



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

Condensed Consolidated Financial Statements
For the First Quarter Ended 30 June 2023

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 30 JUNE 2023
(THE FIGURES HAVE NOT BEEN AUDITED)**

	Note	Current quarter		3 months cumulative	
		Current year quarter 30-06-2023	Preceding year corresponding quarter 30-06-2022	Current year to date 30-06-2023	Preceding year corresponding period 30-06-2022
		RM'000	RM'000	RM'000	RM'000
Revenue	A9	123,781	179,923	123,781	179,923
Cost of sales		(78,212)	(109,026)	(78,212)	(109,026)
Gross profit		45,569	70,897	45,569	70,897
Other income		3,042	1,876	3,042	1,876
Other items of expense					
Administrative expenses		(20,250)	(19,695)	(20,250)	(19,695)
Selling and marketing expenses		(3,792)	(5,088)	(3,792)	(5,088)
Other operating expenses		(4,439)	(5,091)	(4,439)	(5,091)
		(28,481)	(29,874)	(28,481)	(29,874)
Finance costs		(3,730)	(2,881)	(3,730)	(2,881)
Share of results of associates		733	1,227	733	1,227
Profit before tax and zakat	A9/A10	17,133	41,245	17,133	41,245
Income tax expense and zakat	B5	(6,390)	(11,160)	(6,390)	(11,160)
Profit net of tax		10,743	30,085	10,743	30,085
Other comprehensive income					
Foreign exchange translation gain		10,961	6,515	10,961	6,515
Total comprehensive income for the period		21,704	36,600	21,704	36,600
Profit attributable to :					
Equity holders of the Company		9,658	21,709	9,658	21,709
Non-controlling interests		1,085	8,376	1,085	8,376
Profit for the period		10,743	30,085	10,743	30,085
Total comprehensive income attributable to :					
Equity holders of the Company		19,340	27,714	19,340	27,714
Non-controlling interests		2,364	8,886	2,364	8,886
Total comprehensive income for the period		21,704	36,600	21,704	36,600
Earnings per share attributable to equity holders of the Company :					
Basic/diluted earnings per share (sen)	B12	3.51	7.86	3.51	7.86

(The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 March 2023 and the accompanying explanatory notes attached to the interim financial statements).

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

	As at 30-06-2023	As at 31-03-2023
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	500,295	468,338
Right-of-use assets	437,880	441,778
Investment properties	49,107	49,430
Investment in associates	41,641	40,908
Deferred tax assets	15,722	15,458
Goodwill on consolidation	12,710	12,710
	<u>1,057,355</u>	<u>1,028,622</u>
Current assets		
Inventories	82,836	78,868
Biological assets	6,483	6,787
Trade receivables	112,963	109,644
Other receivables	55,786	49,506
Financial investments	167,145	188,491
Cash and bank balances	142,340	157,929
	<u>567,553</u>	<u>591,225</u>
TOTAL ASSETS	<u>1,624,908</u>	<u>1,619,847</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	311,670	311,670
Treasury shares	(11,963)	(11,932)
Other reserves	73,828	64,146
Retained earnings	530,224	553,611
	<u>903,759</u>	<u>917,495</u>
Non-controlling interests	251,134	250,854
Total equity	<u>1,154,893</u>	<u>1,168,349</u>
Non-current liabilities		
Lease liabilities	213,161	212,820
Long term borrowings	27,248	19,196
Retirement benefit obligation	1,720	1,636
Deferred tax liabilities	63,575	61,833
	<u>305,704</u>	<u>295,485</u>
Current liabilities		
Lease liabilities	7,061	8,617
Short term borrowings	39,958	53,737
Trade and other payables	111,729	89,332
Provisions	1,704	1,657
Tax payable	3,859	2,670
	<u>164,311</u>	<u>156,013</u>
TOTAL LIABILITIES	<u>470,015</u>	<u>451,498</u>
TOTAL EQUITY AND LIABILITIES	<u>1,624,908</u>	<u>1,619,847</u>
Net assets per share (RM)	<u>3.20</u>	<u>3.25</u>

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 March 2023 and the accompanying explanatory notes attached to the interim financial statements).

