



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

Condensed Consolidated Financial Statements
For the Fourth Quarter and Financial Year Ended 31 March 2023

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 MARCH 2023
(THE FIGURES HAVE NOT BEEN AUDITED)**

	Note	Current Quarter		12 Months Cumulative	
		Current Year 31/03/23	Preceding Year Corresponding Quarter 31/03/22	Current Year To Date 31/03/23	Preceding Year Corresponding Period 31/03/22
		RM'000	RM'000	RM'000	RM'000
Revenue	A9	84,522	92,404	295,917	300,591
Cost of sales		(51,536)	(47,852)	(182,117)	(149,712)
Gross profit		32,986	44,552	113,800	150,879
Other income		3,160	1,512	8,790	6,731
Administrative expenses		(10,272)	(5,221)	(35,847)	(26,395)
Selling and marketing expenses		(6,008)	(2,436)	(13,471)	(16,511)
Other operating expenses		(12,022)	(918)	(24,308)	(21,397)
Finance costs		(700)	(129)	(1,304)	(518)
Share of results from associate		(724)	689	3,630	2,278
Profit before tax and zakat	A9/A10	6,420	38,049	51,290	95,067
Income tax expense and zakat	B5	(530)	(4,334)	(12,294)	(19,636)
Profit for the period/year		5,890	33,715	38,996	75,431
Other comprehensive income/(expense), net of tax					
Foreign currency translation gain		2,005	203	226	1,767
Remeasurement of defined benefit liability		(47)	51	(47)	51
Total comprehensive income for the period/year		7,848	33,969	39,175	77,249
Profit/(loss) attributable to:					
Equity holders of the Company		7,665	27,609	36,100	60,561
Non-controlling interests		(1,775)	6,106	2,896	14,870
Profit for the period/year		5,890	33,715	38,996	75,431
Total comprehensive income/(expense) attributable to:					
Equity holders of the Company		9,231	27,812	36,243	62,015
Non-controlling interests		(1,383)	6,157	2,932	15,234
Total comprehensive income for the period/year		7,848	33,969	39,175	77,249
Earnings per share attributable to equity holders of the Company					
Basic/diluted earnings per share (sen)	B9	3.23	11.62	15.21	25.48

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2023

	As at 31/03/23	As at 31/03/22
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	113,563	91,568
Right-of-use assets	212,176	214,016
Investment properties	43,922	55,091
Goodwill on consolidation	510	510
Investment in associate	39,722	36,092
Deferred tax assets	11,856	9,931
	421,749	407,208
Current assets		
Inventories	37,662	47,174
Biological assets	2,902	4,143
Trade and other receivables	55,459	51,088
Due from related companies	529	813
Financial investments	128,872	153,324
Cash and bank balances	67,747	66,102
Tax recoverable	3,609	1,711
	296,780	324,355
TOTAL ASSETS	718,529	731,563
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	122,662	122,662
Treasury shares	(11,290)	(10,858)
Other reserves	(2,738)	(2,919)
Retained earnings	470,805	470,344
	579,439	579,229
Non-controlling interests	20,825	21,997
Total equity	600,264	601,226
Non-current liabilities		
Lease liabilities	79,108	76,043
Retirement benefit obligations	1,636	1,801
Deferred tax liabilities	5,376	4,781
	86,120	82,625
Current liabilities		
Lease liabilities	3,164	5,963
Trade and other payables	27,877	25,076
Provision for warranty	970	1,023
Due to related companies	51	164
Tax payable	83	15,486
	32,145	47,712
Total liabilities	118,265	130,337
TOTAL EQUITY AND LIABILITIES	718,529	731,563
Net assets per share attributable to ordinary equity holders of the Company (RM)	2.44	2.44

