FIMA CORPORATION BERHAD (21185-P)
(Incorporated in Malaysia)

Condensed Consolidated Financial Statements
For the Fourth Quarter and Financial Year Ended 31 March 2019

FIMA CORPORATION BERHAD (21185-P)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 MARCH 2019
(THE FIGURES HAVE NOT BEEN AUDITED)

	Note	Current Quarter: Current Year Quarter 31/03/19 RM'000	Current Quarter: Preceding Year Corresponding Quarter 31/03/18 RM'000 (Restated)	12 Months Cumulative: Current Year To Date 31/03/19 RM'000	12 Months Cumulative: Preceding Year Corresponding Period 31/03/18 RM'000 (Restated)
Revenue	A9	69,762	74,341	244,720	284,646
Cost of sales		(38,602)	(39,463)	(145,239)	(170,021)
Gross profit		**31,160**	**34,878**	**99,481**	**114,625**
Interest income		2,193	2,826	6,378	8,135
Other income		194	306	1,189	550
Administrative expenses		(10,403)	(16,279)	(28,354)	(33,926)
Selling and marketing expenses		(5,887)	(6,751)	(8,075)	(9,235)
Other operating (expenses)/profits		(8,149)	(1,528)	5,303	(19,223)
Finance costs		(49)	(1,571)	(177)	(1,657)
Share of results from associate		1,239	39	3,732	1,696
Profit before tax	A9/A10	10,298	11,920	79,477	60,965
Income tax expense	B5	(2,629)	(6,137)	(14,151)	(20,891)
Profit net of tax		**7,669**	**5,783**	**65,326**	**40,074**
Other comprehensive income/(expense), net of tax					
Foreign currency translation gain/(loss)		218	(6,066)	1,871	(13,867)
Remeasurement of defined benefit liability		82	(36)	82	(36)
Total comprehensive income/(expense) for the period/year		**7,969**	**(319)**	**67,279**	**26,171**
Profit/(loss) attributable to:					
Equity holders of the Company		7,869	4,445	57,446	34,093
Non-controlling interests		(200)	1,338	7,880	5,981
Profit for the period/year		**7,669**	**5,783**	**65,326**	**40,074**
Total comprehensive income/(expense) attributable to:					
Equity holders of the Company		8,110	1,872	59,009	25,279
Non-controlling interests		(141)	(2,191)	8,270	892
Total comprehensive income/(expense) for the period/year		**7,969**	**(319)**	**67,279**	**26,171**
Earnings per share attributable to equity holders of the Company					
Basic/diluted earnings per share (sen)	B10	3.27	1.84	23.90	14.14

(The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 March 2018 and the accompanying explanatory notes attached to the interim financial statements)

FIMA CORPORATION BERHAD (21185-P)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2019

	As at 31/03/19 RM'000	As at 31/03/18 RM'000 (Restated)	As at 01/04/17 RM'000 (Restated)
ASSETS			
Non-current assets			
Property, plant and equipment	195,033	161,178	130,886
Investment properties	59,163	60,670	62,177
Goodwill on consolidation	510	510	510
Investment in associate	31,274	40,845	41,061
Deferred tax assets	6,635	7,686	9,408
	292,615	270,889	244,042
Current assets			
Biological assets	1,019	2,145	3,321
Inventories	63,316	38,857	37,431
Trade and other receivables	110,275	119,104	97,537
Due from related companies	525	28	19
Short term cash investments	148,143	43,883	-
Cash and bank balances	57,834	165,596	336,309
	381,112	369,613	474,617
TOTAL ASSETS	**673,727**	**640,502**	**718,659**
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the Company			
Share capital	122,662	122,662	122,662
Treasury shares	(6,156)	(4,577)	(4,181)
Other reserves	(3,067)	(4,564)	4,250
Retained earnings	460,336	432,872	440,647
	573,775	546,393	563,378
Non-controlling interests	23,383	18,958	25,913
Total equity	597,158	565,351	589,291
Non-current liabilities			
Retirement benefit obligations	1,831	1,813	1,837
Finance lease obligations	14,868	15,588	16,176
Deferred tax liabilities	6,803	5,430	4,105
	23,502	22,831	22,118
Current liabilities			
Trade and other payables	36,839	36,884	82,761
Provisions	11,312	12,081	16,947
Tax payable	3,761	2,578	6,291
Due to related companies	512	166	627
Finance lease obligations	643	611	624
	53,067	52,320	107,250
Total liabilities	76,569	75,151	129,368
TOTAL EQUITY AND LIABILITIES	**673,727**	**640,502**	**718,659**
Net assets per share attributable to ordinary equity holders of the Company (RM)	2.39	2.27	2.34

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 March 2018 and the accompanying explanatory notes attached to the interim financial statements)

FIMA CORPORATION BERHAD (21185-P)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 MARCH 2019

	Attributable to Equity Holders of the Company									
	Non-Distributable						Distributable			
	Share capital	Treasury shares	Other reserves	Asset revaluation reserve	Foreign translation reserve	Equity contribution from parent	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 2017										
As previously stated	122,662	(4,181)	(6,655)	7,605	(18,510)	4,250	449,559	561,385	25,415	586,800
Effects from adoption of MFRS	-	-	10,905	(7,605)	18,510	-	(8,912)	1,993	498	2,491
As restated	122,662	(4,181)	4,250	-	-	4,250	440,647	563,378	25,913	589,291
Total comprehensive income for the period/year	-	-	(8,814)	-	(8,814)	-	34,093	25,279	892	26,171
Transactions with owners										
Acquisition of non-controlling interests	-	-	-	-	-	-	334	334	(507)	(173)
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	1,030	1,030
Acquisition of treasury shares	-	(396)	-	-	-	-	-	(396)	-	(396)
Dividend paid	-	-	-	-	-	-	(42,202)	(42,202)	(8,370)	(50,572)
Total transactions with owners	-	(396)	-	-	-	-	(41,868)	(42,264)	(7,847)	(50,111)
At 31 March 2018 (Restated)	122,662	(4,577)	(4,564)	-	(8,814)	4,250	432,872	546,393	18,958	565,351

FIMA CORPORATION BERHAD

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 MARCH 2019 (CONTD.)

