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

Condensed Consolidated Financial Statements
For The Fourth Quarter And Financial Year Ended 31 March 2017

KUMPULAN FIMA BERHAD (11817-V)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 MARCH 2017
(THE FIGURES HAVE NOT BEEN AUDITED)

	Note	Current Quarter		12 Months Cumulative	
		Current Year Quarter 31-03-2017	Preceding Year Corresponding Quarter 31-03-2016	Current Year To Date 31-03-2017	Preceding Year Corresponding Period 31-03-2016
		RM'000	RM'000	RM'000	RM'000
Revenue	A9	127,299	133,961	547,214	541,107
Cost of sales		(72,358)	(83,352)	(339,145)	(344,271)
Gross profit		**54,941**	**50,609**	**208,069**	**196,836**
Other income		4,354	3,117	10,197	12,843
Other items of expense					
Administrative expenses		(22,800)	(11,770)	(71,869)	(63,541)
Selling and marketing expenses		(6,622)	(6,738)	(11,223)	(11,595)
Other expenses		(7,470)	(5,631)	(23,243)	(24,019)
		(36,892)	(24,139)	(106,335)	(99,155)
Finance costs		(218)	(284)	(748)	(515)
Share of profit of associates		2,036	1,355	2,861	1,665
Profit before tax	A9/A10	**24,221**	**30,658**	**114,044**	**111,674**
Income tax expense	B5	(12,141)	(10,654)	(37,310)	(31,671)
Profit net of tax		12,080	20,004	76,734	80,003
Other comprehensive income					
Foreign currency translation differences for foreign operations		8,406	(14,704)	17,880	(18,751)
Remeasurement of defined benefit liability		(75)	265	(75)	265
Total comprehensive income for the period/year		20,411	5,565	94,539	61,517
Profit attributable to :					
Equity holders of the Company		5,329	10,446	50,275	56,731
Non-controlling interests		6,751	9,558	26,459	23,272
Profit for the period/year		12,080	20,004	76,734	80,003
Total comprehensive income attributable to :					
Equity holders of the Company		13,564	(352)	63,917	38,010
Non-controlling interests		6,847	5,917	30,622	23,507
Total comprehensive income for the period/year		20,411	5,565	94,539	61,517
Earnings per share attributable to equity holders of the Company (sen per share):					
Basic	B13	1.91	3.78	18.03	20.51
Diluted	B13	1.91	3.78	17.96	20.31

(The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 March 2016 and the accompanying explanatory notes attached to the interim financial statements).

KUMPULAN FIMA BERHAD (11817-V)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2017

	As At 31-03-2017 (unaudited) RM'000	As At 31-03-2016 (audited) RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	339,075	344,402
Investment properties	68,464	70,097
Biological assets	180,987	153,476
Investment in associates	45,718	46,659
Deferred tax assets	6,966	8,394
Goodwill on consolidation	12,710	12,710
	653,920	635,738
Current assets		
Inventories	82,812	90,807
Trade receivables	108,149	183,562
Other receivables	33,350	27,963
Cash and bank balances	390,780	247,592
	615,091	549,924
TOTAL ASSETS	1,269,011	1,185,662
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	311,670	276,968
Share premium	-	24,713
Other reserves	149,579	138,002
Retained earnings	333,508	308,617
	794,757	748,300
Non-controlling interests	269,477	250,986
Total equity	1,064,234	999,286
Non-current liabilities		
Finance lease obligations	16,176	16,799
Retirement benefit obligations	1,837	1,391
Deferred tax liabilities	39,830	46,951
	57,843	65,141
Current liabilities		
Finance lease obligations	624	646
Short term borrowings	14,516	15,281
Trade and other payables	112,459	85,388
Provisions	16,947	19,234
Tax payable	2,388	686
	146,934	121,235
Total liabilities	204,777	186,376
TOTAL EQUITY AND LIABILITIES	1,269,011	1,185,662
Net assets per share (RM)	2.82	2.70

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 March 2016 and the accompanying explanatory notes attached to the interim financial statements).

