



FIMA CORPORATION BERHAD (197401004110) (21185-P)
(Incorporated in Malaysia)

Condensed Consolidated Financial Statements
For the Fourth Quarter and Financial Year Ended 31 March 2022

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 MARCH 2022
(THE FIGURES HAVE NOT BEEN AUDITED)**

	Note	Current Quarter		12 Months Cumulative	
		Current Year Quarter 31/03/22	Preceding Year Corresponding Quarter 31/03/21	Current Year To Date 31/03/22	Preceding Year Corresponding Period 31/03/21
		RM'000	RM'000	RM'000	RM'000
Revenue	A9	91,976	48,605	291,820	212,649
Cost of sales		(47,852)	(24,626)	(149,712)	(131,100)
Gross profit		44,124	23,979	142,108	81,549
Other income		1,512	4,136	6,731	9,813
Administrative expenses		(5,221)	(5,805)	(26,395)	(30,856)
Selling and marketing expenses		(2,008)	(1,396)	(7,740)	(6,687)
Other operating expenses		(918)	(6,248)	(21,397)	(18,830)
Finance costs		(129)	(358)	(518)	(645)
Share of results from associate		689	795	2,278	4,126
Profit before tax and zakat	A9/A10	38,049	15,103	95,067	38,470
Income tax expense and zakat	B5	(4,334)	(2,405)	(19,636)	(7,335)
Profit net of tax		33,715	12,698	75,431	31,135
Other comprehensive income, net of tax					
Foreign currency translation gain		203	40	1,767	6,802
Remeasurement of defined benefit liability		51	179	51	179
Total comprehensive income for the period/year		33,969	12,917	77,249	38,116
Profit attributable to:					
Equity holders of the Company		27,609	10,353	60,561	27,133
Non-controlling interests		6,106	2,345	14,870	4,002
Profit for the period/year		33,715	12,698	75,431	31,135
Total comprehensive income attributable to:					
Equity holders of the Company		27,812	10,541	62,015	32,718
Non-controlling interests		6,157	2,376	15,234	5,398
Total comprehensive income for the period/year		33,969	12,917	77,249	38,116
Earnings per share attributable to equity holders of the Company					
Basic/diluted earnings per share (sen)	B9	11.62	4.34	25.48	11.37

(The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 March 2021 and the accompanying explanatory notes attached to the interim financial statements)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2022

	As at 31/03/22	As at 31/03/21
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	91,568	87,083
Investment properties	55,091	56,149
Right-of-use assets	214,016	97,591
Goodwill on consolidation	510	510
Investment in associate	36,092	37,363
Deferred tax assets	8,871	6,612
	406,148	285,308
Current assets		
Biological assets	4,143	1,844
Inventories	47,174	29,094
Trade and other receivables	51,088	113,928
Due from related companies	813	2,382
Tax recoverable	2,771	7,483
Financial investments	153,324	144,563
Cash and bank balances	66,102	51,009
	325,415	350,303
TOTAL ASSETS	731,563	635,611
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	122,662	122,662
Treasury shares	(10,858)	(9,495)
Other reserves	(2,919)	(4,332)
Retained earnings	470,344	439,445
	579,229	548,280
Non-controlling interests	21,997	22,221
Total equity	601,226	570,501
Non-current liabilities		
Retirement benefit obligations	1,801	1,657
Lease liabilities	76,043	15,049
Deferred tax liabilities	4,781	4,538
	82,625	21,244
Current liabilities		
Trade and other payables	25,076	36,636
Provisions	1,023	3,115
Tax payable	15,486	55
Due to related companies	164	361
Lease liabilities	5,963	3,699
	47,712	43,866
Total liabilities	130,337	65,110
TOTAL EQUITY AND LIABILITIES	731,563	635,611
Net assets per share attributable to ordinary equity holders of the Company (RM)	2.44	2.30

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 March 2021 and the accompanying explanatory notes attached to the interim financial statements)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 MARCH 2022**