	Non-Distributable						Distributable			
	Share capital	Treasury shares	Other reserves	Asset revaluation reserve	Foreign translation reserve	Equity contribution from parent	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 2018										
As previously stated	122,662	(4,577)	(15,238)	7,605	(27,093)	4,250	443,801	546,648	18,638	565,286
Effects from adoption of MFRS	-	-	10,674	(7,605)	18,279	-	(10,929)	(255)	320	65
As restated	122,662	(4,577)	(4,564)	-	(8,814)	4,250	432,872	546,393	18,958	565,351
Total comprehensive income for the period/year	-	-	1,497	-	1,497	-	57,512	59,009	8,270	67,279
Transactions with owners										
Acquisition of treasury shares	-	(1,579)	-	-	-	-	-	(1,579)	-	(1,579)
Dividend paid	-	-	-	-	-	-	(30,048)	(30,048)	(3,845)	(33,893)
Total transactions with owners	-	(1,579)	-	-	-	-	(30,048)	(31,627)	(3,845)	(35,472)
At 31 March 2019	122,662	(6,156)	(3,067)	-	(7,317)	4,250	460,336	573,775	23,383	597,158

(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 March 2018 and the accompanying explanatory notes attached to the interim financial statements)

FIMA CORPORATION BERHAD (21185-P)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 MARCH 2019

	12 months ended 31/03/19	12 months ended 31/03/18
	RM'000	**RM'000**
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	79,477	60,965
Adjustments for:		
Depreciation for property, plant and equipment	13,282	10,935
Depreciation of investment properties	1,507	1,507
Impairment loss on:		
- property, plant and equipment	-	832
- trade and other receivables	24	9
Write back of impairment loss on:		
- trade and other receivables	(30)	(2,570)
- property, plant and equipment (Note B8(b))	(23,631)	-
Fair value changes on biological assets	1,272	791
Inventories written (back)/down	(720)	2,484
Property, plant and equipment written off	-	1
Net provision for retirement benefit obiligations	198	289
Net reversal of provision for warranty	(769)	(4,866)
Gain on disposal of property, plant and equipment	(2)	(2)
Negative goodwill on acquisition of subsidiaries	-	(275)
Share of results of associate	(3,732)	(1,696)
Interest expense	177	1,657
Interest income	(6,378)	(8,135)
Operating profit before working capital changes	60,675	61,926
Decrease/(increase) in trade and other receivables	9,457	(24,818)
Increase in inventories	(23,480)	(5,724)
Decrease in related companies balances	(151)	(470)
Decrease in trade and other payables	(343)	(43,779)
Cash generated from/(used in) operations	46,158	(12,865)
Taxes paid	(10,544)	(21,390)
Retirement benefits paid	(52)	(43)
Net cash generated from/(used in) operating activities	35,562	(34,298)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(22,379)	(9,913)
Proceeds from disposal of property, plant and equipment	2	38
Acquisition of subsidiary, net of tax	-	(4,564)
Acquisition of non-controlling interests	-	(173)
Interest income received	5,475	8,135
Dividends received	13,303	1,912
Withdrawal of deposits	-	23,000
Net investment in short term cash investments	(104,260)	(43,883)
Net cash used in investing activities	(107,859)	(25,448)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(30,048)	(42,202)
Dividends paid by a subsidiary to non-controlling interests	(3,845)	(8,370)
Repayment of borrowings	-	(29,026)
Repayment of obligations under finance lease	(865)	(711)
Acquisition of treasury shares	(1,579)	(396)
Net cash used in financing activities	(36,337)	(80,705)

FIMA CORPORATION BERHAD (21185-P)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 MARCH 2019 (CONTD.)

	12 months ended	
	31/03/19	**31/03/18**
	RM'000	**RM'000**
CASH AND CASH EQUIVALENTS		
Net decrease in cash and cash equivalents	(108,634)	(140,451)
Effect of exchange rate changes in cash and cash equivalents	872	(7,262)
Cash and cash equivalents balances at beginning of the year	165,596	313,309
Cash and cash equivalents at end of year	57,834	165,596
CASH AND CASH EQUIVALENTS COMPRISE OF:		
Cash and bank balances	25,671	27,698
Deposits with licensed banks	32,163	137,898
Cash and cash equivalents	57,834	165,596

(The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 March 2018 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 MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of the Bursa Securities.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 March 2018. 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 2018.

The financial statements of the Group for the financial year ended 31 March 2019 are the first set of financial statements prepared in accordance with the Malaysian Financial Reporting Standards (“MFRS”) Framework. The date of transition to the MFRS Framework was on 1 April 2017.