KUMPULAN FIMA BERHAD (11817-V)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

	Attributable to Equity Holders of the Company											
				Non-distributable					*Distributable*			
	Share capital	**Share premium**	**Other reserves**	**Revaluation reserve**	**Capital reserve**	**Capital reserve arising from bonus issue in subsidiary**	**Employee share option reserve**	**Foreign exchange reserve**	**Retained earnings**	**Total**	**Non-controlling interests**	**Total equity**
Group	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
At 1 April 2016	276,968	24,713	138,002	87,471	437	66,459	4,427	(20,792)	308,617	748,300	250,986	999,286
Total comprehensive income for the period	-	-	13,702	-	-	-	-	13,702	50,215	63,917	30,622	94,539
Transactions with owners												
Dividends	-	-	-	-	-	-	-	-	(25,324)	(25,324)	-	(25,324)
Dividend paid to minority shareholders of a subsidiary	-	-	-	-	-	-	-	-	-	-	(11,739)	(11,739)
Share options exercised	5,264	4,725	(2,125)	-	-	-	(2,125)	-	-	7,864	-	7,864
Transfer to share capital *	29,438	(29,438)	-	-	-	-	-	-	-	-		-
Purchase of treasury shares by a subsidiary	-	-	-	-	-	-	-	-	-	-	(392)	(392)
Total transaction with owners	34,702	(24,713)	(2,125)	-	-	-	(2,125)	-	(25,324)	(17,460)	(12,131)	(29,591)
At 31 March 2017	311,670	-	149,579	87,471	437	66,459	2,302	(7,090)	333,508	794,757	269,477	1,064,234
At 1 April 2015	276,087	23,930	157,068	87,471	437	66,459	4,560	(1,859)	275,202	732,287	245,723	978,010
Total comprehensive income for the period	-	-	(18,933)	-	-	-	-	(18,933)	56,943	38,010	23,507	61,517
Transactions with owners												
Acquisition of subsidiary	-	-	-	-	-	-	-	-	-	-	1,569	1,569
Dividends	-	-	-	-	-	-	-	-	(23,528)	(23,528)	-	(23,528)
Dividend paid to minority shareholders of a subsidiary	-	-	-	-	-	-	-	-	-	-	(19,679)	(19,679)
Purchase of treasury shares by a subsidiary	-	-	-	-	-	-	-	-	-	-	(134)	(134)
Share options exercised	881	783	(133)	-	-	-	(133)	-	-	1,531	-	1,531
Total transaction with owners	881	783	(133)	-	-	-	(133)	-	(23,528)	(21,997)	(18,244)	(40,241)
As 31 March 2016	276,968	24,713	138,002	87,471	437	66,459	4,427	(20,792)	308,617	748,300	250,986	999,286

* The new Companies Act 2016 ("New Act"), which came into operation on 31 January 2017, abolished the concept of authorized share capital and par value of share capital. Consequently, the amounts standing to the credit of the share premium account becomes part of the Company's share capital pursuant to the transitional provisions set out in Section 618(2) of the New Act. There is no impact on the numbers of ordinary shares in issue or the relative entitlement of any of the members as a result of this transition.

(The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 March 2016 and the accompanying explanatory notes attached to the interim financial statements).

KUMPULAN FIMA BERHAD

KUMPULAN FIMA BERHAD (11817-V)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