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED 30 JUNE 2023**

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 2023	311,670	(11,932)	64,146	437	66,459	(2,750)	553,611	917,495	250,854	1,168,349
Profit for the period	-	-	-	-	-	-	9,658	9,658	1,085	10,743
Other comprehensive income for the period	-	-	9,682	-	-	9,682	-	9,682	1,279	10,961
Total comprehensive income for the period	-	-	9,682	-	-	9,682	9,658	19,340	2,364	21,704
Transactions with equity holders										
Dividend	-	-	-	-	-	-	(33,045)	(33,045)	-	(33,045)
Dividend paid to minority shareholders of a subsidiary	-	-	-	-	-	-	-	-	(1,998)	(1,998)
Purchase of treasury shares	-	(31)	-	-	-	-	-	(31)	(86)	(117)
Total transactions with equity holders	-	(31)	-	-	-	-	(33,045)	(33,076)	(2,084)	(35,160)
At 30 June 2023	311,670	(11,963)	73,828	437	66,459	6,932	530,224	903,759	251,134	1,154,893
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	-	-	-	-	-	-	21,709	21,709	8,376	30,085
Other comprehensive income for the period	-	-	6,005	-	-	6,005	-	6,005	510	6,515
Total comprehensive income for the period	-	-	6,005	-	-	6,005	21,709	27,714	8,886	36,600
Transaction with equity holders										
Dividend	-	-	-	-	-	-	(41,415)	(41,415)	-	(41,415)
Dividend paid to minority shareholders of a subsidiary	-	-	-	-	-	-	-	-	(350)	(350)
Purchase of treasury shares	-	(112)	-	-	-	-	-	(112)	(10)	(122)
Total transaction with equity holders	-	(112)	-	-	-	-	(41,415)	(41,527)	(360)	(41,887)
At 30 June 2022	311,670	(10,543)	65,030	437	66,459	(1,866)	512,136	878,293	263,654	1,141,947

(The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 March 2023 and the accompanying explanatory notes attached to the interim financial statements).

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FIRST QUARTER ENDED 30 JUNE 2023**

	← 3 months ended →	
	30-06-2023	30-06-2022
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	17,133	41,245
Adjustments for:		
Depreciation of investment properties	323	412
Depreciation for property, plant and equipment	6,493	5,970
Depreciation of right-of-use assets	4,464	4,141
Fair value changes on biological assets	452	699
Net (reversal)/provision for impairment on trade and other receivables	(705)	570
Interest expense	3,730	2,881
Profit income	(423)	(447)
Interest income	(93)	-
Distribution from financial investments	(1,557)	(743)
Net provision/(reversal) for retirement benefit obligation	6	(19)
Reversal of provision for warranty	47	65
Net unrealised forex gain	(2,571)	(2,879)
Net gain on disposal of property, plant and equipment	-	(30)
Share of results of associates	(733)	(1,227)
Inventories written down	329	256
Operating profit before working capital changes	26,895	50,894
Increase in inventories	(4,297)	(3,415)
Increase in receivables	(4,795)	(30,598)
(Decrease)/increase in payables	(10,648)	7,884
Cash generated from operations	7,155	24,765
Interest paid	(820)	(418)
Taxes paid	(5,501)	(3,852)
Net cash generated from operating activities	834	20,495
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	-	30
Purchase of property, plant and equipment	(34,709)	(12,050)
Acquisition of treasury shares	(31)	(112)
Profit income received	423	447
Interest income received	93	-
Distribution received from financial investments	1,557	743
Placement of deposit with maturity period more than 3 months	(2,650)	(3,000)
Net redemption of financial investments	21,346	11,673
Net cash (used in)/generated from investing activities	(13,971)	(2,269)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net drawdown of borrowings	(5,727)	(12,587)
Repayment of lease liabilities	(4,378)	(4,156)
Dividend paid by subsidiaries to non-controlling interests	(1,998)	(350)
Net cash used in financing activities	(12,103)	(17,093)
NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS	(25,240)	1,133
EFFECT ON FOREIGN EXCHANGE RATE CHANGES IN CASH AND CASH EQUIVALENTS	6,602	4,164
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	139,311	170,573
CASH AND CASH EQUIVALENTS AT END OF PERIOD	120,673	175,870
CASH AND CASH EQUIVALENTS COMPRISE:		
Cash and bank balances	63,720	136,065
Fixed deposits with financial institutions	78,620	42,805
	142,340	178,870
Less: Fixed deposits with financial institutions with maturity of more than three months	(21,667)	(3,000)
Cash and cash equivalents at end of period	120,673	175,870

(The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 March 2023 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 2023. 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 2023.