The Group has consistently applied the same accounting policies in its opening MFRS statement of financial position as at 1 April 2017 and throughout all comparable interim periods presented, as if these policies had always been in effect. Comparative information in these interim financial statements have been restated to give effect to these changes and the financial impact on transition from Financial Reporting Standards ("FRS") in Malaysia to MFRS are discussed below:

(a) Property, plant and equipment

Under the FRS accounting framework, the Group elected to account for the freehold land, leasehold land and buildings included within property, plant and equipment using the revaluation model, where these assets are measured at fair value less accumulated impairment losses recognised after the date of valuation. The Group decided to change the accounting policy for these assets from the revaluation model to cost model, the change in accounting policy will result in the revaluation amount on the transition date to be recorded as deemed costs for these assets when the Group first adopt the MFRS framework. Subsequent to the transition date, these assets will be stated at cost less any accumulated depreciation and accumulated impairment losses.

Under the MFRS framework, biological assets that meet the definition of bearer plants will be within the scope of MFRS 116: Property, Plant and Equipment ("MFRS 116"). After initial recognition, the bearer biological assets will be measured under MFRS 116 at accumulated cost (before maturity) and using either the cost model or revaluation model (after maturity). The Group measures the bearer biological assets at fair value less accumulated impairment losses recognised after the date of valuation. Upon adoption of MFRS framework, the Group decided to apply the cost model for accounting the bearer plants, the change in accounting framework will result in the reclassification of the bearer assets from biological assets to property, plant and equipment, and the revaluation amount on the transition date to be recorded as deemed costs of the bearer plants which will be subsequently be stated at cost less any accumulated depreciation and accumulated impairment losses.

(b) Biological assets

The amendments also require produce that grows on bearer plants to be within the scope of MFRS 141: Agriculture, to be measured at fair value less costs to sell. The biological assets of the Group comprise of the fresh fruit bunch ("FFB") prior to harvest.

(c) Business combinations

The Group has elected to apply MFRS 3: Business Combinations prospectively from the date of transition. In respect of acquisitions prior to the date of transition.

(i) the classification of former business combinations under FRS is maintained;
(ii) there is no re-measurement of original fair values determined at the time of business combination (date of acquisition); and
(iii) the carrying amount of goodwill recognised under FRS is not adjusted.

A1. Basis of preparation (contd.)

(d) Financial instruments

MFRS 9: Financial Instruments ("MFRS 9") replaces FRS 139: Financial Instruments: Recognition and Measurement for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments:

(i) classification and measurement;
(ii) impairment; and
(iii) hedge accounting.

With the exception of hedge accounting, the Group has applied MFRS 9 retrospectively, with the initial application date of 1 April 2018 and adjusting the comparative information for the period beginning 1 April 2017.

(i) Classification and measurement

MFRS 9 contains a new classification and measurement approach for the financial assets that reflects the business model in which the assets are managed and their cash flows characteristics.

MFRS 9 contains three principal classification catergories for the financial assets as follows:

- amortised cost ("AC")
- fair value through Other Comprehensive Income ("FVOCI")
- fair value through Profit or Loss ("FVTPL")

The standard eliminates the previous FRS 139 categories of Held - to - Maturity, Loan and Receivables ("L&R") and Available-for-Sale ("AFS").

The following table shows the original measurement categories in accordance FRS 139 and the new measurement categories under MFRS 9 for the Group's financial assets as at 1 April 2018.

Group financial assets	Original classification under FRS 139	Original carrying amount under FRS 139	New classification under MFRS 9	New carrying amount under MFRS 9
		RM '000		RM '000
Trade receivables	L&R	105,077	AC	103,530
Other receivables, excluding tax recoverable, GST input tax and prepayments	L&R	4,479	AC	4,479
Amount due from related companies	L&R	28	AC	28
Cash and bank balances	L&R	165,596	AC	165,596
Short term cash investments	FVTPL	43,883	FVTPL	43,883

(ii) Impairment

The adoption of MFRS 9 has fundamentally changed the Group’s accounting for impairment losses for financial assets by replacing FRS 139’s incurred loss approach with a forward-looking expected credit loss ("ECL") approach.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the asset’s original effective interest rate.

A1. Basis of preparation (contd.)

(d) Financial instruments (contd.)

(ii) Impairment (contd.)

The Group's trade and other receivables applied the standard’s simplified approach and calculated ECLs based on life time expected credit losses. The Group has established a provision matrix that is based on the Group’s historical credit loss experience, adjusted for forwardlooking factors specific to the debtors and the economic environment in which the business is operating in.

(e) Revenue from contracts with customers

Upon adoption of MFRS 15: Revenue from Contracts with Customers ("MFRS 15") , the Group recognises the revenue from contracts with customers when or as the Group transfers goods or services to a customer, measured at the amount to which the Group expects to be entitled, according to the term and condition stipulated in the contracts with customers. Depending on whether certain criteria are met, revenue is recognised over time, in a manner that depicts the Group’s performance; or at a point in time, when control of the goods or services is transferred to the customers.

(f) Foreign exchange reserve

Under FRSs, the Group recognised translation differences on foreign operations in a separate component of equity. Cumulative foreign exchange reserves for all foreign operations are deemed to be nil as at the date of transition to MFRS.

Accordingly, at date of transition to MFRS, the cumulative foreign exchange translation differences were adjusted to retained earnings.

