



KUMPULAN FIMA BERHAD (197201000167)(11817-V)  
(Incorporated in Malaysia)

Condensed Consolidated Financial Statements  
For the Second Quarter Ended 30 September 2022

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2022**  
**(THE FIGURES HAVE NOT BEEN AUDITED)**

	Note	Current quarter		6 months cumulative	
		Current year quarter 30-09-2022	Preceding year corresponding quarter 30-09-2021	Current year to date 30-09-2022	Preceding year corresponding period 30-09-2021
		RM'000	RM'000	RM'000	RM'000
Revenue	A9	163,484	158,801	343,407	285,262
Cost of sales		(104,427)	(83,162)	(213,453)	(153,109)
<b>Gross profit</b>		<b>59,057</b>	<b>75,639</b>	<b>129,954</b>	<b>132,153</b>
Other income		3,283	2,492	5,159	4,582
<b>Other items of expense</b>					
Administrative expenses		(19,480)	(20,207)	(39,175)	(43,002)
Selling and marketing expenses		(4,575)	(6,536)	(9,663)	(14,527)
Other operating expenses		(5,922)	(5,109)	(11,013)	(10,030)
		(29,977)	(31,852)	(59,851)	(67,559)
Finance costs		(2,853)	(878)	(5,734)	(1,731)
Share of results of associates		1,425	1,020	2,652	1,620
<b>Profit before tax and zakat</b>	A9/A10	<b>30,935</b>	<b>46,421</b>	<b>72,180</b>	<b>69,065</b>
Income tax expense and zakat	B5	(8,441)	(11,966)	(19,601)	(15,660)
<b>Profit net of tax</b>		<b>22,494</b>	<b>34,455</b>	<b>52,579</b>	<b>53,405</b>
<b>Other comprehensive income</b>					
Foreign exchange translation gain		8,089	5,025	14,604	4,866
<b>Total comprehensive income for the period</b>		<b>30,583</b>	<b>39,480</b>	<b>67,183</b>	<b>58,271</b>
<b>Profit attributable to :</b>					
Equity holders of the Company		19,507	24,466	41,216	40,527
Non-controlling interests		2,987	9,989	11,363	12,878
<b>Profit for the period</b>		<b>22,494</b>	<b>34,455</b>	<b>52,579</b>	<b>53,405</b>
<b>Total comprehensive income attributable to :</b>					
Equity holders of the Company		26,904	28,584	54,618	44,514
Non-controlling interests		3,679	10,896	12,565	13,757
<b>Total comprehensive income for the period</b>		<b>30,583</b>	<b>39,480</b>	<b>67,183</b>	<b>58,271</b>
<b>Earnings per share attributable to equity holders of the Company :</b>					
Basic/diluted earnings per share (sen)	B12	7.06	8.81	14.93	14.60

*(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 30 SEPTEMBER 2022**

	<b>As at 30-09-2022</b>	<b>As at 31-03-2022</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	421,339	391,530
Right-of-use assets	438,798	413,782
Investment properties	59,903	60,728
Investment in associates	39,196	36,544
Deferred tax assets	14,669	14,090
Goodwill on consolidation	12,710	12,710
	<u>986,615</u>	<u>929,384</u>
<b>Current assets</b>		
Inventories	109,780	105,281
Biological assets	7,213	8,051
Trade receivables	116,550	98,328
Other receivables	53,418	35,352
Financial investments	175,375	230,212
Cash and bank balances	151,568	170,573
	<u>613,904</u>	<u>647,797</u>
<b>TOTAL ASSETS</b>	<u>1,600,519</u>	<u>1,577,181</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	311,670	311,670
Treasury shares	(10,724)	(10,431)
Other reserves	72,427	59,025
Retained earnings	531,644	531,842
	<u>905,017</u>	<u>892,106</u>
Non-controlling interests	254,112	255,128
<b>Total equity</b>	<u>1,159,129</u>	<u>1,147,234</u>
<b>Non-current liabilities</b>		
Lease liabilities	207,962	211,484
Long term borrowing	20,096	7,900
Retirement benefit obligation	1,814	1,801
Deferred tax liabilities	49,595	48,545
	<u>279,467</u>	<u>269,730</u>
<b>Current liabilities</b>		
Lease liabilities	10,752	10,720
Short term borrowings	47,045	51,997
Trade and other payables	84,338	72,271
Provisions	1,859	1,710
Tax payable	17,929	23,519
	<u>161,923</u>	<u>160,217</u>
<b>TOTAL LIABILITIES</b>	<u>441,390</u>	<u>429,947</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>1,600,519</u>	<u>1,577,181</u>
Net assets per share (RM)	<u>3.21</u>	<u>3.16</u>