	12 months ended 31-03-2017 RM'000	12 months ended 31-03-2016 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	114,044	111,674
Adjustments for:		
Amortisation of biological assets	6,450	6,369
Depreciation of investment properties	1,633	1,760
Depreciation for property, plant and equipment	25,755	30,111
(Loss)/gain from plantation investment compensation	8	(346)
Impairment loss on trade receivables	111	6,553
Impairment loss on other receivables	3,491	2
Interest expense	748	515
Interest income	(8,792)	(6,481)
Net gain on disposal of property, plant and equipment	-	(134)
(Reversal)/provision for warranty	(2,287)	622
Net unrealised forex loss/(gain)	3	(1,823)
Property, plant and equipment written off	(139)	-
Provision for retirement benefit obligation	284	69
Share option granted under ESOS	43	228
Share of profit of associates	(2,861)	(1,665)
Write back of impairment loss on trade receivables	(1,498)	(3,694)
Write down of inventories	2,462	1,807
Write off of biological assets	70	28
Operating profit before working capital changes	139,525	145,595
Decrease in inventories	7,995	35,444
Decrease in receivables	69,183	15,047
Increase/(decrease) in payables	24,315	(56,768)
Cash generated from operations	241,018	139,318
Interest paid	(748)	(515)
Taxes paid	(37,729)	(30,904)
Retirement benefits paid	(50)	(14)
Net cash generated from operating activities	202,491	107,885
CASH FLOWS FROM INVESTING ACTIVITIES		
Biological assets expenditure	(30,228)	(28,839)
Acquisition of subsidiary, net cash acquired	-	(4,162)
Proceeds from disposal of property, plant and equipment	-	205
Proceed from plantation investment compensation	-	711
Purchase of property, plant and equipment	(14,261)	(24,270)
Net dividend received from an associated company	1,140	1,140
Repayment of obligation under finance lease	(645)	(442)
Interest received	8,792	6,481
Net cash used in investing activities	(35,202)	(49,176)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net drawdown of borrowings	1,496	9,337
Proceeds from exercise of employee share scheme	7,819	1,303
Dividend paid	(25,324)	(23,528)
Dividend paid by a subsidiary to non-controlling interests	(11,739)	(19,679)
Net cash used in financing activities	(27,748)	(32,567)
NET INCREASE IN CASH AND CASH EQUIVALENTS	139,541	26,142
EFFECT ON FOREIGN EXCHANGE RATE CHANGES IN CASH AND CASH EQUIVALENTS	3,647	(15,260)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	247,592	236,710
CASH AND CASH EQUIVALENTS AT END OF YEAR	390,780	247,592
CASH AND CASH EQUIVALENTS COMPRISE:		
Cash and bank balances	98,087	44,761
Fixed deposits with financial institutions	292,693	202,831
	390,780	247,592

(The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 March 2016 and the accompanying explanatory notes attached to the interim financial statements).

PART A - Explanatory notes pursuant to FRS 134

A1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 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 2016. These 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 2016.

A2. Changes in accounting policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 March 2016 except for the adoption of the following new and revised Financial Reporting Standards ("FRS"), Amendments to FRSs and IC Interpretations.

(a) Adoption of FRSs, Amendments to FRSs and IC Interpretations

On 1 April 2016, the Group adopted the following FRSs and Amendments to FRSs, IC Interpretations and amendments to IC Interpretations:

Description	**Effective for financial period beginning on or after**
Annual Improvements to FRSs 2012-2014 Cycle	1 January 2016
Amendments to FRS 116 and FRS 138: Clarification of Acceptable Method of of Depreciation and Amortisation	1 January 2016
Amendments to FRS 11: Accounting for Acquisitions of Interest in Joint Operations	1 January 2016
Amendments to FRS 127: Equity Method in Separate Financial Statements	1 January 2016
Amendments to FRS 101: Disclosure Initiatives	1 January 2016
Amendments to FRS 10, FRS 12 and FRS 128: Investment Entities: Applying the Consolidation	1 January 2016
FRS 14: Regulatory Deferral Accounts	1 January 2016

The adoption of the above FRSs and Amendments to FRS did not have significant effect on the financial performance or presentation of the financial statements of Group.

A2. Changes in accounting policies (cont'd.)