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

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 MARCH 2023**

	<----- 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 2021	122,662	(9,495)	(4,332)	(8,582)	4,250	439,445	548,280	22,221	570,501
Total comprehensive income for the 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
At 1 April 2022	122,662	(10,858)	(2,919)	(7,169)	4,250	470,344	579,229	21,997	601,226
Total comprehensive income for the year	-	-	181	181	-	36,062	36,243	2,932	39,175
Transactions with equity holders									
Acquisition of treasury shares	-	(432)	-	-	-	-	(432)	-	(432)
Dividend paid	-	-	-	-	-	(35,601)	(35,601)	(4,104)	(39,705)
Total transactions with equity holders	-	(432)	-	-	-	(35,601)	(36,033)	(4,104)	(40,137)
At 31 March 2023	122,662	(11,290)	(2,738)	(6,988)	4,250	470,805	579,439	20,825	600,264

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

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 MARCH 2023

	12 months ended	
	31/03/23	31/03/22
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	51,290	95,067
Adjustments for:		
Depreciation for property, plant and equipment	7,658	8,265
Depreciation of investment properties	1,529	1,508
Depreciation of right-of-use assets	7,591	7,430
Net impairment loss on trade and other receivables	1,274	212
Fair value changes on biological assets	1,247	(2,249)
Inventories written down	3,675	77
Net (reversal of provision)/provision for retirement benefit obligations	(32)	301
Net reversal of provision for warranty	(53)	(2,092)
Gain on disposal of property, plant and equipment	(4)	-
Share of results of associate	(3,630)	(2,278)
Income from rent concession	-	(392)
Interest expense	1,304	518
Interest income	-	(124)
Profit income	(1,417)	(1,599)
Distribution from financial investments	(3,478)	(1,720)
Unrealised foreign exchange loss/(gain)	44	(4)
Operating profit before working capital changes	66,998	102,920
Increase/(decrease) in trade and other receivables	(5,645)	24,134
Decrease/(increase) in inventories	5,837	(17,899)
Increase/(decrease) in related companies balances	127	(11,817)
Increase in trade and other payables	2,801	1,372
Cash generated from operations	70,118	98,710
Taxes paid	(30,915)	(1,328)
Zakat paid	(10)	(108)
Retirement benefits paid	(195)	(102)
Net cash generated from operating activities	38,998	97,172
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(16,921)	(12,410)
Purchase of investment properties	(3,098)	(450)
Proceeds from disposal of property, plant and equipment	19	-
Payment/deposit paid for acquisition of leasehold land	-	(15,430)
Interest income received	-	124
Dividends received	-	3,549
Profit income received	1,417	1,599
Distribution received from financial investments	3,478	1,720
Net purchase of financial investments	24,452	(8,761)
Net cash generated from/(used in) investing activities	9,347	(30,059)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid to equity holders	(35,601)	(29,703)
Dividend paid by a subsidiary to non-controlling interests	(4,104)	(15,458)
Repayment of lease obligations	(6,790)	(6,096)
Acquisition of treasury shares	(432)	(1,363)
Net cash used in financing activities	(46,927)	(52,620)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 MARCH 2023 (CONT'D.)**

	12 months ended	
	<u>31/03/23</u>	<u>31/03/22</u>
	RM'000	RM'000
CASH AND CASH EQUIVALENTS		
Net increase in cash and cash equivalents	1,418	14,493
Effect of exchange rate changes in cash and cash equivalents	227	600
Cash and cash equivalents balances at beginning of the year	66,102	51,009
Cash and cash equivalents at end of year	<u>67,747</u>	<u>66,102</u>
CASH AND CASH EQUIVALENTS COMPRISE OF:		
Cash and bank balances	31,116	28,305
Deposits with licensed banks	36,631	37,797
Cash and cash equivalents	<u>67,747</u>	<u>66,102</u>

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

NOTES TO THE QUARTERLY ANNOUNCEMENT FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 MARCH 2023

PART A - Explanatory notes pursuant to MFRS 134

A1. Basis of preparation

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

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

A2. Changes in accounting policies

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

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

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

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

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

(b) Standards and Interpretations issued but not yet effective

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

	Effective for annual period beginning on or after
MFRS 17: Insurance Contracts	1 January 2023
Amendments to MFRS 17: Initial Application of MFRS 17 and MFRS 9 - Comparative Information	1 January 2023
Amendments to MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to MFRS 101: Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108: Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 16: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101: Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 10 and MFRS 128: Sales or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The directors expect that the adoption of the above standards and 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 2022 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 plantation division's performance 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 95,800 of its issued ordinary shares from the open market at an average price of RM1.97. The total transaction paid for the repurchase including transaction costs was RM188,961. Of the total 245,324,330 issued ordinary shares, 8,166,800 shares are held as treasury shares by the Company.