	<----- Attributable to equity holders of the Company ----->			<-----Non-Distributable----->		Distributable			
	Share capital	Treasury shares	Other reserves	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
At 1 April 2020	122,662	(7,631)	(9,774)	(14,024)	4,250	441,986	547,243	18,747	565,990
Total comprehensive income for the period/year	-	-	5,442	5,442	-	27,276	32,718	5,398	38,116
Transactions with equity holders									
Acquisition of treasury shares	-	(1,864)	-	-	-	-	(1,864)	-	(1,864)
Dividend paid	-	-	-	-	-	(29,817)	(29,817)	(1,924)	(31,741)
Total transactions with equity holders	-	(1,864)	-	-	-	(29,817)	(31,681)	(1,924)	(33,605)
At 31 March 2021	122,662	(9,495)	(4,332)	(8,582)	4,250	439,445	548,280	22,221	570,501
At 1 April 2021	122,662	(9,495)	(4,332)	(8,582)	4,250	439,445	548,280	22,221	570,501
Total comprehensive income for the period/year	-	-	1,413	1,413	-	60,602	62,015	15,234	77,249
Transactions with equity holders									
Acquisition of treasury shares	-	(1,363)	-	-	-	-	(1,363)	-	(1,363)
Dividend paid	-	-	-	-	-	(29,703)	(29,703)	(15,458)	(45,161)
Total transactions with equity holders	-	(1,363)	-	-	-	(29,703)	(31,066)	(15,458)	(46,524)
At 31 March 2022	122,662	(10,858)	(2,919)	(7,169)	4,250	470,344	579,229	21,997	601,226

(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 March 2021 and the accompanying explanatory notes attached to the interim financial statements)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 MARCH 2022

	12 months ended	
	31/03/22	31/03/21
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	95,067	38,470
Adjustments for:		
Depreciation for property, plant and equipment	8,265	6,599
Depreciation of investment properties	1,058	1,507
Depreciation of right-of-use assets	7,430	5,520
Net impairment/(write back of impairment) loss on trade and other receivables	213	(394)
Fair value changes on biological assets	(2,249)	1,781
Inventories written down/(back)	77	(1,760)
Net provision/(reversal of provision) for retirement benefit obligations	301	(180)
Net reversal of provision for warranty	(2,092)	(4,963)
Gain on disposal of property, plant and equipment	-	(21)
Share of results of associate	(2,278)	(4,126)
Income from rent concession	(392)	(588)
Interest expense	518	645
Interest income	(124)	(47)
Profit income	(1,599)	(1,295)
Distribution from financial investments	(1,720)	(2,924)
Unrealised foreign exchange loss/(gain)	1,664	(220)
Operating profit before working capital changes	104,139	38,004
Decrease in trade and other receivables	22,469	50,851
(Increase)/decrease in inventories	(17,899)	15,309
Increase/(decrease) in related companies balances	1,372	(1,042)
(Decrease)/increase in trade and other payables	(11,821)	6,449
Cash generated from operations	98,260	109,571
Taxes paid	(1,402)	(9,195)
Zakat paid	(107)	-
Retirement benefits paid	(102)	(183)
Net cash generated from operating activities	96,649	100,193
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(12,410)	(10,729)
Proceeds from disposal of property, plant and equipment	-	23
Payment/deposit paid for acquisition of land	(15,430)	(38,163)
Interest income received	124	47
Dividends received	3,549	-
Profit income	1,599	1,295
Distribution received from financial investments	1,720	2,924
Net investment in financial investments	(8,761)	(17,533)
Net cash used in investing activities	(29,609)	(62,136)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(29,703)	(29,817)
Dividend paid by a subsidiary to non-controlling interests	(15,458)	(1,924)
Repayment of lease obligations	(6,096)	(2,940)
Acquisition of treasury shares	(1,363)	(1,864)
Net cash used in financing activities	(52,620)	(36,545)

**FIMA CORPORATION BERHAD (197401004110) (21185-P)****CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS****FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D.)**

	12 months ended	
	<u>31/03/22</u>	<u>31/03/21</u>
	RM'000	RM'000
CASH AND CASH EQUIVALENTS		
Net increase in cash and cash equivalents	14,420	1,512
Effect of exchange rate changes in cash and cash equivalents	673	1,946
Cash and cash equivalents balances at beginning of the year	51,009	47,551
Cash and cash equivalents at end of year	<u>66,102</u>	<u>51,009</u>
CASH AND CASH EQUIVALENTS COMPRISE OF:		
Cash and bank balances	28,306	15,830
Deposits with licensed banks	37,796	35,179
Cash and cash equivalents	<u>66,102</u>	<u>51,009</u>

(The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 March 2021 and the accompanying explanatory notes attached to the interim financial statements)

NOTES TO THE QUARTERLY ANNOUNCEMENT FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 MARCH 2022

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 2021. 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 2021.

