



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

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

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

	Note	Current Quarter		3 Months Cumulative	
		Current Year Quarter 30/06/23	Preceding Year Corresponding Quarter 30/06/22	Current Year To Date 30/06/23	Preceding Year Corresponding Period 30/06/22
		RM'000	RM'000	RM'000	RM'000
Revenue	A9	49,423	74,334	49,423	74,334
Cost of sales		(31,206)	(43,897)	(31,206)	(43,897)
<b>Gross profit</b>		<b>18,217</b>	<b>30,437</b>	<b>18,217</b>	<b>30,437</b>
Other income		2,296	1,370	2,296	1,370
Administrative expenses		(8,453)	(8,458)	(8,453)	(8,458)
Selling and marketing expenses		(1,918)	(2,315)	(1,918)	(2,315)
Other operating expenses		(4,180)	(3,271)	(4,180)	(3,271)
Finance costs		(689)	(210)	(689)	(210)
Share of results from associate		292	1,188	292	1,188
<b>Profit before tax</b>	A9/A10	<b>5,565</b>	<b>18,741</b>	<b>5,565</b>	<b>18,741</b>
Income tax expense	B5	(1,953)	(5,174)	(1,953)	(5,174)
<b>Profit for the period</b>		<b>3,612</b>	<b>13,567</b>	<b>3,612</b>	<b>13,567</b>
<b>Other comprehensive income, net of tax</b>					
Foreign currency translation gain		5,313	1,520	5,313	1,520
<b>Total comprehensive income for the period</b>		<b>8,925</b>	<b>15,087</b>	<b>8,925</b>	<b>15,087</b>
<b>Profit attributable to:</b>					
Equity holders of the Company		2,400	11,555	2,400	11,555
Non-controlling interests		1,212	2,012	1,212	2,012
<b>Profit for the period</b>		<b>3,612</b>	<b>13,567</b>	<b>3,612</b>	<b>13,567</b>
<b>Total comprehensive income attributable to:</b>					
Equity holders of the Company		6,650	12,771	6,650	12,771
Non-controlling interests		2,275	2,316	2,275	2,316
<b>Total comprehensive income for the period</b>		<b>8,925</b>	<b>15,087</b>	<b>8,925</b>	<b>15,087</b>
<b>Earnings per share attributable to equity holders of the Company</b>					
Basic/diluted earnings per share (sen)	B9	1.01	4.87	1.01	4.87

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

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023**

	<b>As at 30/06/23</b>	<b>As at 31/03/23</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	115,922	108,219
Right-of-use assets	215,859	217,520
Investment properties	43,632	43,922
Goodwill on consolidation	510	510
Investment in associate	40,014	39,722
Deferred tax assets	12,124	11,856
	<b>428,061</b>	<b>421,749</b>
<b>Current assets</b>		
Inventories	38,685	37,662
Biological assets	2,677	2,902
Trade and other receivables	69,773	55,459
Due from related companies	376	529
Financial investments	122,573	128,872
Cash and bank balances	58,031	67,747
Tax recoverable	4,345	3,609
	<b>296,460</b>	<b>296,780</b>
<b>TOTAL ASSETS</b>	<b>724,521</b>	<b>718,529</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	122,662	122,662
Treasury shares	(11,375)	(11,289)
Other reserves	1,512	(2,738)
Retained earnings	473,205	470,805
	<b>586,004</b>	<b>579,440</b>
Non-controlling interests	21,102	20,825
<b>Total equity</b>	<b>607,106</b>	<b>600,265</b>
<b>Non-current liabilities</b>		
Lease liabilities	78,840	79,108
Retirement benefit obligations	1,720	1,636
Deferred tax liabilities	5,376	5,376
	<b>85,936</b>	<b>86,120</b>
<b>Current liabilities</b>		
Lease liabilities	2,629	3,164
Trade and other payables	27,545	27,876
Provision for warranty	1,017	970
Due to related companies	202	51
Tax payable	86	83
	<b>31,479</b>	<b>32,144</b>
<b>Total liabilities</b>	<b>117,415</b>	<b>118,264</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>724,521</b>	<b>718,529</b>
Net assets per share (RM)	<b>2.47</b>	<b>2.44</b>