A8. Dividends paid

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

		12 months cumulative	
		31/03/23	31/03/22
		RM'000	RM'000
Interim dividend			
2021	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
	Single-tier second interim dividend of 7.5 sen (Paid on 12 August 2022)	17,803	-
2023	Single-tier first interim dividend of 5.0 sen (Paid on 30 December 2022)	11,863	-
Special Dividend			
2022	Single-tier special dividend of 2.5 sen (Paid on 12 August 2022)	5,935	-
		35,601	29,703

A9. Segmental information

(a) Segmental revenue and results for business segments

	Quarter ended		12 months cumulative	
	31/03/23	31/03/22	31/03/23	31/03/22
	RM'000	RM'000	RM'000	RM'000
Revenue				
Production and trading of security and confidential documents	31,606	26,712	129,562	104,126
Oil palm production and processing	50,617	64,329	159,572	189,405
Property management	2,385	1,640	8,016	8,065
Others	-	-	58,140	145,306
	84,608	92,681	355,290	446,902
Eliminations	(86)	(277)	(59,373)	(146,311)
	84,522	92,404	295,917	300,591
Profit before tax				
Production and trading of security and confidential documents	(1,811)	4,364	10,105	8,490
Oil palm production and processing	8,733	31,999	39,328	90,199
Property management	671	530	1,882	2,236
Others	(426)	467	54,508	137,254
	7,167	37,360	105,823	238,179
Share of results of associate	(724)	689	3,630	2,278
	6,443	38,049	109,453	240,457
Eliminations	(23)	-	(58,163)	(145,390)
	6,420	38,049	51,290	95,067

(b) Geographical segments

	Quarter ended		12 months cumulative	
	31/03/23	31/03/22	31/03/23	31/03/22
	RM'000	RM'000	RM'000	RM'000
Revenue				
Malaysia	37,062	34,270	213,229	277,622
Indonesia	47,546	58,411	142,061	169,280
	84,608	92,681	355,290	446,902
Eliminations	(86)	(277)	(59,373)	(146,311)
	84,522	92,404	295,917	300,591
Profit before tax				
Malaysia	(6,584)	6,747	62,878	151,298
Indonesia	13,027	31,302	46,575	89,159
	6,443	38,049	109,453	240,457
Eliminations	(23)	-	(58,163)	(145,390)
	6,420	38,049	51,290	95,067

	Quarter ended/12 months cumulative			
	31/03/23		31/03/22	
	Assets	Liabilities	Assets	Liabilities
	RM'000	RM'000	RM'000	RM'000
Malaysia	773,392	107,940	785,571	106,173
Indonesia	99,923	9,693	99,052	24,621
	873,315	117,633	884,623	130,794
Eliminations	(154,786)	632	(153,060)	(457)
Group	718,529	118,265	731,563	130,337

A10. Profit before tax

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

	Quarter ended		12 months cumulative	
	31/03/23	31/03/22	31/03/23	31/03/22
	RM'000	RM'000	RM'000	RM'000
Other income				
Gain on disposal of property, plant and equipment	4	-	4	-
Interest income	-	20	-	124
Profit income	297	612	1,417	1,599
Distribution from financial investments	1,226	242	3,478	1,720
Income from rent concession	-	-	-	392
Others	1,633	638	3,891	2,896
Operating expenses				
Depreciation	4,167	4,513	16,778	17,203
Unrealised foreign exchange loss/(gain)	44	(4)	44	(4)
Realised foreign exchange loss	468	503	318	877
Net impairment loss/(reversal of impairment) on trade and other receivables	1,629	(3,063)	1,274	212
Fair value changes on biological assets	65	(218)	1,247	(2,249)
Inventories written down/(back)	2,828	(472)	3,675	77
Net (reversal of provision)/provision for retirement benefit obligations	(34)	322	(32)	301
Net reversal of provision for warranty	(329)	(1,538)	(53)	(2,092)

A11. Subsequent events

There were no material events subsequent to 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 2022 other than as disclosed in Note B7.