The impact of the changes in accounting policy on the financial statements as a result of the transition to the MFRS Framework are as follows:

Reconciliation of Condensed Consolidated Statement of Financial Position

	As at 31/03/18			As at 01/04/17		
	Previously reported under FRS	Effects on adoption MFRS	Reported under MFRS	Previously reported under FRS	Effects on adoption MFRS	Reported under MFRS
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Non-current assets						
Property, plant and equipment	116,666	44,512	161,178	97,856	33,030	130,886
Biological assets	44,512	(44,512)	-	33,030	(33,030)	-
Current asset						
Biological assets	-	2,145	2,145	-	3,321	3,321
Trade and other receivables	120,651	(1,547)	119,104	97,537	-	97,537
Equity						
Other reserves	(15,238)	10,674	(4,564)	(6,655)	10,905	4,250
Retained earnings	443,801	(10,929)	432,872	449,559	(8,912)	440,647
Non-controlling interests	18,638	320	18,958	25,415	498	25,913
Non current liability						
Deferred tax liabilities	4,897	533	5,430	3,275	830	4,105

A1. Basis of preparation (contd.)

The impact of the changes in accounting policy on the financial statements as a result of the transition to the MFRS Framework are as follows: (contd.)

Reconciliation of Condensed Consolidated Statement of Comprehensive Income

	Year ended 31/03/18		
	Previously reported under FRS	Effects on adoption MFRS	Reported under MFRS
	RM'000	RM'000	RM'000
Revenue	284,646	-	284,646
Cost of sales	(169,230)	(791)	(170,021)
Gross profit	115,416	(791)	114,625
Interest income	8,135	-	8,135
Other income	550	-	550
Administrative expenses	(33,926)	-	(33,926)
Selling and marketing expenses	(9,235)	-	(9,235)
Other operating expenses	(19,223)	-	(19,223)
Finance costs	(110)	(1,547)	(1,657)
Share of results from associate	1,696	-	1,696
Profit before tax	63,303	(2,338)	60,965
Income tax expense	(21,092)	201	(20,891)
Profit net of tax	42,211	(2,137)	40,074
Other comprehensive loss, net of tax			
Foreign currency translation loss	(13,578)	(289)	(13,867)
Remeasurement of defined benefit liability	(36)	-	(36)
Total comprehensive income for the year	28,597	(2,426)	26,171
Profit attributable to:			
Equity holders of the Company	36,110	(2,017)	34,093
Non-controlling interests	6,101	(120)	5,981
Profit for the year	42,211	(2,137)	40,074
Total comprehensive income attributable to:			
Equity holders of the Company	27,527	(2,248)	25,279
Non-controlling interests	1,070	(178)	892
Total comprehensive income for the year	28,597	(2,426)	26,171
Earnings per share attributable to equity holders of the Company			
Basic/diluted earnings per share (sen)	14.98	(0.84)	14.14

Reconciliation of Condensed Consolidate Statement of Cash Flows

	Year ended 31/03/18		
	Previously reported under FRS	Effects on adoption MFRS	Reported under MFRS
	RM'000	RM'000	RM'000
Profit before tax	63,303	(2,426)	60,877
Depreciation for property, plant and equipment	9,484	1,451	10,935
Amortisation of biological assets	1,451	(1,451)	-
Fair value changes on biological assets	-	791	791
Interest expense	110	1,547	1,657
Purchase of property, plant and equipment	(3,767)	(6,146)	(9,913)
Additions to biological assets	(6,146)	6,146	-

A2. Changes in accounting policies

(a) Standards and Interpretations issued but not yet effective

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

	Effective for annual period beginning on or after
MFRS 16: Leases	1 January 2019
MFRS 17: Insurance contracts	1 January 2021
Amendments to MFRS 3: Definition of a Business	1 January 2020
Amendments to MFRS 101: Definition of Material	1 January 2020
Amendments to MFRS 108: Definition of Material	1 January 2020
Amendments to MFRS 10 and MFRS 128: Sales or contribution of assets between an investor and its associate or joint venture	Deferred
Annual Improvements to MFRS Standards 2015 - 2017 Cycle	1 January 2019
IC Interpretation 23: Uncertainty over income tax treatments	1 January 2019

The directors expect that the adoption of the above standards and interpretation will have no material impact on the financial statements in the period of initial application except as discussed below:

<u>MFRS 16: Leases</u>

MFRS 16 replaces the guidance in MFRS 117, Lease, IC Interpretation 4, Determining Whether an Arrangement contains a Lease, IC Interpretation 115, Operating Leases – Incentives and IC Interpretation 127, Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

The Group is currently assessing the financial impact that may arise from the adoption of MFRS 16.

<u>Amendments to MFRS 10 and MFRS 128: Sales or contribution of assets between an investor and its associate or joint venture</u>

The amendments clarify that an entity, which is a venture capital organisation, or a mutual fund, unit trust or similar entities, has an investment-by-investment choice to measure its investments in associates and joint ventures at fair value.

There will be no significant impact on the Group from the adoption of Amendments to MFRS 128.

A3. Auditors' report on preceding annual financial statements

The financial statements of the Group for the financial year ended 31 March 2018 were not subject to any audit qualification.

A4. Seasonality or cyclicality of the interim operations

The production of security and confidential documents is influenced by cyclical changes in volume of certain products whilst the oil palm production and processing division is affected by seasonal crop production, weather conditions and fluctuating commodity prices.

A5. Unusual items

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence other than as disclosed in Note B8(b).

A6. Changes in estimates

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

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

Saved as disclosed below, there were no issuances, cancellation, repurchases, resale and repayment of debt and equity securities for the current financial period todate.

