivable	1,776
Transactions with related parties*	
- BHR Enterprise Sdn. Bhd. - Services payable	90
- PT Pohon Emas Lestari - Purchase of fresh fruit bunch	5,507
- TD Technologies Sdn. Bhd. - Services payable	113
- First Zanzibar Sdn. Bhd. - Service payable	52
- Nationwide Express Courier Services Berhad - Rental income	24

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

NOTES TO THE QUARTERLY ANNOUNCEMENT FOR THE THIRD QUARTER ENDED 31 DECEMBER 2022

PART B - Bursa Securities Listing Requirements

B1. Review of performance

Group Performance

(RM Million)	<u>Current YTD</u>	<u>Previous YTD</u>	Variance	%
Revenue	500.43	489.67	10.76	2.2
Profit before tax	102.33	119.78	(17.45)	(14.6)

Group revenue for the period ended 31 December 2022 rose by 2.2% to RM500.43 million as compared to RM489.67 million recorded in the corresponding period last year. Higher revenue by RM10.76 million was mainly driven by the increase in revenue generated by manufacturing and food division.

However, despite higher revenue posted, the Group profit before tax ("PBT") has declined by 14.6% to RM102.33 million as compared to the last financial period, largely due to lower PBT recorded by plantation division.

The performance of each business division is as follows:

Manufacturing Division

(RM Million)	<u>Current YTD</u>	<u>Previous YTD</u>	Variance	%
Revenue	97.96	77.41	20.55	26.5
Profit before tax	11.92	4.13	7.79	188.6

Revenue from **Manufacturing Division** improved by 26.5% or RM20.55 million to RM97.96 million from RM77.41 million recorded last year, attributed by higher sales volume for all products. In line with increase in revenue, coupled with lower impairment on trade and other receivables, the division PBT rose by RM7.79 million to RM11.92 million as compared to the same period last year.

Plantation Division

(RM Million)	<u>Current YTD</u>	<u>Previous YTD</u>	Variance	%
Revenue				
<u>Indonesia</u>				
- Crude palm oil (CPO)	84.78	99.04	(14.26)	(14.4)
- Crude palm kernel oil (CPKO)	9.19	11.83	(2.64)	(22.3)
<u>Malaysia</u>				
- Fresh fruit bunch (FFB)	49.87	55.93	(6.06)	(10.8)
- Pineapple	1.40	1.33	0.07	5.3
Total	<u>145.24</u>	<u>168.13</u>	<u>(22.89)</u>	<u>(13.6)</u>
Profit before tax	37.34	73.45	(36.11)	(49.2)
FFB produced (mt)	57,645	61,098	(3,453)	(5.7)
Sales Quantity (mt)				
- CPO	24,907	27,072	(2,165)	(8.0)
- CPKO	2,263	2,004	259	12.9

NOTES TO THE QUARTERLY ANNOUNCEMENT FOR THE THIRD QUARTER ENDED 31 DECEMBER 2022
B1. Review of performance (cont'd.)
Plantation Division (cont'd.)

Plantation Division recorded a decrease in revenue by RM22.89 million or 13.6% to RM145.24 million as compared to last year, mainly attributable to lower sales volume and price of CPO and FFB, as well as a drop in sales price of CPKO. In line with lower revenue, the division PBT has declined by 49.2% or RM36.11 million to RM37.34 million as compared to last year, mainly contributed by increase in operational costs and higher rehabilitation costs incurred by the estates that were acquired in the previous financial year.

Plantation estates in Malaysia which are presently in the development phase and partially mature registered a total pre-tax losses of RM2.95 million as compared to RM0.34 million pre-tax profit recorded in the corresponding period last year.

Bulking Division

(RM Million)	Current YTD	Previous YTD	Variance	%
Revenue				
Liquid bulking and logistic	96.61	80.37	16.24	20.2
Biodiesel	16.92	34.00	(17.08)	(50.2)
	<u>113.53</u>	<u>114.37</u>	<u>(0.84)</u>	<u>(0.7)</u>
Profit before tax	47.38	45.46	1.92	4.2

Revenue from **Bulking Division** has slightly declined by 0.7% or RM0.84 million to RM113.53 million as compared to last year, contributed by lower revenue from biodiesel operation (by 50.2% to RM16.92 million), as a result of decrease in palm methyl ester ("PME") sales during the period. Its liquid bulking operation has recorded a steady growth in revenue with improvement by 20.2% or RM16.24 million to RM96.61 million, mainly attributable to the higher contribution from technical fats and miscellaneous non-core products. The stronger revenue performance posted by its liquid bulking operation has contributed to the increase in Division PBT by 4.2% or RM1.92 million to RM47.38 million in the current financial period.