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 2023 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 2023, the Group adopted the following new and amended MFRSs and IC Interpretation:

- MFRS 17: Insurance Contracts
- Amendments to MFRS 17: Initial Application of MFRS 17 and MFRS 9 - Comparative Information
- Amendments to MFRS 17: Insurance Contracts
- Amendments to MFRS 101: Classification of Liabilities as Current or Non-current
- Amendments to MFRS 101: Disclosure of Accounting Policies
- Amendments to MFRS 108: Definition of Accounting Estimates
- Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- Amendments to MFRS 112: International Tax Reform - Pillar Two Model Rules

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
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 107 and MFRS 7: Supplier Finance Arrangements	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 2023 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 15,000 of its issued ordinary shares from open market at an average price of RM2.05. The total transaction paid for the repurchase including transaction costs was RM31,000. Of the total 282,231,600 issued ordinary shares, 6,853,200 shares are held as treasury shares by the Company.

A8. Dividend paid

There were no dividends paid in the current quarter (preceding year corresponding period: nil).

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

	Quarter ended		3 months cumulative	
	30-06-2023	30-06-2022	30-06-2023	30-06-2022
Revenue	RM'000	RM'000	RM'000	RM'000
Manufacturing*	23,930	29,788	23,930	29,788
Plantation	32,148	59,254	32,148	59,254
Bulking	37,752	43,059	37,752	43,059
Food	28,871	46,722	28,871	46,722
Others	5,997	5,405	5,997	5,405
	<u>128,698</u>	<u>184,228</u>	<u>128,698</u>	<u>184,228</u>
Eliminations	<u>(4,917)</u>	<u>(4,305)</u>	<u>(4,917)</u>	<u>(4,305)</u>
	<u>123,781</u>	<u>179,923</u>	<u>123,781</u>	<u>179,923</u>
Profit before tax				
Manufacturing*	1,297	2,952	1,297	2,952
Plantation	2,796	21,382	2,796	21,382
Bulking	17,192	15,301	17,192	15,301
Food	(2,637)	3,562	(2,637)	3,562
Others	<u>(2,248)</u>	<u>(3,179)</u>	<u>(2,248)</u>	<u>(3,179)</u>
	16,400	40,018	16,400	40,018
Associated companies	733	1,227	733	1,227
	<u>17,133</u>	<u>41,245</u>	<u>17,133</u>	<u>41,245</u>

* Production and trading of security documents.

(ii) Geographical segments

	Quarter ended		3 months cumulative	
	30-06-2023	30-06-2022	30-06-2023	30-06-2022
Revenue	RM'000	RM'000	RM'000	RM'000
Malaysia	80,576	101,761	80,576	101,761
Indonesia	20,445	36,894	20,445	36,894
Papua New Guinea	27,677	45,573	27,677	45,573
	<u>128,698</u>	<u>184,228</u>	<u>128,698</u>	<u>184,228</u>
Eliminations	<u>(4,917)</u>	<u>(4,305)</u>	<u>(4,917)</u>	<u>(4,305)</u>
	<u>123,781</u>	<u>179,923</u>	<u>123,781</u>	<u>179,923</u>
Profit before tax				
Malaysia	10,754	22,128	10,754	22,128
Indonesia	8,521	14,587	8,521	14,587
Papua New Guinea	<u>(2,875)</u>	<u>3,303</u>	<u>(2,875)</u>	<u>3,303</u>
	16,400	40,018	16,400	40,018
Associated companies	733	1,227	733	1,227
	<u>17,133</u>	<u>41,245</u>	<u>17,133</u>	<u>41,245</u>

← 3 months cumulative →

	Current year to date		Preceding year corresponding period	
	30-06-2023		30-06-2022	
Assets and liabilities	Assets	Liabilities	Assets	Liabilities
	RM'000	RM'000	RM'000	RM'000
Malaysia	1,794,656	405,805	1,767,302	383,626
Indonesia	99,936	7,021	120,492	32,384
Papua New Guinea	193,215	80,909	211,350	102,439
	<u>2,087,807</u>	<u>493,735</u>	<u>2,099,144</u>	<u>518,449</u>
Eliminations	<u>(462,899)</u>	<u>(23,720)</u>	<u>(482,467)</u>	<u>(43,719)</u>
	<u>1,624,908</u>	<u>470,015</u>	<u>1,616,677</u>	<u>474,730</u>