(b) Standards and interpretations issued but not yet effective

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

Description	Effective for financial period beginning on or after
Annual Improvements to FRSs 2014-2016 Cycle	1 January 2017
Amendments to FRS 107: Disclosure initiative	1 January 2017
Amendments to FRS 112: Recognition of deferred tax assets for unrealised losses	1 January 2017
FRS 9: Financial Instruments	1 January 2018
Amendments to FRS 2: Classification and measurement of Share-based payment transactions	1 January 2018
Amendments to FRS 10 and FRS 128: Sale or Contribution of Assets between an Investor and its Associates or Joint Venture	Deferred

The Group will adopt the above pronouncements when they become effective in the respective financial periods. These pronouncements are not expected to have any significant effect to the financial statements of the Group upon their initial application, other than for FRS 9: Financial Instruments as discussed below:

FRS 9: Financial instruments

In November 2014, MASB issued the final version of FRS 9 Financial Instruments which reflects all phases of the financial instruments project and replaces FRS 139 Financial Instruments: Recognition and Measurement and all previous versions of FRS 9. The standard introduces new requirements for classification and measurement, impairment and hedge accounting. FRS 9 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Retrospective application is required, but comparative information is not compulsory. The adoption of FRS 9 will have an effect on the classification and measurement of the Group's financial assets, but no impact on the classification and measurement of the Group's financial liabilities.

(c) Malaysian Financial Reporting Standards (MFRS Framework)

On 19 November 2011, the Malaysian Accounting Standards Board ("MASB") issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards Framework ("MFRS Framework").

The MFRS Framework is to be applied by all Entities Other than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for the Construction of Real Estate (IC 15), including its parent, significant investor and venturer (herein called "Transitioning Entities").

Transitioning Entities are allowed to defer adoption of the new MFRS Framework. The adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2018.

A2. Changes in accounting policies (cont'd.)

(c) Malaysian Financial Reporting Standards (MFRS Framework) (cont'd.)

The Group falls within the scope definition of Transitioning Entities and accordingly, will be required to prepare financial statements using the MFRS Framework in its first MFRS interim financial statements for the quarter ending 30 June 2018. In presenting its first MFRS financial statements, the Group will be required to adjust the comparative financial statements prepared under FRS to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against the opening retained earnings.

The Group has not completed its assessment of the financial effects of the differences between Financial Reporting Standards and accounting standards under the MFRS Framework. The Group expects to be in a position to fully comply with the requirements of the MFRS Framework for the financial year ending 31 March 2019.

A3. Auditors' report on preceding annual financial statements.

The financial statements of the Group for the financial year ended 31 March 2017 were not subject to any audit qualification.

A4. Seasonal and cyclical factors

The operations of the Group are not affected by any seasonal or cyclical factors other than the manufacturing segment which is affected by cyclical changes in volumes of certain products whilst the plantation segment is affected by seasonal crop production, weather conditions and fluctuating commodity prices.

A5. Unusual items affecting the financial statements

There were no unusual items affecting the financial statements of the Group for the year ended 31 March 2017.

A6. Changes in estimates

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

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

There were no issuances, cancellations, repurchases, resale and repayments of debts and equity securities for the current quarter.

A8. Dividend paid

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

		Cumulative Quarter Ended	
		31-03-2017	**31-03-2016**
Final Dividend		**RM'000**	**RM'000**
2015	8.5% single-tier final dividend (paid on 20 October 2015)	-	23,528

A9. Segmental revenue and results for business segments

	Quarter Ended		12 Months Cumulative	
	31-03-2017	31-03-2016	31-03-2017	31-03-2016
Revenue	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Manufacturing*	40,198	64,153	233,347	266,682
Plantation	40,741	20,890	146,871	112,626
Bulking	10,067	18,618	47,461	67,451
Food	33,902	28,232	114,257	88,420
Others	7,352	10,781	23,517	31,290
	132,260	142,674	565,453	566,469
Elimination of inter-segment sales	(4,961)	(8,713)	(18,239)	(25,362)
	127,299	133,961	547,214	541,107
Profit before tax				
Manufacturing*	11,183	15,968	59,609	54,006
Plantation	8,625	1,675	23,415	14,780
Bulking	3,251	11,159	20,002	38,876
Food	(1,636)	3,775	6,519	4,717
Others	762	(3,274)	1,638	(2,370)
	22,185	29,303	111,183	110,009
Associated companies	2,036	1,355	2,861	1,665
	24,221	30,658	114,044	111,674

* Production and trading of security documents.