Food Division

(RM Million)	Current YTD	Previous YTD	Variance	%
Revenue				
Papua New Guinea (PNG)	136.67	124.02	12.65	10.2
Malaysia	3.71	2.54	1.17	46.1
	<u>140.38</u>	<u>126.56</u>	<u>13.82</u>	<u>10.9</u>
Profit before tax	8.63	6.76	1.87	27.7

Food Division's revenue has improved by RM13.82 million or 10.9% to RM140.38 million, as compared to RM126.56 million recorded in the previous financial period, mainly due to higher sales volume of export canned tuna and tuna loin products. Despite of higher revenue, the Division's profit margin was affected by an increase in shipping and tin cans cost during the period. The Division has posted a PBT of RM8.63 million, an improvement by RM1.87 million or 27.7% as compared to RM6.76 million in the last financial period.

NOTES TO THE QUARTERLY ANNOUNCEMENT FOR THE THIRD QUARTER ENDED 31 DECEMBER 2022
B2. Comparison with preceding quarter's results
Group Performance

(RM Million)	QTR 3 FY 2023	QTR 2 FY 2023	Variance	%
Revenue	157.03	163.48	(6.45)	(3.9)
Profit before tax	30.15	30.94	(0.79)	(2.6)

The Group revenue decreased by RM6.45 million to RM157.03 million as compared to the preceding quarter, attributable to lower revenue contribution by manufacturing and food division.

On the back of lower revenue, the Group PBT has marginally decreased by RM0.79 million or 2.6% to RM30.15 million as compared to RM30.94 million recorded in the preceding quarter.

The performance of each business division is as follows:

Manufacturing Division

(RM Million)	QTR 3 FY 2023	QTR 2 FY 2023	Variance	%
Revenue	33.00	35.17	(2.17)	(6.2)
Profit before tax	4.77	4.20	0.57	13.6

Manufacturing Division's revenue declined by RM2.17 million to RM33.00 million in the current quarter, primarily attributable to decrease in demand for travelling documents. Despite this, the division PBT has slightly increased by RM0.57 million or 13.6% to RM4.77 million in the current quarter, mainly due to favourable sale mix.

Plantation Division

(RM Million)	QTR 3 FY 2023	QTR 2 FY 2023	Variance	%
Revenue				
<u>Indonesia</u>				
- CPO	28.10	24.43	3.67	15.0
- CPKO	2.55	2.00	0.55	27.5
<u>Malaysia</u>				
- Fresh fruit bunch	12.96	15.01	(2.05)	(13.7)
- Pineapple	0.47	0.47	-	-
Total	44.08	41.91	2.17	5.2
Profit before tax	9.96	5.99	3.97	66.3
FFB produced (mt)	18,269	20,892	(2,623)	(12.6)
Sales Quantity (mt)				
- CPO	8,269	8,587	(318)	(3.7)
- CPKO	765	500	265	53.0

NOTES TO THE QUARTERLY ANNOUNCEMENT FOR THE THIRD QUARTER ENDED 31 DECEMBER 2022

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

Plantation Division (cont'd.)

Plantation Division's revenue has improved in the current quarter by RM2.17 million (or 5.2%) to RM44.08 million, as compared to RM41.91 million in the preceding quarter mainly attributable to higher sales price of CPO. In line with higher revenue, the Division PBT has also increased to RM9.96 million in the current quarter.

Bulking Division

(RM Million)	QTR 3 FY 2023	QTR 2 FY 2023	Variance	%
Revenue				
Liquid bulking and logistic	32.66	33.51	(0.85)	(2.5)
Biodiesel	3.45	0.85	2.60	305.9
	<u>36.11</u>	<u>34.36</u>	<u>1.75</u>	<u>5.1</u>
Profit before tax	15.59	16.49	(0.90)	(5.5)

Revenue from **Bulking Division** rose by 5.1% or RM1.75 million to RM36.11 million as compared to the preceding quarter, primarily attributable to higher sales of PME product from biodiesel operation during the quarter. Despite this, the Division posted a marginal decrease in PBT by RM0.90 million to RM15.59 million in the current quarter, mainly due to pre-tax loss of RM0.48 million recorded by its biodiesel operation.