*(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 SECOND QUARTER ENDED 30 SEPTEMBER 2022**

Group	← Attributable to equity holders of the Company →									
	Share capital	Treasury shares	Other reserves	Non-distributable			Distributable			
	RM'000	RM'000	RM'000	Capital reserve	Capital reserve arising from bonus issue in subsidiary	Foreign exchange reserve	Retained earnings	Total	Non-controlling interests	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 1 April 2022</b>	311,670	(10,431)	59,025	437	66,459	(7,871)	531,842	892,106	255,128	1,147,234
Profit for the period	-	-	-	-	-	-	41,216	41,216	11,363	52,579
Other comprehensive income for the period	-	-	13,402	-	-	13,402	-	13,402	1,202	14,604
Total comprehensive income for the period	-	-	13,402	-	-	13,402	41,216	54,618	12,565	67,183
<b>Transactions with equity holders</b>										
Dividend	-	-	-	-	-	-	(41,414)	(41,414)	-	(41,414)
Dividend paid to minority shareholders of subsidiaries	-	-	-	-	-	-	-	-	(13,467)	(13,467)
Purchase of treasury shares	-	(293)	-	-	-	-	-	(293)	(114)	(407)
Total transactions with equity holders	-	(293)	-	-	-	-	(41,414)	(41,707)	(13,581)	(55,288)
<b>At 30 September 2022</b>	311,670	(10,724)	72,427	437	66,459	5,531	531,644	905,017	254,112	1,159,129
<b>At 1 April 2021</b>	311,670	(6,823)	56,483	437	66,459	(10,413)	462,468	823,798	234,467	1,058,265
Profit for the period	-	-	-	-	-	-	40,527	40,527	12,878	53,405
Other comprehensive income for the period	-	-	3,987	-	-	3,987	-	3,987	879	4,866
Total comprehensive income for the period	-	-	3,987	-	-	3,987	40,527	44,514	13,757	58,271
<b>Transaction with equity holders</b>										
Dividend	-	-	-	-	-	-	(33,240)	(33,240)	-	(33,240)
Dividend paid to minority shareholders of subsidiaries	-	-	-	-	-	-	-	-	(8,712)	(8,712)
Purchase of treasury shares	-	(2,162)	-	-	-	-	-	(2,162)	(916)	(3,078)
Total transaction with equity holders	-	(2,162)	-	-	-	-	(33,240)	(35,402)	(9,628)	(45,030)
<b>At 30 September 2021</b>	311,670	(8,985)	60,470	437	66,459	(6,426)	469,755	832,910	238,596	1,071,506

(The condensed consolidated statements 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 SECOND QUARTER ENDED 30 SEPTEMBER 2022**