A10. Profit before tax

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

	Quarter Ended		12 Months Cumulative	
	31-03-2017	31-03-2016	31-03-2017	31-03-2016
Other income	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Interest income	3,959	2,320	8,792	6,481
Foreign exchange gain	(5,940)	(1,350)	685	1,537
Operating expenses				
Depreciation and amortisation	8,763	8,667	33,838	38,240
Interest expense	218	284	748	515
Impairment loss on trade receivables	76	4,175	111	6,553
Impairment loss on other receivables	3,491	-	3,491	2
Write back of impairment loss on trade receivables	(110)	(3,694)	(1,498)	(3,694)
Write down of inventories	2,326	303	2,462	1,807

A11. Valuation of property, plant and equipment

The valuation of land and building have been brought forward from the last financial statements for the year ended 31 March 2016.

A12. Subsequent events

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

A13. Inventories

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

A14. 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 including business combinations, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinued operations.

A15. Changes in contingent liabilities

There were no additional contingent liabilities during the current quarter, except as disclosed in Note B11 herein.

A16. Significant acquisition of property, plant and equipment

For the current quarter under review the Group's acquisitions of property, plant and equipment are as follows :

	Current Year To Date RM'000
Plant and equipment	4,806
Vehicles	661
Land and buildings	6,245
Furniture and fittings	2,549
	14,261

A17. Capital commitments

The amount of commitments not provided for in the interim financial statements as at 31 March 2017 were as follows:

	Current Year To Date RM'000
Property, plant and equipment	
- Approved and contracted for	2,749
- Approved but not contracted for	26,080

A18. Related party transactions

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

	Current Year To Date RM'000
Fima Corporation Berhad, a subsidiary	
- Rental expense	756
Advisory services rendered by corporate shareholder, BHR Enterprise Sdn. Bhd.	(120)
Rental income receivables from	
- Fima Instanco Sdn. Bhd.	120
Services rendered by*	
- TD Technologies Sdn. Bhd.	102
Purchases made from related parties*	
- PT Pohon Emas Lestari	6,029
- Nationwide Express - Delivery services	(199)
- Nationwide Express - Rental income	78

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

PART B - Bursa Securities Listing Requirements

B1. Review of performance

Group Performance

(RM Million)	Current YTD	Previous YTD	Variance	%
Revenue	547.21	541.11	6.10	1.1
Profit before tax	114.04	111.67	2.37	2.1

Group revenue for the financial year ended 31 March 2017 increased to RM547.21 million as compared to RM541.11 million recorded in the previous financial year. The increase of RM6.10 million was attributed to the higher revenue generated by plantation and food divisions.

In line with the increase in revenue, profit before tax ("PBT") increased by RM2.37 million to RM114.04 million from last year, due to lower operating cost of certain division as explained below.

The performance of each business division is as follows:

Manufacturing Division

(RM Million)	Current YTD	Previous YTD	Variance	%
Revenue	233.35	266.68	(33.33)	(12.5)
Profit before tax	59.61	54.01	5.60	10.4

Revenue from **Manufacturing Division** decreased by 12.5% to RM233.35 million from RM266.68 million recorded last year, mainly due to lower sales volume of certain security and confidential documents. However, PBT increased by RM5.60 million to RM59.61 million from RM54.01 million posted last year, mainly attributable to favourable sales mix and lower depreciation.