Food Division

(RM Million)	QTR 3 FY 2023	QTR 2 FY 2023	Variance	%
Revenue				
PNG	41.48	49.62	(8.14)	(16.4)
Malaysia	1.25	1.30	(0.05)	(3.8)
	<u>42.73</u>	<u>50.92</u>	<u>(8.19)</u>	<u>(16.1)</u>
Profit before tax	(1.47)	6.53	(8.00)	(122.5)

Food Division's revenue has declined by 16.1% or RM8.19 million to RM42.73 million as compared to the preceding quarter, mainly contributed by lower sales volume of mackerel and tuna products. In line with lower revenue, coupled with higher net forex loss of RM5.30 million during the quarter (Q2 FY23: Net forex gain of 2.80 million), the Division has posted a pre-tax losses of RM1.47 million, a drop by RM8.00 million or 122.5% as compared to preceding quarter.

B3. Prospects

Manufacturing Division - The division will continue its concerted efforts to develop new products and solutions to complement its existing products.

Plantation Division - The performance of the oil palm production and processing is very much influenced by the direction of palm oil prices and our estates' yield. Nevertheless, we will remain focus in improving our efficiency in oil processing and production cost.

Bulking Division - The demand for storage is expected to be satisfactory. The division is looking at securing more long term contracts with customers as well as handling higher margin products.

NOTES TO THE QUARTERLY ANNOUNCEMENT FOR THE THIRD QUARTER ENDED 31 DECEMBER 2022
B3. Prospects (cont'd.)

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

We expect the challenging environment to remain in the current financial year due to uncertainties in the pace of economic recovery post COVID-19. Fluctuations in exchange rates and commodity prices will influence the Group's financial performance and position.

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

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

B5. Income tax expense and zakat

	Current quarter 31-12-2022 RM'000	Current year to date 31-12-2022 RM'000
Tax expense	9,068	28,669
Zakat	605	605
	9,673	29,274

The effective tax rate on the Group's profit to date is higher than the statutory tax rate mainly due to certain expenses disallowed for taxation purposes.

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

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

B7. Purchase or disposal of quoted securities

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

B8. Corporate proposals
(a) Status of corporate proposal

There are no corporate proposals announced but not completed at the date of this report.

(b) Utilisation of proceeds raised from any corporate proposal

Not applicable.

B9. Borrowings and debt securities

	As at 31-12-2022 RM'000	As at 31-03-2022 RM'000
Non-current		
Term loan	19,646	7,900
Current		
Term loan	4,704	1,800
Bankers' acceptance	6,527	9,479
Short term revolving credit	32,799	40,718
	44,030	51,997
	63,676	59,897

NOTES TO THE QUARTERLY ANNOUNCEMENT FOR THE THIRD QUARTER ENDED 31 DECEMBER 2022
B10. Changes in material litigations

On 28 November 2019, an Indonesian subsidiary of FimaCorp, PT Nunukan Jaya Lestari ("PTNJL") has filed a civil suit in the South Jakarta District Court ("the District Court") against the Menteri Agraria dan Tata Ruang/Kepala Badan Pertahanan Nasional Republik Indonesia ("BPN") and a Third Party (collectively, "Defendants"). The President Republik Indonesia and Menteri Lingkungan Hidup dan Kehutanan Republik Indonesia ("Menteri Kehutanan") have been named as co-defendants in the said suit.

PTNJL is *inter alia* seeking recognition over its rights and to allow PTNJL to undertake its plantation activities as well as to restrain the Minister from issuing any new licences permits or approvals to any parties on or within the HGU.

On 6 May 2020, the mediation held between PTNJL, Defendants and Co-defendants has failed. Accordingly, the matter will now proceed to the District Court for determination.

On 15 September 2020, the District Court had delivered an oral judgement and dismissed the civil suit filed by the PTNJL against the Defendant on the basis that the Court has no competency to hear the matter notwithstanding the civil nature of the claim.

PTNJL has filed its notice of appeal and memorandum of appeal on 28 September 2020 and 21 April 2021 respectively to the Pengadilan Tinggi DKI Jakarta (through the District Court) in respect of the decision of the Pengadilan Negeri Jakarta Selatan dated 15 September 2020.

B11. Dividend

For the current quarter under review, no dividend has been proposed and declared (preceding year corresponding period: nil).

B12. Earnings per share

The basic earnings per share are calculated as follows:

	Quarter ended		9 months cumulative	
	31-12-2022	31-12-2021	31-12-2022	31-12-2021
Profit net of tax attributable to equity holders of the Company used in the computation of earnings per share (RM'000)	15,015	23,592	56,231	64,119
Weighted average number of ordinary shares in issues ('000)	276,016	277,253	276,016	277,253
Basic/diluted earnings per share (sen)	5.44	8.51	20.37	23.13

By order of the Board

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

Kuala Lumpur
Dated : 27 February 2023