	← 6 months ended →	
	30-09-2022	30-09-2021
	RM'000	RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	72,180	69,065
Adjustments for:		
Depreciation of investment properties	825	819
Depreciation for property, plant and equipment	11,535	12,949
Depreciation of right-of-use assets	8,171	8,740
Fair value changes on biological assets	951	(1,282)
Net provision for impairment on trade and other receivables	834	3,215
Interest expense	5,734	1,731
Profit income	(918)	(844)
Interest income	(104)	(3)
Distribution from financial investments	(1,664)	(1,478)
Net provision/(reversal of provision) for retirement benefit obligation	13	(48)
Net provision/(reversal of provision) for warranty	149	(463)
Net unrealised forex (gain)/loss	(6,142)	621
Net gain on disposal of property, plant and equipment	(44)	-
Share of results of associates	(2,652)	(1,620)
Inventories written back	(36)	(175)
Operating profit before working capital changes	88,832	91,227
Increase in inventories	(4,463)	(21,603)
(Increase)/decrease in receivables	(31,355)	6,298
Increase/(decrease) in payables	12,067	(6,232)
Cash generated from operations	65,081	69,690
Interest paid	(826)	(643)
Taxes paid	(25,746)	(4,299)
Retirement benefits paid	(49)	-
Net cash generated from operating activities	38,460	64,748
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from disposal of property, plant and equipment	1,262	-
Purchase of property, plant and equipment	(37,283)	(11,037)
Payment for acquisition of land	(33,030)	(16,015)
Acquisition of treasury shares	(293)	(2,162)
Profit income received	918	844
Interest income received	104	3
Distribution received from financial investments	1,664	1,478
Net placement of financial investments	54,837	46,385
Net cash (used in)/generated from investing activities	(11,821)	19,496
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net drawdown of borrowings	7,244	12,722
Repayment of lease liabilities	(8,526)	(6,728)
Dividend paid	(41,414)	(33,240)
Dividend paid by subsidiaries to non-controlling interests	(13,467)	(8,712)
Net cash used in financing activities	(56,163)	(35,958)
<b>NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS</b>	(29,524)	48,286
<b>EFFECT ON FOREIGN EXCHANGE RATE CHANGES IN CASH AND CASH EQUIVALENTS</b>	10,519	(2,471)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	170,573	116,497
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	151,568	162,312
<b>CASH AND CASH EQUIVALENTS COMPRISE:</b>		
Cash and bank balances	97,652	136,672
Fixed deposits with financial institutions	53,916	25,640
	151,568	162,312

(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).

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

**A1. Accounting policies and basis of preparation**

The interim financial 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 2022. 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 2022.

**A2. Changes in accounting policies**

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

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 Malaysian Financial Reporting Standards ("MFRSs"), Amendments to MFRSs and IC Interpretations.

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 Interpretations that are not yet effective:

<b>Description</b>	<b>Effective for financial period beginning on or after</b>
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 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 interpretations 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. 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 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 on the current quarter's results.

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

Save as disclosed below, there were no issuances, cancellations, repurchases, resale and repayments of debts and equity securities for the current quarter.

During the current quarter, the Company repurchased 93,100 of its issued ordinary shares from open market at an average price of RM1.93. The total transaction paid for the repurchase including transaction costs was RM181,000. Of the total 282,231,600 issued ordinary shares, 6,233,800 shares are held as treasury shares by the Company.

**A8. Dividend paid**

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

		<b>6 months cumulative</b>	
		<b>30-09-2022</b>	<b>30-09-2021</b>
		<b>RM'000</b>	<b>RM'000</b>
<b>Interim dividend</b>			
2021	Single-tier interim dividend of 9.0 sen (Paid on 17 September 2021)	-	24,930
2022	Single-tier interim dividend of 9.0 sen (Paid on 22 August 2022)	24,848	-
<b>Special dividend</b>			
2021	Single-tier special dividend of 3.0 sen (Paid on 17 September 2021)	-	8,310
2022	Single-tier special dividend of 6.0 sen (Paid on 22 August 2022)	16,566	-