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

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

	<----- 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
<b>At 1 April 2022</b>	122,662	(10,858)	(2,919)	(7,169)	4,250	470,344	579,229	21,997	601,226
Total comprehensive income for the period	-	-	1,216	1,216	-	11,555	12,771	2,316	15,087
<b>Transaction with equity holders</b>									
Acquisition of treasury shares, representing total transaction with equity holders	-	(10)	-	-	-	-	(10)	-	(10)
<b>At 30 June 2022</b>	122,662	(10,868)	(1,703)	(5,953)	4,250	481,899	591,990	24,313	616,303
<b>At 1 April 2023</b>	122,662	(11,289)	(2,738)	(6,988)	4,250	470,805	579,440	20,825	600,265
Total comprehensive income for the period	-	-	4,250	4,250	-	2,400	6,650	2,275	8,925
<b>Transactions with equity holders</b>									
Acquisition of treasury shares	-	(86)	-	-	-	-	(86)	-	(86)
Dividend paid	-	-	-	-	-	-	-	(1,998)	(1,998)
Total transactions with equity holders	-	(86)	-	-	-	-	(86)	(1,998)	(2,084)
<b>At 30 June 2023</b>	122,662	(11,375)	1,512	(2,738)	4,250	473,205	586,004	21,102	607,106

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

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

	3 months ended	
	30/06/23	30/06/22
	RM'000	RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	5,565	18,741
Adjustments for:		
Depreciation for property, plant and equipment	2,258	2,297
Depreciation of investment properties	290	381
Depreciation of right-of-use assets	2,112	1,857
Net reversal of impairment loss on trade and other receivables	(120)	-
Fair value changes on biological assets	374	838
Inventories written down	329	256
Net provision/(reversal of provision) for retirement benefit obligations	6	(19)
Net reversal of provision for warranty	47	65
Share of results of associate	(292)	(1,188)
Interest expense	689	210
Profit income	(321)	(346)
Distribution from financial investments	(1,196)	(606)
Operating profit before working capital changes	9,741	22,486
Increase in trade and other receivables	(13,545)	(7,767)
Increase in inventories	(651)	(6,467)
(Decrease)/increase in trade and other payables	(769)	9,232
Changes in balances with related companies balances	304	412
Cash (used in)/generated from operations	(4,920)	17,896
Taxes paid, net of tax refund	(2,954)	(708)
Net cash (used in)/generated from operating activities	(7,874)	17,188
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(9,299)	(2,130)
Profit income received	321	346
Distribution received from financial investments	1,196	606
Net purchase of financial investments	6,299	(2,248)
Net cash used in investing activities	(1,483)	(3,426)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividend paid by a subsidiary to non-controlling interests	(1,998)	-
Repayment of lease liabilities	(1,629)	(1,679)
Acquisition of treasury shares	(86)	(10)
Net cash used in financing activities	(3,713)	(1,689)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FIRST QUARTER ENDED 30 JUNE 2023 (CONT'D.)**

	<b>3 months ended</b>	
	<u>30/06/23</u>	<u>30/06/22</u>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH AND CASH EQUIVALENTS</b>		
Net (decrease)/increase in cash and cash equivalents	(13,070)	12,073
Effect of exchange rate changes in cash and cash equivalents	3,354	883
Cash and cash equivalents at beginning of period	67,747	66,102
Cash and cash equivalents at end of period	<u>58,031</u>	<u>79,058</u>
<b>CASH AND CASH EQUIVALENTS COMPRISE OF:</b>		
Cash and bank balances	22,375	39,947
Fixed deposits with licensed banks	35,656	39,111
	<u>58,031</u>	<u>79,058</u>

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

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**PART A - Explanatory notes pursuant to MFRS 134**

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**A1. Basis of preparation**

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

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 March 2023. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 31 March 2023.

**A2. Changes in accounting policies**

The significant accounting policies adopted are consistent with those of the statutory financial statements for the financial year ended 31 March 2023 except for the adoption of the following new and revised MFRSs, Amendments to MFRSs and IC Interpretations.