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 2021 except for the adoption of the following new and revised Malaysian Financial Reporting Standards ("MFRSs"), Amendments to MFRSs and IC Interpretations.

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

On 1 April 2021, the Group adopted the following new and amended MFRSs and IC Interpretation:

- Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16: Interest Rate Benchmark Reform - Phase 2
- Amendments to MFRS 16: Covid-19-Related Rent Concessions beyond 30 June 2021

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 Interpretation that are not yet effective:

	Effective for annual period beginning on or after
Amendments to MFRS 3: Reference to Conceptual Framework	1 January 2022
Amendments to MFRS 116: Property, Plant and Equipment - Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137: Onerous Contracts - Cost of Fulfilling a Contract	1 January 2022
Annual improvements to MFRS 2018 - 2020	1 January 2022
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 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 interpretation 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 2021 were not subject to any audit qualification.

A4. Seasonality or cyclicity 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.

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 quarter.

During the current quarter, the Company repurchased 55,000 of its issued ordinary shares from the open market at an average price of RM1.95. The total transaction paid for the repurchase including transaction costs was RM107,064. Of the total 245,324,330 issued ordinary shares, 7,943,900 shares are held as treasury shares by the Company.

A8. Dividends paid

		12 months cumulative	
		31/03/22	31/03/21
		RM'000	RM'000
Interim dividend			
2020	Single-tier second interim dividend of 7.5 sen (Paid on 7 September 2020)	-	17,899
2021	Single-tier first interim dividend of 5.0 sen (Paid on 30 December 2020)	-	11,918
	Single-tier second interim dividend of 7.5 sen (Paid on 3 September 2021)	17,831	-
2022	Single-tier first interim dividend of 5.0 sen (Paid on 30 December 2021)	11,872	-
		<u>29,703</u>	<u>29,817</u>

A9. Segmental information

(a) Segmental revenue and results for business segments

	Quarter ended		12 months cumulative	
	31/03/22	31/03/21	31/03/22	31/03/21
	RM'000	RM'000	RM'000	RM'000
Revenue				
Production and trading of security and confidential documents	26,712	20,636	104,126	101,933
Oil palm production and processing	63,901	26,157	180,634	103,747
Property management	1,640	2,114	8,065	8,335
Others	-	50,400	145,306	93,931
	92,253	99,307	438,131	307,946
Eliminations	(277)	(50,702)	(146,311)	(95,297)
	91,976	48,605	291,820	212,649
Profit before tax				
Production and trading of security and confidential documents	4,364	2,512	8,490	14,596
Oil palm production and processing	31,999	10,739	90,199	20,950
Property management	530	928	2,236	2,237
Others	467	50,354	137,254	90,577
	37,360	64,533	238,179	128,360
Share of results of associate	689	795	2,278	4,126
	38,049	65,328	240,457	132,486
Eliminations	-	(50,225)	(145,390)	(94,016)
	38,049	15,103	95,067	38,470

(b) Geographical segments

	Quarter ended		12 months cumulative	
	31/03/22	31/03/21	31/03/22	31/03/21
	RM'000	RM'000	RM'000	RM'000
Revenue				
Malaysia	33,852	74,673	276,257	212,456
Indonesia	58,401	24,634	161,874	95,490
	92,253	99,307	438,131	307,946
Eliminations	(277)	(50,702)	(146,311)	(95,297)
	91,976	48,605	291,820	212,649
Profit before tax				
Malaysia	6,747	52,918	151,298	107,760
Indonesia	31,302	12,410	89,159	24,726
	38,049	65,328	240,457	132,486
Eliminations	-	(50,225)	(145,390)	(94,016)
	38,049	15,103	95,067	38,470