A14. Capital commitments

The amount of commitments not provided for in the financial statements as at 31 March 2023 were as follows:

	As at 31/03/23
	RM'000
Property, plant and equipment: Approved and contracted for	20,934

A15. Acquisition of property, plant and equipment

As at the end of the financial period to date, the Group has acquired the following assets:

	Current year to date 31/03/23
	RM'000
Buildings	108
Plant and machinery	921
Factory and office renovations	121
Equipment, furniture and fittings and motor vehicles	1,863
Bearer plants and infrastructure	12,886
Work in progress	1,022
	16,921

A16. Related party transactions

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

	Current year to date 31/03/23
	RM'000
Transactions with Ultimate Holding Company	
- Kumpulan Fima Berhad - Rental income receivable	887
- Kumpulan Fima Berhad - Management fees and services payable	1,050
- Kumpulan Fima Berhad - Sales/services receivable	307
Transactions with Fellow Subsidiaries	
- Fima Instanco Sdn Bhd - Rental income receivable	180
- Fima Instanco Sdn Bhd - Services receivable	53
- International Food Corporation Limited - Sales rendered	1,521
- Fima Bulking Services Berhad - Services receivable	16
- Pineapple Cannery of Malaysia Sendirian Berhad - Services receivable	225
- Amgreen Gain Sdn Bhd - Services receivable	242
Transactions with related parties *	
- Nationwide Express Courier Services Berhad - Rental income receivable	24
- Nationwide Express Courier Services Berhad - Services payable	82
- TD Technologies Sdn Bhd - Services payable	140
- First Zanzibar Sdn Bhd - Services payable	101
- PT Pohon Emas Lestari - Purchase of fresh fruit bunches	7,274

* 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	
	31/03/23	31/03/22		
	RM'000	RM'000	RM'000	%
Group				
Revenue	295,917	300,591	(4,674)	(1.6)
Profit before tax	51,290	95,067	(43,777)	(46.0)
Profit attributable to equity holders of the Company	36,100	60,561	(24,461)	(40.4)

Although the Group's revenue only decreased marginally by 1.6% or RM4.7 million, its profit before tax decreased significantly compared to the previous year. This was largely due to a decrease in profit before tax recorded by the plantation division.

The performances of each business divisions are as follows:

	Year to date		Variance	
	31/03/23	31/03/22		
	RM'000	RM'000	RM'000	%
Production and trading of security and confidential documents				
Revenue	129,562	104,126	25,436	24.4
Profit before tax	10,105	8,490	1,615	19.0

The division's revenue for the current year increased significantly by RM25.4 million, or 24.4%, compared to last year, primarily due to higher sales volumes across most products. As a result of the increased revenue, the division's pre-tax profit also increased, rising by 19.0% or RM1.6 million this year.

	Year to date		Variance	
	31/03/23	31/03/22		
	RM'000	RM'000	RM'000	%
Oil palm production and processing				
Revenue	159,572	189,405	(29,833)	(15.8)
Profit before tax	39,328	90,199	(50,871)	(56.4)

Below are the key operating statistics for the segment:

	Year to date		Variance	
	31/03/23	31/03/22		
				%
Indonesia				
Sales quantity (mt)				
- CPO	36,896	38,145	(1,249)	(3.3)
- Crude palm kernel oil (CPKO)	3,274	3,004	270	9.0
Malaysia				
Fresh fruit bunch (FFB) produced (mt)	18,929	19,350	(421)	(2.2)

B1. Review of performance (cont'd.)

The division recorded a 15.8% or RM29.8 million decrease in revenue as compared to the last year, primarily due to a decrease in sales prices of CPO and CPKO, as well as a decrease in the total sales volume for both products. This reduction in revenue, combined with increased in operational cost especially fertilizer cost and higher rehabilitation cost incurred by the estates that were acquired last year, resulted in a decrease of RM50.9 million in the division's pre-tax profit for the current year.