**A9. Segmental information**
**(i) Segmental revenue and results for business segments**

	Quarter ended		6 months cumulative	
	30-09-2022	30-09-2021	30-09-2022	30-09-2021
	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>				
Manufacturing*	35,169	30,082	64,957	43,246
Plantation	41,908	56,778	101,162	93,820
Bulking	34,362	32,280	77,421	70,292
Food	50,922	38,649	97,644	75,737
Others	8,995	3,414	14,400	6,511
	171,356	161,203	355,584	289,606
Eliminations	(7,872)	(2,402)	(12,177)	(4,344)
	163,484	158,801	343,407	285,262
<b>Profit before tax</b>				
Manufacturing*	4,199	32	7,151	(823)
Plantation	5,987	27,501	27,381	35,736
Bulking	16,491	16,207	31,792	31,495
Food	6,534	3,164	10,096	5,494
Others	(3,701)	(1,503)	(6,892)	(4,457)
	29,510	45,401	69,528	67,445
Associated companies	1,425	1,020	2,652	1,620
	30,935	46,421	72,180	69,065

\* Production and trading of security documents.

**(ii) Geographical segments**

	Quarter ended		6 months cumulative	
	30-09-2022	30-09-2021	30-09-2022	30-09-2021
	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>				
Malaysia	95,319	84,858	197,080	155,408
Indonesia	26,421	38,489	63,315	59,947
Papua New Guinea	49,616	37,856	95,189	74,251
	171,356	161,203	355,584	289,606
Eliminations	(7,872)	(2,402)	(12,177)	(4,344)
	163,484	158,801	343,407	285,262
<b>Profit before tax</b>				
Malaysia	17,251	19,806	39,379	33,964
Indonesia	6,215	22,648	20,802	28,482
Papua New Guinea	6,044	2,947	9,347	4,999
	29,510	45,401	69,528	67,445
Associated companies	1,425	1,020	2,652	1,620
	30,935	46,421	72,180	69,065

← 6 months cumulative →

	Current year to date		Preceding year	
	30-09-2022		corresponding period 30-09-2021	
	Assets RM'000	Liabilities RM'000	Assets RM'000	Liabilities RM'000
<b>Assets and liabilities</b>				
Malaysia	1,759,853	356,157	1,530,043	239,628
Indonesia	85,782	13,971	129,728	12,951
Papua New Guinea	241,045	122,298	175,134	82,875
	2,086,680	492,426	1,834,905	335,454
Eliminations	(486,161)	(51,036)	(493,321)	(65,376)
	1,600,519	441,390	1,341,584	270,078



**A10. Profit before tax and zakat**

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

	Quarter ended		6 months cumulative	
	30-09-2022	30-09-2021	30-09-2022	30-09-2021
	RM'000	RM'000	RM'000	RM'000
<b>Other income</b>				
Profit income	471	430	918	844
Interest income	104	2	104	3
Distribution from financial investments	921	754	1,664	1,478
<b>Operating expenses</b>				
Depreciation	10,008	10,851	20,531	22,508
Interest expense	2,853	878	5,734	1,731
Unrealised foreign exchange (gain)/loss	(3,190)	(184)	(6,142)	621
Realised forex exchange (gain)/loss	(431)	676	38	615
Net provision for impairment on trade and other receivables	264	2,343	834	3,215
Net gain on disposal of property, plant and equipment	(14)	-	(44)	-
Fair value changes on biological assets	252	(721)	951	(1,282)
Net provision/(reversal of provision) for retirement benefit obligation	32	(17)	13	(48)
Net provision/(reversal of provision) for warranty	84	(75)	149	(463)
Inventories written (back)/down	(292)	266	(36)	(175)

**A11. Subsequent events**

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

**A12. Inventories**

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

**A13. Changes in the composition of the Group**

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

**A14. Changes in contingent liabilities**

There were no additional contingent liabilities during the current quarter, except as disclosed in Note B10 herein.