	Quarter ended/12 months cumulative			
	31/03/22		31/03/21	
	Assets	Liabilities	Assets	Liabilities
	RM'000	RM'000	RM'000	RM'000
Malaysia	785,571	106,173	691,489	60,974
Indonesia	99,052	24,621	122,831	17,146
	884,623	130,794	814,320	78,120
Eliminations	(153,060)	(457)	(178,709)	(13,010)
Group	731,563	130,337	635,611	65,110

A10. Profit before tax

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

	Quarter ended		12 months cumulative	
	31/03/22	31/03/21	31/03/22	31/03/21
	RM'000	RM'000	RM'000	RM'000
Other income				
Gain on disposal of property, plant and equipment	-	3	-	21
Interest income	20	11	124	47
Profit income	612	487	1,599	1,295
Distribution from financial investments	242	421	1,720	2,924
Income from rent concession	-	291	392	588
Others	638	2,923	2,896	4,938
Operating expenses				
Depreciation	4,063	1,502	16,753	13,626
Unrealised foreign exchange loss/(gain)	1,290	(220)	1,664	(220)
Realised foreign exchange (gain)/loss	(791)	2,572	(791)	5,251
Net (write back of impairment)/ impairment loss on trade and other receivables	(3,062)	24	213	(394)
Fair value changes on biological assets	(218)	2,145	(2,249)	1,781
Inventories (written back)/written down	(472)	(1,698)	77	(1,760)
Net provision/(reversal of provision) for retirement benefit obligations	322	(284)	301	(180)
Net reversal of provision for warranty	(1,538)	(3,845)	(2,092)	(4,963)

A11. Subsequent events

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

A12. Changes in the composition of the Group

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

A13. Changes in contingent liabilities and contingent assets

There were no contingent liabilities or contingent assets since 31 March 2021 other than as disclosed in Note B7.

A14. Capital commitments

	As at 31/03/22
	RM'000
Property, plant and equipment: Approved and contracted for	11,812

A15. Acquisition of property, plant and equipment

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

	Current year to date 31/03/22
	RM'000
Buildings	426
Plant and machinery	536
Factory and office renovations	273
Equipment, furniture and fittings and motor vehicles	1,918
Bearer plants and infrastructure	8,860
Work in progress	397
	12,410

A16. Related party transactions

	Current year to date 31/03/22
	RM'000
Ultimate Holding Company	
- Kumpulan Fima Berhad - Rental income receivable	878
- Kumpulan Fima Berhad - Management fees and services payable	1,905
- Kumpulan Fima Berhad - Services receivable	326
Fellow Subsidiaries	
- Fima Instanco Sdn Bhd - Rental income receivable	162
- Fima Instanco Sdn Bhd - Services receivable	138
- International Food Corporation Limited - Sales rendered	1,627
- Fima Biodiesel Sdn Bhd - Services receivable	351
- Pineapple Cannery of Malaysia Sendirian Berhad - Services receivable	178
- Amgreen Gain Sdn Bhd - Services receivable	380
Transactions with related parties *	
- Nationwide Express Courier Services Berhad - Rental income receivable	89
- Nationwide Express Courier Services Berhad - Services payable	24
- TD Technologies Sdn Bhd - Services payable	142
- First Zanzibar Sdn Bhd - Services payable	42
- PT Pohon Emas Lestari - Purchase of fresh fruit bunches	9,403

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

A17. 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		Variance	
	31/03/22	31/03/21	RM'000	%
	RM'000	RM'000	RM'000	
Group				
Revenue	291,820	212,649	79,171	37.2
Profit before tax	95,067	38,470	56,597	147.1
Profit attributable to equity holders of the Company	60,561	27,133	33,428	123.2

Group revenue for the year ended 31 March 2022 rose by 37.2% to RM291.8 million as compared to RM212.6 million recorded last year. Higher revenue by RM79.2 million was mainly attributed to the increase in revenue generated by plantation division.