During the current quarter, the Company repurchased 84,700 of its issued ordinary shares from the open market at an average price of RM1.90. The total transaction paid for the repurchase including transaction costs was RM160,888. Of the total 245,324,330 issued ordinary shares, 5,197,100 shares are held as treasury shares by the Company.

A8. Dividends paid

		12 months cumulative	
		31/03/19	31/03/18
		RM'000	RM'000
Interim Dividend			
2018	10% single-tier interim dividend (Paid on 29 December 2017)	-	12,058
2019	10% single-tier interim dividend (Paid on 28 December 2018)	12,011	-
Final Dividend			
2017	15% single-tier final dividend (Paid on 18 September 2017)	-	18,086
	10% single-tier special dividend (Paid on 18 September 2017)	-	12,058
2018	15% single-tier final dividend (Paid on 20 September 2018)	18,037	-
		30,048	42,202

A9. Segmental information

(a) Segmental revenue and results for business segments

	Quarter ended		12 months cumulative	
	31/03/19	31/03/18	31/03/19	31/03/18
	RM'000	RM'000	RM'000	RM'000
Revenue				
Production and trading of security and confidential documents	32,923	33,131	134,780	140,780
Oil palm production and processing	34,013	39,772	102,836	138,098
Property management	3,119	1,726	8,283	7,037
Others	15,991	-	72,620	90,837
	86,046	74,629	318,519	376,752
Eliminations	(16,284)	(288)	(73,799)	(92,106)
	69,762	74,341	244,720	284,646
Profit before tax				
Production and trading of security and confidential documents	6,074	4,482	30,558	22,807
Oil palm production and processing	4,803	8,673	47,434	40,281
Property management	354	439	1,453	1,613
Others	13,819	(1,391)	68,920	84,795
	25,050	12,203	148,365	149,496
Share of results of associate	1,239	39	3,732	1,696
	26,289	12,242	152,097	151,192
Eliminations	(15,991)	(322)	(72,620)	(90,227)
	10,298	11,920	79,477	60,965

A9. Segmental information (contd.)

(b) Geographical segments

	Quarter ended		12 months cumulative	
	31/03/19	**31/03/18**	**31/03/19**	**31/03/18**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Revenue				
Malaysia	52,210	34,873	216,135	238,732
Indonesia	33,836	39,756	102,384	138,020
	86,046	74,629	318,519	376,752
Eliminations	(16,284)	(288)	(73,799)	(92,106)
	69,762	74,341	244,720	284,646
Profit before tax				
Malaysia	20,213	4,619	100,155	110,095
Indonesia	6,076	7,623	51,942	41,097
	26,289	12,242	152,097	151,192
Eliminations	(15,991)	(322)	(72,620)	(90,227)
	10,298	11,920	79,477	60,965

	Quarter ended/12 months cumulative			
	31/03/19		**31/03/18**	
	Assets	**Liabilities**	**Assets**	**Liabilities**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Malaysia	713,913	78,368	757,463	130,507
Indonesia	103,857	16,697	95,456	21,323
	817,770	95,065	852,919	151,830
Eliminations	(144,043)	(18,496)	(212,417)	(76,679)
Group	673,727	76,569	640,502	75,151

A10. Profit before tax

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

	Quarter ended		12 months cumulative	
	31/03/19	**31/03/18**	**31/03/19**	**31/03/18**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Other income				
Management fees	-	6	10	24
Negative goodwill on acquisition of subsidiaries	-	275	-	275
Gain on disposal of property, plant and equipment	2	2	2	2
Others	192	25	1,177	251
Operating expenses				
Depreciation	3,729	2,364	14,789	12,442
Foreign exchange loss/(gain)	2,063	526	(48)	499
Impairment loss on:				
- property, plant and equipment	-	832	-	832
- trade and other receivables	1	1	24	9
Write back of impairment loss on:				
- trade and other receivables	-	(31)	(30)	(2,570)
- property, plant and equipment (Note B8(b))	-	-	(23,631)	-
Fair value changes on biological assets	(17)	(135)	1,272	791
Inventories written down/(back)	531	1,631	(720)	2,484
Property, plant and equipment written off	-	1	-	1
Net provision for retirement benefit obligations	251	280	198	289
Net provision/(reversal of) for warranty	713	(5,815)	(769)	(4,866)

A11. Valuation of property, plant and equipment

The Group upon adoption of MFRS has elected to use cost model from previous revaluation model. This change in accounting policy has resulted in revaluation amount on the transition date to be recorded as deemed cost.

A12. Subsequent events

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

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 and contingent assets

There were no contingent liabilities or contingent assets since 31 March 2018 other than as disclosed in Note B8.

A15. Capital commitments

	As at 31/03/19
	RM'000
Property, plant and equipment:	
Approved and contracted for	2,970

A16. Acquisition of property, plant and equipment

As at the end of the financial year todate, the Group has acquired the following assets.