**A15. Significant acquisition of property, plant and equipment**

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

	<b>Current year to date</b>
	<b>RM'000</b>
Plant and machinery	14,972
Equipment, furniture and fittings and motor vehicles	2,678
Bearer plants and infrastructure	4,496
Work in progress	15,137
	<b>37,283</b>

**A16. Capital commitments**

The amount of commitments not provided for in the financial statements as at 30 September 2022 were as follows:

	<b>Current year to date</b>
	<b>RM'000</b>
Property, plant and equipment - Approved and contracted for	<b>38,845</b>

**A17. Related party transactions**

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

	<b>Current year to date</b>
	<b>RM'000</b>
Transactions with subsidiaries	
- Fima Corporation Berhad - Rental expenses payable	440
- Fima Corporation Berhad - Management fees receivable	472
- Fima Corporation Berhad - Services payable	152
- Pineapple Cannery of Malaysia Sendirian Berhad - Rental income	169
- International Food Corporation - Sales of fish	11,918
- International Food Corporation - Interest receivable	1,136
Transactions with related parties*	
- BHR Enterprise Sdn. Bhd. - Services payable	60
- PT Pohon Emas Lestari - Purchase of fresh fruit bunch	3,788
- TD Technologies Sdn. Bhd. - Services payable	84
- Nationwide Express Courier Services Berhad - Rental income	<b>31</b>

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

**NOTES TO THE QUARTERLY ANNOUNCEMENT FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2022**
**PART B - Bursa Securities Listing Requirements**
**B1. Review of performance**
**Group Performance**

(RM Million)	<b>Current YTD</b>	<b>Previous YTD</b>	<b>Variance</b>	<b>%</b>
Revenue	343.41	285.26	58.15	20.4
Profit before tax	72.18	69.07	3.11	4.5

Group revenue for the period ended 30 September 2022 improved by 20.4% to RM343.41 million as compared to RM285.26 million recorded in the corresponding period last year. Higher revenue by RM58.15 million was mainly attributed to the increase in revenue generated by all divisions.

In line with higher revenue, Group profit before tax ("PBT") improved by 4.5% to RM72.18 million as compared to the last financial period.

The performance of each business division is as follows:

**Manufacturing Division**

(RM Million)	<b>Current YTD</b>	<b>Previous YTD</b>	<b>Variance</b>	<b>%</b>
Revenue	64.96	43.25	21.71	50.2
Profit before tax	7.15	(0.82)	7.97	972.0

Revenue from **Manufacturing Division** rose by 50.2% or RM21.71 million to RM64.96 million from RM43.25 million recorded last year, largely contributed by higher sales volume for all products. In line with increase in revenue, coupled with lower impairment on trade and other receivables, the division has recorded a higher pre-tax profit of RM7.15 million as compared to pre-tax loss of RM0.82 million in the same period last year.

**Plantation Division**

(RM Million)	<b>Current YTD</b>	<b>Previous YTD</b>	<b>Variance</b>	<b>%</b>
<b>Revenue</b>				
<u>Indonesia</u>				
- Crude palm oil (CPO)	56.68	55.39	1.29	2.3
- Crude palm kernel oil (CPKO)	6.64	4.56	2.08	45.6
<u>Malaysia</u>				
- Fresh fruit bunch (FFB)	36.91	33.04	3.87	11.7
- Pineapple	0.93	0.83	0.10	12.0
<b>Total</b>	<b>101.16</b>	<b>93.82</b>	<b>7.34</b>	<b>7.8</b>
<b>Profit before tax</b>	<b>27.38</b>	<b>35.74</b>	<b>(8.36)</b>	<b>(23.4)</b>

**NOTES TO THE QUARTERLY ANNOUNCEMENT FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2022**
**B1. Review of performance (cont'd.)**
**Plantation Division (cont'd.)**

	<b>Current YTD</b>	<b>Previous YTD</b>	<b>Variance</b>	<b>%</b>
<b>Sales Quantity (mt)</b>				
- CPO	16,638	16,070	568	3.5
- CPKO	1,498	997	501	50.3

**Plantation Division** registered higher revenue by RM7.34 million or 7.8% to RM101.16 million as compared to last year, mainly attributable to higher sales volume of CPO and CPKO. However, the division PBT has decreased by 23.4% to RM27.38 million as compared to last year, primarily contributed by higher operational costs and higher rehabilitation costs incurred by the estates that were acquired in the previous financial year.