In line with higher revenue coupled with better margin and lower administrative costs, the Group's profit before tax has improved by 147.1% to RM95.1 million in the current year.

The performances of each business divisions are as follows:

	Year to date		Variance	
	31/03/22	31/03/21	RM'000	%
	RM'000	RM'000	RM'000	
Production and trading of security and confidential documents				
Revenue	104,126	101,933	2,193	2.2
Profit before tax	8,490	14,596	(6,106)	(41.8)

The division recorded net increase in revenue by RM2.2 million or 2.2% as compared to last year.

The pretax profit however, was lower by RM6.1 million or 41.8% compared to last year mainly due to adjustment of RM4.3 million in relation to High Court's decision as disclosed in Note B7(1) and lower reversal of provision this year.

	Year to date		Variance	
	31/03/22	31/03/21	RM'000	%
	RM'000	RM'000	RM'000	
Oil palm production and processing				
Revenue	180,634	103,747	76,887	74.1
Profit before tax	90,199	20,950	69,249	330.5

Below are the key operating statistics for the segment:

	Year to date		Variance	
	31/03/22	31/03/21	RM'000	%
	RM'000	RM'000	RM'000	
Indonesia				
Fresh fruit bunch (FFB) produced (mt)	133,929	133,799	130	0.1
Crude palm oil (CPO) produced (mt)	38,220	35,424	2,796	7.9
Sales quantity (mt)				
- CPO	38,145	35,177	2,968	8.4
- Crude palm kernel oil (CPKO)	3,004	3,692	(688)	(18.6)
Malaysia				
Fresh fruit bunch (FFB) produced (mt)	19,350	14,960	4,390	29.3

B1. Review of performance (cont'd.)

	Year to date	
	31/03/22	31/03/21
Total Group's hectarage		
Palm profiles (ha)		
Mature	7,329.3	6,842.9
Immature	1,170.3	1,321.1
Total planted area	8,499.6	8,164.0

The revenue for this division increased tremendously as compared to last year by 74.1% or RM76.9 million, primarily due to higher price of CPO and CPKO. In line with higher revenue coupled with lower operational cost and lower foreign exchange loss, the pre-tax profit for the division increased to RM90.2 million from RM21.0 million recorded last year.

Plantation estates in Malaysia which are presently in the development process and partially matured had registered pre-tax profit of RM1.0 million (last year: RM2.8 million pre-tax loss). The overturn in current period is mainly contributed by higher FFB production and higher FFB price.

	Year to date		Variance	
	31/03/22	31/03/21	RM'000	%
	RM'000	RM'000	RM'000	%
Property Management				
Revenue	8,065	8,335	(270)	(3.2)
Profit before tax	2,236	2,237	(1)	-

The division recorded lower revenue by RM0.3 million as compared to last year which mainly contributed by lower rental collection. Despite this, the division managed to maintain its pretax profit by having lower operational cost this year.

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

	Q4	Q3	Variance	
	FY 2022	FY 2022	RM'000	%
	RM'000	RM'000	RM'000	%
Group				
Revenue	91,976	92,750	(774)	(0.8)
Profit before tax	38,049	29,338	8,711	29.7
Profit attributable to equity holders of the Company	27,609	16,173	11,436	70.7

The performances of each business divisions are as follows:

	Q4	Q3	Variance	
	FY 2022	FY 2022	RM'000	%
	RM'000	RM'000	RM'000	%
Production and trading of security and confidential documents				
Revenue	26,712	34,168	(7,456)	(21.8)
Profit before tax	4,364	4,949	(585)	(11.8)

The revenue for the division decreased by 21.8% or RM7.4 million in the current quarter after having lower demand for almost all products. In line with lower revenue, the pretax profit for the division decreased by RM0.6 million as compared to previous quarter.