A10. Profit before tax and zakat

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

	Quarter ended		3 months cumulative	
	30-06-2023	30-06-2022	30-06-2023	30-06-2022
	RM'000	RM'000	RM'000	RM'000
Other income				
Profit income	423	447	423	447
Interest income	93	-	93	-
Distribution from financial investments	1,557	743	1,557	743
Operating expenses				
Depreciation	11,280	10,523	11,280	10,523
Interest expense on:				
- Borrowings	820	418	820	418
- Lease liabilities	2,910	2,463	2,910	2,463
Unrealised foreign exchange gain	(2,571)	(2,879)	(2,571)	(2,879)
Realised forex exchange (gain)/loss	(1,197)	361	(1,197)	361
Net (reversal)/provision for impairment on trade and other receivables	(705)	570	(705)	570
Net gain on disposal of property, plant and equipment	-	(30)	-	(30)
Fair value changes on biological assets	452	699	452	699
Net provision/(reversal) for retirement benefit obligation	6	(19)	6	(19)
Net provision for warranty	47	65	47	65
Inventories written down	329	256	329	256

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	491
Land and buildings	949
Equipment, furniture and fittings and motor vehicles	2,751
Bearer plants and infrastructure	4,460
Work in progress	26,058
	34,709

A16. Capital commitments

The amount of commitments not provided for in the financial statements as at 30 June 2023 were as follows:

	Current year to date
	RM'000
Property, plant and equipment	
- Approved and contracted for	71,098

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	226
- Fima Corporation Berhad - Management fees receivable	204
- Fima Corporation Berhad - Services payable	66
- Pineapple Cannery of Malaysia Sendirian Berhad - Rental income	85
- International Food Corporation - Sales of fish	4,787
- International Food Corporation - Interest receivable	462
Transactions with related parties*	
- BHR Enterprise Sdn. Bhd. - Services payable	30
- PT Pohon Emas Lestari - Purchase of fresh fruit bunch	1,887
- TD Technologies Sdn. Bhd. - Services payable	60
- First Zanzibar Sdn. Bhd. - Service payable	80

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

NOTES TO THE QUARTERLY ANNOUNCEMENT FOR THE FIRST QUARTER ENDED 30 JUNE 2023
PART B - Bursa Securities Listing Requirements
B1. Review of performance
Group Performance

(RM Million)	Current YTD	Previous YTD	Variance	%
Revenue	123.78	179.92	(56.14)	(31.2)
Profit before tax	17.13	41.25	(24.12)	(58.5)

Group revenue for the period ended 30 June 2023 declined by 31.2% to RM123.78 million as compared to RM179.92 million recorded last year. Lower revenue by RM56.14 million was mainly driven by the decrease in revenue generated by all divisions.

In line with lower revenue posted, the Group profit before tax ("PBT") has decreased by 58.5% to RM17.13 million as compared to the last financial year, attributable to lower PBT recorded by all divisions.

The performance of each business division is as follows:

Manufacturing Division

(RM Million)	Current YTD	Previous YTD	Variance	%
Revenue	23.93	29.79	(5.86)	(19.7)
Profit before tax	1.30	2.95	(1.65)	(55.9)

Revenue from **Manufacturing Division** decreased by 19.7% or RM5.86 million to RM23.93 million from RM29.79 million recorded last year, attributed by lower sales volume for most of the products. On the back of lower revenue, the division PBT decreased by RM1.65 million to RM1.30 million as compared to last year.

Plantation Division

(RM Million)	Current YTD	Previous YTD	Variance	%
Revenue				
<u>Indonesia</u>				
- Crude palm oil (CPO)	18.55	32.25	(13.70)	(42.5)
- Crude palm kernel oil (CPKO)	1.89	4.64	(2.75)	(59.3)
<u>Malaysia</u>				
- Fresh fruit bunch (FFB)	11.46	21.90	(10.44)	(47.7)
- Pineapple	0.25	0.46	(0.21)	(44.8)
Total	32.15	59.25	(27.10)	(45.7)
Profit before tax	2.80	21.38	(18.58)	(86.9)
FFB produced (mt)	18,185	18,484	(299)	(1.6)
Production (mt)				
- CPO	7,830	8,945	(1,115)	(12.5)
- CPKO	701	820	(119)	(14.5)
Sales Quantity (mt)				
- CPO	5,518	8,051	(2,533)	(31.5)
- CPKO	501	998	(497)	(49.8)

NOTES TO THE QUARTERLY ANNOUNCEMENT FOR THE FIRST QUARTER ENDED 30 JUNE 2023

B1. Review of performance (cont'd.)

Plantation Division (cont'd.)