Plantation estates in Malaysia which are presently in the development process and partially matured registered total pre-tax loss of RM7.2 million in current year (last year: pre-tax profit of RM1.0 million).

	Year to date		Variance	
	31/03/23	31/03/22	RM'000	%
	RM'000	RM'000	RM'000	%
Property Management				
Revenue	8,016	8,065	(49)	(0.6)
Profit before tax	1,882	2,236	(354)	(15.8)

The division's revenue for the current year remained consistent as last year with minimal decrease of 0.6%. However, its pre-tax profit decreased by 15.8% or RM0.4 million, primarily due to higher operational costs.

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

	Q4	Q3	Variance	
	FY 2023	FY 2023	RM'000	%
	RM'000	RM'000	RM'000	%
Group				
Revenue	84,522	69,809	14,713	21.1
Profit before tax	6,420	18,276	(11,856)	(64.9)
Profit attributable to equity holders of the Company	7,665	12,129	(4,464)	(36.8)

The performances of each business divisions are as follows:

	Q4	Q3	Variance	
	FY 2023	FY 2023	RM'000	%
	RM'000	RM'000	RM'000	%
Production and trading of security and confidential documents				
Revenue	31,606	32,999	(1,393)	(4.2)
(Loss)/profit before tax	(1,811)	4,765	(6,576)	(138.0)

The division recorded a pre-tax loss of RM1.8 million in current quarter as compared to pre-tax profit of RM4.8 million in last quarter, primarily to higher impairment loss on trade receivables and higher inventories written down were posted in current period.

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

	Q4 FY 2023 RM'000	Q3 FY 2023 RM'000	Variance	
			RM'000	%
Oil palm production and processing				
Revenue	50,617	35,318	15,299	43.3
Profit before tax	8,733	11,430	(2,697)	(23.6)

	Q4 FY 2023	Q3 FY 2023	Variance	
				%
Indonesia				
Sales Quantity (mt)				
- Crude palm oil (CPO)	11,990	8,269	3,721	45.0
- Crude palm kernel oil (CPKO)	1,011	765	246	32.2

Malaysia				
Fresh fruit bunch (FFB) produced (mt)	3,905	5,326	(1,421)	(26.7)

The division saw an increase in its current quarter revenue by RM15.3 million due to higher sales volume and prices of both CPO and CPKO. However, its pre-tax profit for the current quarter decreased by RM2.7 million, largely driven by higher selling and marketing expenses associated with current quarter's export sales and higher impairment loss on other receivables.

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 performance of the oil palm production and processing is very much influenced by the direction of palm oil prices, weather events and our estates' yield. Nevertheless, we will remain focus in improving our efficiency in oil processing and 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. Income tax expense and zakat

	Current quarter 31/03/23 RM'000	Current year to date 31/03/23 RM'000
Tax expense	530	12,284
Zakat	-	10
	530	12,294

The effective tax rate on the Group's profit to date is higher than statutory rate mainly due to certain expenses are not allowable for tax deduction.

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

On 28 November 2019, PT Nunukan Jaya Lestari ("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 for the year ended 31 March 2023 (last year: single tier second interim dividend of 7.5 sen and single tier special dividend of 5.0 sen). The proposed second interim dividend will amount to approximately RM17.8 million (last year: RM23.7 million) and will be paid on a date to be determined.

B9. Earnings per share

	Quarter ended		12 months cumulative	
	31/03/23	31/03/22	31/03/23	31/03/22
Earnings				
Profit attributable to equity holders of the Company (RM'000)	7,665	27,609	36,100	60,561
Basic earnings per share				
Weighted average number of ordinary shares in issue	237,331,205	237,637,221	237,331,205	237,637,221
Basic earnings per share (sen)	3.23	11.62	15.21	25.48

BY ORDER OF THE BOARD

JASMIN BINTI HOOD (LS 0009071)
MUHAMMAD FADZLILAH BIN ABDUL RA'FAR (MIA 39941)
Company Secretaries

Kuala Lumpur
Date: 19 May 2023