	Current year to date 31/03/19
	RM'000
Land and buildings	985
Plant and machinery	1,529
Factory and office renovations	212
Equipment, furniture and fittings and motor vehicles	3,943
Bearer plants and infrastructure	13,618
Work in progress	2,092
	22,379

A17. Related party transactions

	Current year to date 31/03/19 RM'000
Penultimate Holding Company	
Kumpulan Fima Berhad	
Rental income receivable	767
Management fees payable	891
Fellow Subsidiary	
Fima Instanco Sdn Bhd	
Rental income receivable	165
Service payable	150
Boustead Oil Bulking Sdn Bhd	
Engineering consultation services	1,483
Related by virtue of common shareholder of the Company	
Nationwide Express Courier Services Berhad	
Rental income receivable	88
Purchases made - Delivery services	42
Related by virtue of director/(s) of the Company and/or Group having substantial interest	
TD Technologies Sdn. Bhd.	
Service payable	106
PT Pohon Emas Lestari	
Purchase of fresh fruit bunches	6,572

A18. Inventories

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

PART B - Explanatory notes pursuant to Bursa Malaysia Listing Requirements: Chapter 9, Appendix 9B, Part A

B1. Review of performance

	Year to date			
	31/03/19	**31/03/18**	**Variance**	
	RM'000	**RM'000**	**RM'000**	**%**
Group				
Revenue	244,720	284,646	(39,926)	(14.0)
Profit before tax and write back *	55,846	60,965	(5,119)	(8.4)
Profit before tax	79,477	60,965	18,512	30.4
Profit after tax	65,326	40,074	25,252	63.0
Profit attributable to equity holders of the Company	57,446	34,093	23,353	68.5

* *The amount is before the significant write back of impairment loss on property, plant and equipment amounting RM23.6 million pursuant to the Mahkamah Agung's decision as disclosed in Note B8(b).*

The Group recorded lower revenue by RM39.9 million and lower profit before tax and write back of impairment loss on property, plant and equipment by RM5.1 million as compared to corresponding period last year.

The performances of each business divisions are as follows:

	Year to date			
	31/03/19	**31/03/18**	**Variance**	
	RM'000	**RM'000**	**RM'000**	**%**
Production and trading of security and confidential documents				
Revenue	134,780	140,780	(6,000)	(4.3)
Profit before tax	30,558	22,807	7,751	34.0

Revenue from this segment decreased by 4.3% or RM6.0 million compared to corresponding period last year, primarily due to expiration of the contract to supply certain travel documents in the first quarter FY2018. On the back of favourable sales mix and reversal of certain provisions, the division recorded higher pretax profit by RM7.8 million compared to corresponding period last year.

	31/03/19	**31/03/18**	**Variance**	
	RM'000	**RM'000**	**RM'000**	**%**
Oil palm production and processing				
Revenue	102,836	138,098	(35,262)	(25.5)
Profit before tax and write back *	23,803	40,281	(16,478)	(40.9)
Profit before tax	47,434	40,281	7,153	17.8

* *The amount is before the significant write back of impairment loss on property, plant and equipment amounting RM23.6 million pursuant to the Mahkamah Agung's decision as disclosed in Note B8(b).*

Below are the key operating statistics for the segment:

	Year to date			
	31/03/19	**31/03/18**	**Variance**	
				%
<u>Indonesia</u>				
Fresh fruit bunch (FFB) produced (mt)	164,770	175,425	(10,655)	(6.1)
FFB yield/ha (mt)	25.98	27.53	(1.55)	(5.6)
Cost of FFB produced (RM/mt)	224.51	294.31	69.80	23.7
Crude palm oil (CPO) produced (mt)	47,966	51,887	(3,921)	(7.6)
CPO extraction rate (%)	22.34	22.09	0.25	1.1
Sales quantity (mt)				
CPO	46,954	50,275	(3,321)	(6.6)
Crude palm kernel oil (CPKO)	4,042	4,417	(375)	(8.5)
Average CIF selling price, net of duty (RM/mt)				
CPO	1,921	2,342	(421)	(18.0)
CPKO	3,015	4,431	(1,416)	(32.0)

B1. Review of performance (contd.)

	Year to date 31/03/19	31/03/18	Variance	%
Malaysia				
Fresh fruit bunch (FFB) produced (mt)	1,310	349	961	275.4
FFB yield/ha (mt)	12.07	13.53	(1.46)	(10.8)
Palm profiles (ha)				
Mature	6,426.7	6,375.1		
Immature	2,110.6	1,244.2		
Rehab	496.7	-		
Total planted area	9,034.0	7,619.3		

This segment registered 25.5% decrease in revenue compared to the corresponding period last year, primarily due to lower sales volume and selling price of CPO and CPKO. Despite this, the division recorded higher pretax profit by RM7.2 million following to the significant write back of impairment loss on property, plant and equipment amounting RM23.6 million pursuant to the Mahkamah Agung's decision as disclosed in Note B8(b).

Plantation estates in Malaysia which are presently in the development process registered a total pretax loss of RM4.5 million (last year: RM2.5 million).

	Year to date 31/03/19 RM'000	31/03/18 RM'000	Variance RM'000	%
Property Management				
Revenue	8,283	7,037	1,246	17.7
Profit before tax	1,453	1,613	(160)	(9.9)

The division recorder higher revenue by RM1.3 million or 17.7% as compared to corresponding period last year mainly due additional revenue from engineering consulation services amounting to RM1.5 million. Despite this, pretax profit for the division has dropped by 9.9% due to higher operational cost in current year.