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

	Q4 FY 2022	Q3 FY 2022	Variance	
	RM'000	RM'000	RM'000	%
Oil palm production and processing				
Revenue	63,901	56,485	7,416	13.1
Profit before tax	31,999	29,909	2,090	7.0

	Q4 FY 2022	Q3 FY 2022	Variance	
				%
Indonesia				
Crude palm oil (CPO) produced (mt)	9,691	10,506	(815)	(7.8)
Sales Quantity (mt)				
- Crude palm oil (CPO)	11,073	11,002	71	0.6
- Crude palm kernel oil (CPKO)	1,000	1,007	(7)	(0.7)

Malaysia				
Fresh fruit bunch (FFB) produced (mt)	4,534	5,666	(1,132)	(20.0)

Revenue from this division for the current quarter of RM63.9 million was RM7.4 million or 13.1% higher than the preceding quarter, mainly due to higher price of CPO and CPKO. In line with higher revenue, the profit before tax for the division increased to RM32.0 million in the current quarter.

B3. Prospects

We expect the challenging environment to remain in the next financial year due to uncertainties brought up by the COVID-19. Certain division is expecting lesser demand in its products and disruption on supply chain. In addition, fluctuations in exchange rates and commodity prices will influence the Group's financial performance and position.

To face the challenges ahead, the Group will continue to take necessary measures to ride out this challenging time by enhancing our operational efficiencies. 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. In addition, the Group will remain focused in improving its efficiency.

B4. Variance of actual profit from forecast profit

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

B5. Income tax expense and zakat

	Current quarter 31/03/22	Current year to date 31/03/22
	RM'000	RM'000
Tax expense	(4,334)	19,529
Zakat	-	107
	(4,334)	19,636

The effective tax rate on the Group's profit to date is lower than the statutory tax rate mainly due to lower tax rate applied by Indonesian subsidiary and also first year deferred tax assets recognition by Malaysian's plantation subsidiaries.

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. Changes in material litigation

- (1) On 30 July 2018, the Company's subsidiary, Percetakan Keselamatan Nasional Sdn. Bhd. ("the Plaintiff or Appellant"), has commenced a High Court action against Datasonic Technologies Sdn. Bhd. ("the Defendant or Respondent").

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.

After the settlement negotiation and mediation between the parties have failed and numerous postponements on the trial dates, the trial took place on 23 and 24 August 2021.

On 13 October 2021, the High Court Judge ordered the Defendant to pay the Plaintiff a sum of RM15,000,000 with 4% interest from today until full and final settlement. In addition, the Court has ordered the Plaintiff to pay the Defendant costs of RM30,000.

The Appellant has on 29 October 2021, filed a Notice of Appeal at the Court of Appeal, appealing against some parts of the High Court's decision given on 13 October 2021. Subsequently on 22 December 2021, the Appellant has filed its Memorandum of Appeal together with the Records of Appeal at the Court of Appeal as per the Court's directive.

During the case management held on 23 December 2021, the Court of Appeal has directed the parties to file and exchange their respective written submission by 31 May 2022. The next case management has been fixed on 2 June 2022 and hearing for the appeal has been fixed on 15 June 2022.

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

- (2) On 28 November 2019, PTNJL had 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 PT. Adindo Hutani Lestari ("PTAHL") (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 proceeded 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 Defendants on the basis that the District 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 PNJS dated 15 September 2020.

B8. Dividend

The Board of Directors recommend the payment of a single-tier second interim dividend of 7.5 sen per share (last year: 7.5 sen) and a single-tier special dividend of 2.5 sen per share (last year: nil) for the year ended 31 March 2022. The proposed dividends will amount to approximately RM23.7 million (last year: RM17.8 million) and will be paid on a date to be determined.

B9. Earnings per share

	Quarter ended		12 months cumulative	
	31/03/22	31/03/21	31/03/22	31/03/21
Earnings				
Profit attributable to equity holders of the Company (RM'000)	<u>27,609</u>	<u>10,353</u>	<u>60,561</u>	<u>27,133</u>
Basic earnings per share				
Weighted average number of ordinary shares in issue	237,637,221	238,577,587	237,637,221	238,577,587
Basic earnings per share (sen)	<u>11.62</u>	<u>4.34</u>	<u>25.48</u>	<u>11.37</u>

BY ORDER OF THE BOARD

JASMIN BINTI HOOD (LS 0009071)

FADZIL AZAHA (MIA20995)

Company Secretaries

Kuala Lumpur

Date: 24 May 2022