Plantation Division recorded a decrease in revenue by RM27.10 million or 45.7% to RM32.15 million as compared to last year, mainly attributable to lower sales volume and price of CPO and CPKO, as well as a drop in sales price of FFB. On the back of lower revenue, coupled with increase in operational cost, the division PBT has declined by 86.9% or RM18.58 million to RM2.80 million as compared to last year.

Plantation estates in Malaysia which are presently in the development phase and partially mature registered a total pre-tax losses of RM3.91 million as compared to RM0.18 million pre-tax profit recorded in the corresponding period last year.

Bulking Division

(RM Million)	<u>Current YTD</u>	<u>Previous YTD</u>	<u>Variance</u>	<u>%</u>
Revenue				
Liquid bulking and logistic	37.57	30.44	7.13	23.4
Biodiesel	0.18	12.62	(12.44)	(98.6)
	<u>37.75</u>	<u>43.06</u>	<u>(5.31)</u>	<u>(12.3)</u>
Profit before tax	17.19	15.30	1.89	12.4

Revenue from **Bulking Division** declined by 12.3% or RM5.31 million to RM37.75 million as compared to last year, primarily attributed by lower contribution from its biodiesel operation. Its liquid bulking and logistic operation has shown a steady growth with an improvement in revenue by 23.4% or RM7.13 million to RM37.57 million, mainly driven by higher contribution from technical fats, molasses and miscellaneous non-core products. This strong performance has contributed to the Division PBT of RM17.19 million, an improvement by 12.4% or RM1.89 million as compared to RM15.30 million in the corresponding period last year.

Food Division

(RM Million)	<u>Current YTD</u>	<u>Previous YTD</u>	<u>Variance</u>	<u>%</u>
Revenue				
Papua New Guinea (PNG)	27.68	45.57	(17.89)	(39.3)
Malaysia	1.19	1.15	0.04	3.5
	<u>28.87</u>	<u>46.72</u>	<u>(17.85)</u>	<u>(38.2)</u>
(Loss)/profit before tax	(2.64)	3.56	(6.20)	(174.2)

Food Division's revenue has suffered a deficit by RM17.85 million or 38.2% to RM28.87 million, as compared to RM46.72 million recorded in the previous financial year, mainly attributable to lower sales volume of mackerel and tuna products. On the back of lower revenue, the division PBT has declined by RM6.20 million and registered a pre-tax losses of RM2.64 million as compared to last financial year.

NOTES TO THE QUARTERLY ANNOUNCEMENT FOR THE FIRST QUARTER ENDED 30 JUNE 2023
B2. Comparison with preceding quarter's results
Group Performance

(RM Million)	QTR 1 FY 2024	QTR 4 FY 2023	Variance	%
Revenue	123.78	209.31	(85.53)	(40.9)
Profit before tax	17.13	16.96	0.17	1.0

The Group revenue has declined by RM85.53 million to RM123.78 million or as compared to the preceding quarter, attributable to lower revenue contribution by all divisions.

Despite of lower revenue posted, the Group PBT has slightly increased by 1.0% to RM17.13 million as compared to RM16.96 million recorded in the preceding quarter.

The performance of each business division is as follows:

Manufacturing Division

(RM Million)	QTR 1 FY 2024	QTR 4 FY 2023	Variance	%
Revenue	23.93	31.61	(7.68)	(24.3)
Profit/(Loss) before tax	1.30	(1.81)	3.11	(171.8)

Manufacturing Division's revenue recorded lower by RM7.68 million or 24.3% to RM23.93 million in the current quarter, primarily attributable to decrease in sales for travelling documents. However, the Division PBT has improved by RM3.11 million to RM1.30 million as compared to RM1.81 million pre-tax losses recorded in the preceding quarter primarily due to lower inventories written down recognised during the quarter.

Plantation Division

(RM Million)	QTR 1 FY 2024	QTR 4 FY 2023	Variance	%
Revenue				
<u>Indonesia</u>				
- CPO	18.55	44.06	(25.51)	(57.9)
- CPKO	1.89	3.44	(1.55)	(45.1)
<u>Malaysia</u>				
- Fresh fruit bunch	11.46	11.34	0.12	1.0
- Pineapple	0.25	0.33	(0.08)	(23.0)
Total	32.15	59.17	(27.02)	(45.7)
Profit before tax	2.80	8.04	(5.24)	(65.2)

FFB produced (mt)	18,185	17,014	1,171	6.9
Production (mt)				
- CPO	7,830	8,665	(835)	(9.6)
- CPKO	701	758	(57)	(7.5)
Sales Quantity (mt)				
- CPO	5,518	11,990	(6,472)	(54.0)
- CPKO	501	1,011	(510)	(50.4)

NOTES TO THE QUARTERLY ANNOUNCEMENT FOR THE FIRST QUARTER ENDED 30 JUNE 2023

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

Plantation Division (cont'd.)