B2. Material change in profit before taxation for the quarter reported as compared with the preceding quarter

	Q4 FY 2019 RM'000	Q3 FY 2019 RM'000	Variance RM'000	%
Group				
Revenue	69,762	53,349	16,413	30.8
Profit before tax	10,298	19,847	(9,549)	(48.1)
Profit after tax	7,669	14,787	(7,118)	(48.1)
Profit attributable to equity holders of the Company	7,869	13,141	(5,272)	(40.1)

The performances of each business divisions are as follows:

	Q4 FY 2019 RM'000	Q3 FY 2019 RM'000	Variance RM'000	%
Production and trading of security and confidential documents				
Revenue	32,923	34,611	(1,688)	(4.9)
Profit before tax	6,074	9,821	(3,747)	(38.2)

Revenue from production of security and confidential documents decreased by RM1.7 million or 4.9% in the last quarter of the year as compared to the preceding quarter. This was mainly due to decreased volume for confidential documents. On the back of lower revenue coupled with additional inventories written down and provison for warranty, a pretax profit of RM6.1 million was posted, a fall of 38.2% over the previous quarter.

B2. Material change in profit before taxation for the quarter reported as compared with the preceding quarter (contd.)

	Q4 FY 2019 RM'000	Q3 FY 2019 RM'000	Variance RM'000	%
Oil palm production and processing				
Revenue	34,013	17,331	16,682	96.3
Profit before tax	4,803	8,981	(4,178)	(46.5)

	Q4 FY 2019	Q3 FY 2019	Variance	
Crude palm oil (CPO) produced (mt)	12,268	13,984	(1,716)	(12.3)
Sales Quantity (mt)				
Crude palm oil (CPO)	16,956	8,023	8,933	111.3
Crude palm kernel oil (CPKO)	977	995	(18)	(1.8)
Average CIF selling price, net of duty (RM/mt)				
CPO	1,845	1,838	7	0.4
CPKO	2,619	2,447	172	7.0

Revenue from this segment for the current quarter of RM34.0 million was RM16.7 million or 96.3% higher than the preceding quarter, mainly due to higher sales volume of CPO. Despite this, the division recorded lower pretax profit by RM4.2 million mainly due to higher foreign exchange loss by RM3.4 million, higher loss registered by plantation estates in Malaysia by RM1.0 million and higher upkeep and cultivation cost, as compared to preceding quarter.

B3. Prospects

The production and trading of security and confidential documents segment will continue to put concerted efforts to establish new strategic alliances to develop new products and solutions to complement its existing products.

The overall 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 optimising production cost.

B4. Variance of actual profit from forecast profit

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

B5. Taxation

	Current quarter 31/03/19 RM'000	Current year to date 31/03/19 RM'000
Tax charge	2,629	14,151

The effective tax rate on the Group's profit todate is lower than the statutory tax rate mainly due overprovision in prior year tax expense.

B6. Corporate proposals

(a) Status of corporate proposal

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

(b) Utilisation of proceeds raised from any corporate proposal

Not applicable.

B7. Finance lease obligations

	As at 31/03/19 RM'000	As at 31/03/18 RM'000
Obligations under finance leases		
Current	643	611
Non-current	14,868	15,588
	15,511	16,199

The obligations under finance leases are in respect of the following land lease:

(a) A 99 year land lease granted to subsidiary, Gabungan Warisan Sdn Bhd to develop approximately 249.8 ha of land in Kuala Krai, Kelantan Darul Naim. The lease will expire on 2 July 2112.

(b) Sub-leases granted to subsidiaries, Taka Worldwide Trading Sdn Bhd and Etika Gangsa Sdn Bhd over 2 parcels of land measuring approximately 404.6 ha, deemed suitable for oil palm cultivation, situated in Mukim Relai, Jajahan Gua Musang, Kelantan for a term of 66 years expiring 5 March 2075, with an option to renew for a further period of 33 years.

(c) A 60 year lease granted to subsidiary, R.N.E. Plantation Sdn Bhd over 1 plot of agricultural land measuring 2,000 ha located at Sungai Siput, Daerah Kuala Kangsar, Perak. The lease will expire on 3 August 2075, with an option to renew for a further period of 30 years.

B8. Changes in material litigation

(a) On 30 July 2018, the Company announced that its wholly owned subsidiary, Percetakan Keselamatan Nasional Sdn. Bhd. ("the Plaintiff"), has on the same day, commenced a High Court action against Datasonic Technologies Sdn. Bhd. ("the Defendant").

The claim is for a sum of RM24,975,000 (excluding interest and cost), being the amount due and owing by the Defendant to the Plaintiff for 1.5 million Malaysian passport booklets which were supplied by the Plaintiff to the Defendant.

At the request of the Defendant during the case management on 3 October 2018, the Plaintiff agreed to attempt mediation with the aim of arriving at an amicable resolution. The mediation took place on 17 October 2018, 19 October 2018 and 1 March 2019. However, the parties could not reach a resolution.

The next case management has been fixed for 31 May 2019. The matter has been fixed for trial on 12 July 2019, 9 August 2019, 8 January 2020 and 9 January 2020.

This civil suit is not expected to have any material impact on the financial and operational position of the Company.

B8. Changes in material litigation (contd.)

(b) On 21 October 2016, the Company announced that its Indonesian subsidiary, PT Nunukan Jaya Lestari ("PTNJL") has instituted legal proceedings to challenge the order issued by the Menteri Agraria dan Tata Ruang/Kepala Badan Pertanahan Nasional ("Defendant:) ("Ministerial Order") to revoke PT NJL's land title Hak Guna Usaha No. 01/Nunukan Barat ("HGU") with immediate effect.