Plantation Division

(RM Million)	Current YTD	Previous YTD	Variance	%
Revenue				
Indonesia				
- Crude palm oil (CPO)	115.08	91.54	23.54	25.7
- Crude palm kernel oil (CPKO)	18.13	9.49	8.64	91.0
- Palm kernel (PK)	-	1.59	(1.59)	(100.0)
Malaysia				
- Fresh fruit bunch	10.94	7.34	3.60	49.0
- Pineapple	2.72	2.67	0.05	1.9
Total	146.87	112.63	34.24	30.4
Profit Before Tax	23.42	14.78	8.64	58.4
Sales Quantity (mt)				
- CPO	43,647	44,228	(581)	(1.3)
- CPKO	3,076	3,314	(238)	(7.2)
- PK	-	1,899	(1,899)	(100.0)
Average net CIF selling price, net of duty (RM)				
- CPO	2,625	2,064	561	27.2
- CPKO	5,894	2,863	3,031	105.9
- PK	-	835	(835)	(100.0)

B1. Review of performance (cont'd.)

Plantation Division (cont'd.)

Revenue from **Plantation Division** increased by 30.4% to RM146.87 million compared to last year, primarily attributable to higher selling price of CPO & CPKO. The division posted a PBT of RM23.42 million, 58.4% higher than last year.

Our plantation estates in Malaysia which are still in the process of land development or palm planting registered a total pretax loss of RM5.99 million as compared to RM3.54 million pretax loss recorded in the corresponding period last year.

Bulking Division

(RM Million)	Current YTD	Previous YTD	Variance	%
Revenue	47.46	67.45	(19.99)	(29.6)
Profit before tax	20.00	38.88	(18.88)	(48.6)

Bulking Division recorded decrease of RM19.99 million or 29.6% lower in revenue to RM47.46 million from RM67.45 million recorded last year. The decrease was mainly due to lower revenue recorded by oil palm based products.The division had been impacted by the effects of low production levels of oil palm products which led to low palm oil inventories during the financial year. In line with the decrease in revenue, the division's PBT decreased by RM18.88 million (48.6%) to RM20.00 million.

Food Division

(RM Million)	Current YTD	Previous YTD	Variance	%
Revenue				
Papua New Guinea (PNG)	108.21	82.43	25.78	31.3
Malaysia	6.05	5.99	0.06	1.0
	114.26	88.42	25.84	29.2
Profit before tax	6.52	4.72	1.80	38.1

Food Division's revenue increased to RM114.26 million compared to RM88.42 million recorded in the previous financial year. The increase in revenue was mainly due to the higher sales volume of mackerel, tuna and fishmeal products. Results of the division improved by 38.1% as compared to RM4.72 million profit in the same period last year.

B2. Comparison with preceding quarter's results

Group Performance

(RM Million)	QTR 4 FY 2017	QTR 3 FY 2017	Variance	%
Revenue	127.30	140.49	(13.19)	(9.4)
Profit before tax	24.22	32.05	(7.83)	(24.4)

The Group's revenue decreased by RM13.19 million to RM127.30 million compared to the preceding quarter, as a result of the lower revenue recorded by manufacturing and plantation divisions.

In line with decrease in revenue, PBT decreased by RM7.83 million to RM24.22 million as compared to RM32.05 million recorded in the preceding quarter mainly due to lower contributions by manufacturing, bulking and food divisions.

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

The performance of each business division is as follows:

Manufacturing Division

(RM Million)	QTR 4 FY 2017	QTR 3 FY 2017	Variance	%
Revenue	40.20	65.64	(25.44)	(38.8)
Profit before tax	11.18	16.05	(4.87)	(30.3)

Manufacturing Division's revenue decreased by RM25.44 million or 38.8% in the current quarter compared to the preceding quarter. The decrease was mainly due to lower sales volume of certain travel documents. In line with the decrease in revenue, PBT posted was lower by RM4.87 million, decline of 30.3% over the previous quarter.