Plantation Division has posted a lower revenue in the current quarter by RM27.02 million or 45.7% to RM32.15 million, as compared to RM59.17 million in the preceding quarter mainly attributable to lower sales volume of CPO and CPKO. In line with lower revenue, the Division PBT has declined by RM5.24 million to RM2.80 million in the current quarter.

Bulking Division

(RM Million)	QTR 1 FY 2024	QTR 4 FY 2023	Variance	%
Revenue				
Liquid bulking and logistic	37.57	32.50	5.07	15.6
Biodiesel	0.18	39.22	(39.04)	(99.5)
	<u>37.75</u>	<u>71.72</u>	<u>(33.97)</u>	<u>(47.4)</u>
Profit before tax	17.19	14.72	2.47	16.8

Revenue from **Bulking Division** has declined by 47.4% or RM33.97 million to RM37.75 million as compared to the preceding quarter, primarily attributable to lower sales of PME product from biodiesel operation. Despite this, its liquid bulking and logistic operation has posted an increase in revenue by 15.60% to RM37.75 million, which subsequently contributed to an improvement in Division PBT by RM2.47 million to RM17.19 million in the current quarter.

Food Division

(RM Million)	QTR 1 FY 2024	QTR 4 FY 2023	Variance	%
Revenue				
PNG	27.68	44.41	(16.73)	(37.7)
Malaysia	1.19	1.31	(0.12)	(9.2)
	<u>28.87</u>	<u>45.72</u>	<u>(16.85)</u>	<u>(36.9)</u>
Loss before tax	(2.64)	(3.85)	1.21	31.4

Food Division has recorded a decrease in revenue by RM16.85 million or 36.9% to RM28.87 million in the current quarter, driven primarily by lower sales volume for the tuna and mackerel products.

B3. Prospects

Manufacturing Division - The division will continue to put concerted efforts to establish new strategic alliances 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 FIRST QUARTER ENDED 30 JUNE 2023

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. Additionally, the division remains vigilant about potential impacts on tuna supplies and prices, especially considering external factors like the El Nino season. 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. 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 30-06-2023 RM'000	Current year to date 30-06-2023 RM'000
Tax expense	6,390	6,390

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 30-06-2023 RM'000	As at 31-03-2023 RM'000
Non-current		
Term loan	27,248	19,196
Current		
Term loan	5,870	4,704
Bankers' acceptance	4,088	3,912
Short term revolving credit	30,000	45,121
	<u>39,958</u>	<u>53,737</u>
	<u>67,206</u>	<u>72,933</u>

NOTES TO THE QUARTERLY ANNOUNCEMENT FOR THE FIRST QUARTER ENDED 30 JUNE 2023

B10. Changes in material litigations

On 28 November 2019, an Indonesian subsidiary of Fima Corporation Berhad, 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 bar PTAHL from preventing PTNJL from undertaking its plantation activities within PTNJL's Hak Guna Usaha ("HGU") areas which overlap with PTAHL's operating permits/interests and to restrain the Menteri Kehutanan from issuing any new licences permits or approvals to any parties on or within the HGU.

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.

PTNJL has received a notification from Pengadilan Tinggi DKI Jakarta (which was received by PTNJL's solicitors on 10 July 2023 and subsequently forwarded to PTNJL on 11 July 2023). The notification states that the appeal of the civil suit filed by PTNJL has been dismissed, and that the Pengadilan Tinggi DKI Jakarta has affirmed the earlier decision of South Jakarta District Court. PTNJL did not file a notice to appeal in respect of the said decision.

The decision does not have any impact on PTNJL's current land status and plantation activities.

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		3 months cumulative	
	30-06-2023	30-06-2022	30-06-2023	30-06-2022
Profit net of tax attributable to equity holders of the Company used in the computation of earnings per share (RM'000)	9,658	21,709	9,658	21,709
Weighted average number of ordinary shares in issues ('000)	275,471	276,119	275,471	276,119
Basic/diluted earnings per share (sen)	3.51	7.86	3.51	7.86

By order of the Board

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

Kuala Lumpur
Dated : 24 August 2023