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

On 1 April 2023, the Group adopted the following new and amended MFRSs and IC Interpretation:

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

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

**(b) Standards and Interpretations issued but not yet effective**

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

	<b>Effective for annual period beginning on or after</b>
Amendments to MFRS 16: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101: Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 10 and MFRS 128: Sales or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The directors expect that the adoption of the above standards and 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 2023 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 44,000 of its issued ordinary shares from the open market at an average price of RM1.96. The total transaction paid for the repurchase including transaction costs was RM86,114. Of the total 245,324,330 issued ordinary shares, 8,210,800 shares are held as treasury shares by the Company.

**A8. Dividends paid**

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



## A9. Segmental information

### (a) Segmental revenue and results for business segments

	Quarter ended		3 months cumulative	
	30/06/23	30/06/22	30/06/23	30/06/22
	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>				
Production and trading of security and confidential documents	23,930	29,788	23,930	29,788
Oil palm production and processing	23,886	43,030	23,886	43,030
Property management	1,906	1,767	1,906	1,767
Others	7,909	-	7,909	-
	57,631	74,585	57,631	74,585
Eliminations	(8,208)	(251)	(8,208)	(251)
	49,423	74,334	49,423	74,334
<b>Profit/(loss) before tax</b>				
Production and trading of security and confidential documents	1,297	2,952	1,297	2,952
Oil palm production and processing	4,622	14,777	4,622	14,777
Property management	588	339	588	339
Others	6,681	(515)	6,681	(515)
	13,188	17,553	13,188	17,553
Share of results of associate	292	1,188	292	1,188
	13,480	18,741	13,480	18,741
Eliminations	(7,915)	-	(7,915)	-
	5,565	18,741	5,565	18,741

### (b) Geographical segments

	Quarter ended		3 months cumulative	
	30/06/23	30/06/22	30/06/23	30/06/22
	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>				
Malaysia	37,186	37,691	37,186	37,691
Indonesia	20,445	36,894	20,445	36,894
	57,631	74,585	57,631	74,585
Eliminations	(8,208)	(251)	(8,208)	(251)
	49,423	74,334	49,423	74,334
<b>Profit before tax</b>				
Malaysia	4,959	4,154	4,959	4,154
Indonesia	8,521	14,587	8,521	14,587
	13,480	18,741	13,480	18,741
Eliminations	(7,915)	-	(7,915)	-
	5,565	18,741	5,565	18,741

	Quarter ended/3 months cumulative			
	30/06/23		30/06/22	
	Assets	Liabilities	Assets	Liabilities
	RM'000	RM'000	RM'000	RM'000
Malaysia	782,892	111,573	797,055	113,610
Indonesia	99,936	7,021	120,492	32,384
	882,828	118,594	917,547	145,994
Eliminations	(158,307)	(1,179)	(157,488)	(2,238)
Group	724,521	117,415	760,059	143,756

**A10. Profit before tax**

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

	Quarter ended		3 months cumulative	
	30/06/23	30/06/22	30/06/23	30/06/22
	RM'000	RM'000	RM'000	RM'000
<b>Other income</b>				
Profit income	321	346	321	346
Distribution from financial investments	1,196	606	1,196	606
Others	779	418	779	418
<b>Operating expenses</b>				
Depreciation	4,660	4,535	4,660	4,535
Foreign exchange loss/(gain)	123	(76)	123	(76)
Net reversal of impairment on trade and other receivables	(120)	-	(120)	-
Fair value changes on biological assets	374	838	374	838
Inventories written down	329	256	329	256
Net provision/(reversal of provision) for retirement benefit obligations	6	(19)	6	(19)
Net provision for warranty	47	65	47	65

**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 2023 other than as disclosed in Note B7.

**A14. Capital commitments**

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

	<b>As at</b>
	<b>30/06/23</b>
	<b>RM'000</b>
Property, plant and equipment:	
Approved and contracted for	21,970

#### A15. Acquisition of property, plant and equipment

As at the end of the financial period to date, the Group has acquired the following property, plant and equipment:

	<b>Current year to date 30/06/23</b>
	<b>RM'000</b>
Buildings	932
Plant and machinery	134
Equipment, furniture and fittings and motor vehicles	396
Bearer plants and infrastructure	4,460
Work in progress	3,377
	<b>9,299</b>

#### A16. Related party transactions

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

	<b>Current year to date 30/06/23</b>
	<b>RM'000</b>
<b>Transactions with Ultimate Holding Company</b>	
- Kumpulan Fima Berhad - Rental income receivable	226
- Kumpulan Fima Berhad - Management fees and services payable	204
- Kumpulan Fima Berhad - Sales/services receivable	66
<b>Transactions with Fellow Subsidiaries</b>	
- Fima Instanco Sdn Bhd - Rental income receivable	45
- Fima Instanco Sdn Bhd - Services receivable	15
- International Food Corporation Limited - Sales rendered	345
- Pineapple Cannery of Malaysia Sendirian Berhad - Services receivable	17
- Amgreen Gain Sdn Bhd - Services receivable	11
<b>Transactions with related parties *</b>	
- TD Technologies Sdn Bhd - Services payable	60
- First Zanzibar Sdn Bhd - Services payable	80
- PT Pohon Emas Lestari - Purchase of fresh fruit bunches	1,887

\* 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	
	30/06/23	30/06/22	RM'000	%
	RM'000	RM'000	RM'000	%
<b>Group</b>				
Revenue	49,423	74,334	(24,911)	(33.5)
Profit before tax	5,565	18,741	(13,176)	(70.3)
Profit attributable to equity holders of the Company	2,400	11,555	(9,155)	(79.2)

The Group's first quarter revenue declined by 33.5% or RM24.9 million compared to the same period last year, primarily due to lower revenue contributions from the plantation and manufacturing divisions.

On the back of lower revenue, the Group's profit before tax declined from RM18.7 million last year to RM5.6 million this year.

The performances of each business divisions are as follows:

	Year to date		Variance	
	30/06/23	30/06/22	RM'000	%
	RM'000	RM'000	RM'000	%
<b>Production and trading of security and confidential documents</b>				
Revenue	23,930	29,788	(5,858)	(19.7)
Profit before tax	1,297	2,952	(1,655)	(56.1)

Revenue from this division was RM5.9 million or 19.7% lower than corresponding period last year, primarily due to lower sales volume across most products. As a result of the lower decreased in revenue, the pre-tax profit for the division decreased from RM3.0 million recorded in corresponding period last year to RM1.3 million in current period.

	Year to date		Variance	
	30/06/23	30/06/22	RM'000	%
	RM'000	RM'000	RM'000	%
<b>Oil palm production and processing</b>				
Revenue	23,886	43,030	(19,144)	(44.5)
Profit before tax	4,622	14,777	(10,155)	(68.7)

Below are the key operating statistics for the segment:

	Year to date		Variance	
	30/06/23	30/06/22	RM'000	%
	RM'000	RM'000	RM'000	%
<b>Indonesia</b>				
Production (mt)				
- Crude palm oil (CPO)	7,830	8,945	(1,115)	(12.5)
- Crude palm kernel oil (CPKO)	701	820	(119)	(14.5)
Sales quantity (mt)				
- Crude palm oil (CPO)	5,518	8,051	(2,533)	(31.5)
- Crude palm kernel oil (CPKO)	501	998	(497)	(49.8)
<b>Malaysia</b>				
Fresh fruit bunch (FFB) produced (mt)	4,544	4,552	(8)	(0.2)

**B1. Review of performance (cont'd.)**

The division's revenue drops by nearly half as compared to last year, due to lower quantity sold and lower selling price of CPO and CPKO. In light of this lower revenue and the escalation of operational costs, the division recorded a pre-tax profit of RM4.6 million for the initial quarter of the current financial year.

Plantation estates in Malaysia which are presently in the development process and partially matured registered total pre-tax loss of RM3.9 million in current year (last year: pre-tax profit of RM0.2 million).