Plantation Division

(RM Million)	QTR 4 FY 2017	QTR 3 FY 2017	Variance	%
Revenue				
Indonesia				
- CPO	31.08	27.55	3.53	12.8
- CPKO	6.98	0.62	6.36	1,025.8
Malaysia				
- Fresh fruit bunch	1.87	3.30	(1.43)	(43.3)
- Pineapple	0.81	0.74	0.07	9.5
Total	40.74	32.21	8.53	26.5
Profit Before Tax	8.63	4.30	4.33	100.7
Sales Quantity (mt)				
- CPO	10,582	9,126	1,456	16.0
- CPKO	1,002	-	1,002	100.0
Average net CIF selling price, net of duty (RM)				
- CPO	2,937	2,964	(27)	(0.9)
- CPKO	6,970	-	6,970	100.0

Plantation Division's revenue for the quarter increased by RM8.53 million, higher than the preceding quarter due to higher sales quantity of CPO and CPKO. PBT increased by RM4.33 million compared to the preceding quarter.

Bulking Division

(RM Million)	QTR 4 FY 2017	QTR 3 FY 2017	Variance	%
Revenue	10.07	12.09	(2.02)	(16.7)
Profit before tax	3.25	5.34	(2.09)	(39.1)

Revenue from **Bulking Division** of RM10.07 million was 16.7% lower than the preceding quarter. The decrease in results was due to lower revenue mainly from base oil segment in the current quarter. In line with decrease in revenue, PBT decreased 39.1% to RM3.25 million over the preceding quarter.

B2. Comparison with preceding quarter's results (contd)

Food Division

(RM Million)	QTR 4 FY 2017	QTR 3 FY 2017	Variance	%
Revenue				
PNG	32.46	27.73	4.73	17.1
Malaysia	1.44	1.56	(0.12)	(7.7)
	33.90	29.29	4.61	15.7
(Loss)/profit before tax	(1.64)	6.02	(7.66)	(127.2)

Revenue from **Food Division** increased by RM4.61 million or 15.7% to RM33.90 million as compared to the preceding quarter due to higher sales volume of tuna and fishmeal product. The division registered loss before tax of RM1.64 million during the quarter mainly due to loss in foreign exchange.

B3. Prospects

The Directors expect the performance of the Group to be challenging for the next financial year. The prospect of each business division for the next financial year is as follows:

The prospect for **Manufacturing Division** will be challenging due to the expiry of a supply contract for a certain travelling document.

Plantation Division. In view of the current prevailing prices of palm oil products, the outlook for oil palm production and processing is expected to be satisfactory.

Bulking Division. The prospects for the next fianancial year is expected to remain challenging. The Malaysia Derivatives Exchange's (MDEX) Edible Oil tender and transhipment businesses is expected to remain low. The storage utilisation rate is expected to be challenging for the current financial year. The division is looking at securing more long term contracts with customers as well as handling higher margin products.

Food Division faces many challenges ahead, particularly in Papua New Guinea where the division's main operation is located, amidst market competition from cheaper imported products, currency fluctuation, and current global uncertainty. The division will continue its focus on operational efficiency, productivity, margin improvements and cost control as well as emphasis on quality, service and delivery.

B4. Explanatory notes on variances with profit forecasts or profit guarantees

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

B5. Income tax expense

	Current Year Quarter 31-03-2017 RM'000	Current Year To Date 31-03-2017 RM'000
Current taxation	12,141	37,310

The effective tax rate on Group's profit to date is higher than the statutory tax rate mainly due certain expenses disallowed for taxation purposes and no group relief.

B6. Profits/(losses) on sale of unquoted investments and/or properties

There were no sale of unquoted investments and/or properties during the current quarter.

B7. Purchase or disposal of quoted securities

There were no purchase or disposal of quoted securities during the current quarter.

B8. Corporate proposals

(a) Status of corporate proposal
There are no corporate proposals announced but not completed at the date of this report.

(b) Utilisation of proceeds raised from any corporate proposal
Not applicable.