The Ministerial Order was on the basis that the HGU was improperly issued due to administrative irregularities performed by certain officers of the Badan Pertanahan Nasional Provinsi Kalimantan Timur at the time of the issuance of the HGU in 2003, resulting in parts of the area within the HGU to overlap with forestry areas. PTNJL's planted area affected by the Ministerial Order measures 3,691.9 hectare.

On 21 October 2016, PTNJL filed an application in the State Administrative Court in Jakarta, Indonesia seeking an order to annul the Ministerial Order. Simultaneously, in the said application, PTNJL has also sought an order from PTUN to postpone the enforcement of the Ministerial Order pending full and final determination of the matter by the Indonesian courts. The Defendant, together with a third party intervener, PT Adindo Hutani Lestari, have filed a defence against the said suit.

On 13 June 2017, the State Administrative Court dismissed the application filed by PTNJL to annul the Ministerial Order. Subsequently on 24 July 2017, PTNJL filed an appeal to the Pengadilan Tinggi Tata Usaha Negara Jakarta to appeal against the decision of the State Administrative Court.

The Pengadilan Tinggi Tata Usaha Negara Jakarta vide its written decision dated 11 December 2017 (which was received by the Company’s solicitors on 2 January 2018 and subsequently forwarded to the Company on 3 January 2018):

(i) has partly allowed PTNJL’s appeal against the State Administrative Court’s decision, with costs;

(ii) has declared that the Ministerial Order revoking PTNJL’s HGU to be void, save for the areas overlapping with forestry areas/third party interests measuring 5,138 hectares; and

(iii) has ordered the Defendant to revoke the Ministerial Order save for the areas overlapping with forestry areas/third party interests measuring 5,138 hectares.

Pursuant to Pengadilan Tinggi Tata Usaha Negara Jakarta’s decision dated 11 December 2017, PTNJL has filed its statement of appeal on 10 January 2018 and appeal on 23 January 2018 to the Mahkamah Agung Republik Indonesia (“Mahkamah Agung”) in respect of the decision of the Pengadilan Tinggi Tata Usaha Negara Jakarta.

Mahkamah Agung, vide its written decision dated 21 August 2018, has allowed PTNJL’s appeal and ruled that the Ministerial Order revoking PTNJL’s HGU be annulled. The Mahkamah Agung also ordered the Defendant, to simultaneously:

(i) issue an order cancelling PTNJL’s HGU rights over the areas overlapping with third party interests measuring 3,500 hectares; and

(ii) issue a new HGU certificate in favour of PTNJL for an area measuring 16,474.130 hectares, (which is 19,974.130 hectares *less* the 3,500 hectares referred to in paragraph (i) above).

PTNJL is currently taking the necessary legal steps to enforce the court’s decision.

The amount of write back relating to the impairment of property, plant and equipment previously affected by the Ministerial Order was RM23,631,000 which has been reflected in the previous quarterly results.

On 20 February 2019, the Company announced that PTNJL has received notice (which was received by PTNJL’s solicitors on 18 February 2019 and subsequently forwarded to the Company on 19 February 2019) that the Defendant has filed an application for judicial review together with its judicial review memorandum at the Mahkamah Agung on 8 February 2019. The Defendant is seeking to set aside the Mahkamah Agung’s written decision dated 21 August 2018 on grounds that the court had among others misapplied the law to the relevant facts in arriving at the decision. PTNJL has on 18 March 2019 filed a counter memorandum at the Mahkamah Agung in response to the said application.

Under Indonesian laws and regulations, commencement of judicial review proceedings does not prevent the implementation of the Mahkamah Agung’s written decision as aforesaid.

B8. Changes in material litigation (contd.)

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

Pursuant to the above, on 28 September 2001, the Company was served a Writ of Summons dated 9 August 2001 from a tenant ("Plaintiff") claiming for a compensation sum of approximately RM2.12 million being their renovation costs and general damages. The Board had sought the opinion from the solicitors who were of the opinion that there should be no compensation payable to the Plaintiff as the demised premise was acquired by a relevant authority which was provided in the Tenancy Agreement between the Company and the Plaintiff.

On 11 November 2008, the Court had disposed off this matter summarily in favour of the plaintiff and on 4 March 2009, the Company had filed its Record of Appeal to the Court of Appeal to appeal against the decision. The Company had made full provision for the compensation claim of RM2.12 million during the financial year ended 31 March 2009.

On 27 September 2011, the Court of Appeal had allowed the Company's appeal against the decision handed down by the High Court and directed that the matter be remitted back to the High Court for a full trial. There has been no development since 27 September 2011.

B9. Dividend

The Board of Directors recommend the payment of a single-tier final dividend of 7.5 sen per share for the year ended 31 March 2019 (last year: 7.5 sen), which subject to the shareholders' approval at the forthcoming Annual General Meeting. The proposed final dividend will amount to approximately RM18.0 million (last year: RM18.0 million) and will be paid on a date to be determined.

B10. Earnings per share

	Quarter ended		**12 Months Cumulative**	
	31/03/19	**31/03/18**	**31/03/19**	**31/03/18**
Earnings				
Profit attributable to owners of the Company (RM'000)	7,869	4,445	57,446	34,093
Basic earnings per share				
Weighted average number of ordinary shares in issue	240,390,212	241,115,721	240,390,212	241,115,721
Basic earnings per share (sen)	3.27	1.84	23.90	14.14

BY ORDER OF THE BOARD

JASMIN BINTI HOOD (LS 0009071)
FADZIL AZAHA (MIA20995)
Company Secretaries

Kuala Lumpur
Date: 23 May 2019