	Year to date		Variance	
	30/06/23	30/06/22	RM'000	%
	RM'000	RM'000	RM'000	%
<b>Property Management</b>				
Revenue	1,906	1,767	139	7.9
Profit before tax	588	339	249	73.5

The division's recorded RM0.1 million higher revenue as compared to corresponding period last year mainly contributed by higher engineering consultancy services rendered. The higher revenue, combined with lower building maintenance costs, led to higher pre-tax profit of RM0.2 million in the current period.

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

	Q1	Q4	Variance	
	FY 2024	FY 2023	RM'000	%
	RM'000	RM'000	RM'000	%
<b>Group</b>				
Revenue	49,423	84,522	(35,099)	(41.5)
Profit before tax	5,565	6,420	(855)	(13.3)
Profit attributable to equity holders of the Company	2,400	7,665	(5,265)	(68.7)

The performances of each business divisions are as follows:

	Q1	Q4	Variance	
	FY 2024	FY 2023	RM'000	%
	RM'000	RM'000	RM'000	%
<b>Production and trading of security and confidential documents</b>				
Revenue	23,930	31,606	(7,676)	(24.3)
Profit/(loss) before tax	1,297	(1,811)	3,108	(171.6)

The division recorded a revenue of RM23.9 million, which is RM7.7 million or 24.3% lower than the previous period, primarily due to lower sales of travelling documents.

However, the division recorded a pre-tax profit of RM1.3 million, a turnaround from RM1.8 million pre-tax loss in the previous period, primarily due to lower inventories written down.

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

	Q1 FY 2024	Q4 FY 2023	Variance	
	RM'000	RM'000	RM'000	%
<b>Oil palm production and processing</b>				
Revenue	23,886	50,617	(26,731)	(52.8)
Profit before tax	4,622	8,733	(4,111)	(47.1)

	Q1 FY 2024	Q4 FY 2023	Variance	
				%
<b>Indonesia</b>				
Production (mt)				
- Crude palm oil (CPO)	7,830	8,665	(835)	(9.6)
- Crude palm kernel oil (CPKO)	701	758	(57)	(7.5)
Sales Quantity (mt)				
- Crude palm oil (CPO)	5,518	11,990	(6,472)	(54.0)
- Crude palm kernel oil (CPKO)	501	1,011	(510)	(50.4)

	Q1 FY 2024	Q4 FY 2023	Variance	
				%
<b>Malaysia</b>				
Fresh fruit bunch (FFB) produced (mt)	4,544	3,905	639	16.4

The division experienced a decline in both revenue and profit before tax for the current period from RM50.6 million to RM23.9 million and from RM8.7 million to RM4.6 million, respectively. This decline was in line with the decrease in sales volume of CPO and CPKO.

**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**

	Current quarter 30/06/23 RM'000	Current year to date 30/06/23 RM'000
Tax expense	1,953	1,953

The effective tax rate on the Group's profit to date was higher than statutory rate mainly due to certain expenses were 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 bar PTAHL from preventing PTNJL from undertaking its plantation activities within PTNJL's Hak Guna Usaha ("HGU") areas which overlap with PTAHL's operating permits/interests and to restrain the Menteri Kehutanan from issuing any new licences permits or approvals to any parties on or within the HGU.

On 15 September 2020, the District Court had delivered an oral judgement and dismissed the civil suit filed by the PTNJL against the 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 District Court dated 15 September 2020.

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

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

## **B8. Dividend**

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

**B9. Earnings per share**

The basic/diluted earnings per share are calculated as follows:

	Quarter ended		3 months cumulative	
	30/06/23	30/06/22	30/06/23	30/06/22
Profit attributable to equity holders of the Company used in the computation of earnings per share (RM'000)	2,400	11,555	2,400	11,555
Weighted average number of ordinary shares in issue	237,146,780	237,379,180	237,146,780	237,379,180
Basic/diluted earnings per share (sen)	1.01	4.87	1.01	4.87

**BY ORDER OF THE BOARD**

**JASMIN BINTI HOOD (LS 0009071)**

**MUHAMMAD FADZLILAH BIN ABDUL RA'FAR (MIA 39941)**

Company Secretaries

Kuala Lumpur

Date: 21 August 2023