B9. Borrowings and debt securities

	As at 31-03-2017 RM'000	As at 31-03-2016 RM'000
Secured:		
Non-current		
*Obligations under finance leases	16,176	16,799
Current		
*Obligations under finance leases	624	646
Bankers' acceptance	4,516	10,281
Short term revolving credit	10,000	5,000
	15,140	15,927
	31,316	32,726

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

(i) 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 expires on 2 July 2112.

(ii) 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, Daerah 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.

(iii) 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 30 years.

B10. Realised/unrealised earnings/(losses)

	As at 31-03-2017 RM'000	As at 31-03-2016 RM'000
Total retained earnings of Kumpulan Fima Berhad and its subsidiaries:		
- Realised	371,777	367,486
- Unrealised	(44,767)	(57,791)
	327,010	309,695
Total share of retained earnings from associated companies:		
- Realised	36,296	38,408
- Unrealised	(4,346)	(4,000)
	31,950	34,408
Consolidation adjustments	(25,452)	(35,486)
Total group retained earnings as per consolidated accounts	333,508	308,617

B11. Changes in material litigations

Pending material litigation since preceeding quarter is as follows:

(i) On 21 October 2016, a subsidiary, Fima Corporation Berhad ("FimaCorp") announced that its Indonesian subsidiary, PT Nunukan Jaya Lestari ("PTNJL") has institued 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 foresty 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 Pengadilan Tata Usaha ("PTUN") 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 suit is still on-going and the Defendant, together with a third party interverner, PT Adindo Hutani Lestari, have filed a defence against the said suit.

Notwithstanding the Ministerial Order, the local government in Kabupaten Nunukan, in the interest of good order, has given its undertaking and allowed PTNJL to continue to lawfully operate its plantation operations until the final determination of the matter by the Indonesian courts. Based on the current circumstances, the Board is of the opinion that the Ministerial Order will not have any immediate operational and financial impact on the Group.

(ii) Following the termination of the Tenancy Agreement by Malaysia Airports Holding Berhad (“MAHB”) on 11 May 2000, a subsidiary, FimaCorp, as the Principal Tenant 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, FimaCorp 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 the renovation costs and general damages arising from the early termination of the Tenancy Agreement at Airtel Complex, in Subang. The Board of FimaCorp had sought the advice of the solicitors and was of the opinion that there should be no compensation payable to the Plaintiff as the demised premises was acquired by a relevant authority, MAHB, which was provided in the Tenancy Agreement between FimaCorp 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, FimaCorp had filed its Record of Appeal to the Court of Appeal to appeal against the decision.

B11. Changes in material litigations (cont'd.)

Pending material litigation since preceeding quarter is as follows: (cont'd.)

The subsidiary had made full provision for the compensation claim of RM2.12 million in the financial year ended 31 March 2009.

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

B12. Dividends

The Directors of the Company is recommending a final single-tier dividend of 9.0% (2016:9.0%) amounting to approximately RM25.40 million for the current financial year subject to approval of the shareholders at the forthcoming Annual General Meeting.

B13. Earnings per share

The basic earnings per share are calculated as follows:

	Quarter Ended		Cumulative Quarter Ended	
	31-03-2017	31-03-2016	31-03-2017	31-03-2016
Profit net of tax attributable to owners of the Company used in the computation of earnings per share (RM'000)	5,329	10,446	50,275	56,731
Weighted average number of ordinary shares in issues ('000)	278,809	276,422	278,809	276,654
Effect of dilution				
- Share options ('000)	605	132	1,121	2,728
Weighted average number of ordinary shares for diluted earnings per share computation ('000)	279,414	276,554	279,930	279,382
Basic earnings per share (sen per share)	1.91	3.78	18.03	20.51
Diluted earnings per share (sen per share)	1.91	3.78	17.96	20.31

By order of the Board

MOHD YUSOF BIN PANDAK YATIM (MIA 4110)
JASMIN BINTI HOOD (LS0009071)
Company Secretaries

Kuala Lumpur
Dated : 30 March 2017