Plantation estates in Malaysia which are presently in the development phase and partially mature registered a total pre-tax loss of RM1.64 million as compared to RM0.19 million pre-tax loss recorded in the corresponding period last year.

**Bulking Division**

(RM Million)	<b>Current YTD</b>	<b>Previous YTD</b>	<b>Variance</b>	<b>%</b>
<b>Revenue</b>				
Liquid bulking and logistic	63.95	53.75	10.20	19.0
Biodiesel	13.47	16.54	(3.07)	(18.6)
	<u>77.42</u>	<u>70.29</u>	<u>7.13</u>	<u>10.1</u>
Profit before tax	31.79	31.50	0.29	0.9

Revenue from **Bulking Division** of RM77.42 million has improved by 10.1% or RM7.13 million as compared to last year, mainly attributable to the higher contribution from technical fats and miscellaneous non-core products from its liquid bulking operation. Its biodiesel operation has recorded lower revenue by 18.6% to RM13.47 million, contributed mainly by decrease in sales of palm methyl ester ("PME"). However, despite of higher revenue posted the Division, an increase in fuel cost and interest on leases has reduced its PBT to RM31.79 million in the current financial period.

**Food Division**

(RM Million)	<b>Current YTD</b>	<b>Previous YTD</b>	<b>Variance</b>	<b>%</b>
<b>Revenue</b>				
Papua New Guinea (PNG)	95.19	74.25	20.94	28.2
Malaysia	2.45	1.49	0.96	64.4
	<u>97.64</u>	<u>75.74</u>	<u>21.90</u>	<u>28.9</u>
Profit before tax	10.10	5.49	4.61	84.0

**Food Division's** revenue has improved by RM21.90 million or 28.9% to RM97.64 million, as compared to RM75.74 million recorded in the previous financial period, mainly due to higher sales volume of mackerel, export canned tuna and tuna loin products. Despite of higher revenue, the Division's profit margin was affected by an increase in shipping and tin cans cost during the period. The Division has posted a PBT of RM10.10 million, an improvement by RM4.61 million as compared to RM5.49 million in the last financial period.

**NOTES TO THE QUARTERLY ANNOUNCEMENT FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2022**
**B2. Comparison with preceding quarter's results**
**Group Performance**

(RM Million)	<b>QTR 2</b>	<b>QTR 1</b>		
	<b>FY 2023</b>	<b>FY 2023</b>	<b>Variance</b>	<b>%</b>
Revenue	163.48	179.92	(16.44)	(9.1)
Profit before tax	30.94	41.25	(10.31)	(25.0)

The Group revenue declined by RM16.44 million to RM163.48 million as compared to the preceding quarter, attributable to lower revenue contribution by plantation and bulking division.

On the back of lower revenue, the Group PBT has decreased by RM10.31 million or 25.0% to RM30.94 million as compared to RM41.25 million recorded in the preceding quarter.

The performance of each business division is as follows:

**Manufacturing Division**

(RM Million)	<b>QTR 2</b>	<b>QTR 1</b>		
	<b>FY 2023</b>	<b>FY 2023</b>	<b>Variance</b>	<b>%</b>
Revenue	35.17	29.79	5.38	18.1
Profit before tax	4.20	2.95	1.25	42.4

**Manufacturing Division's** revenue posted an improvement by RM5.38 million to RM35.17 million in the current quarter, mainly attributable to increase in demand for travelling documents. In line with higher revenue, the division PBT has increased by RM1.25 million to RM4.20 million in the current quarter.

**Plantation Division**

(RM Million)	<b>QTR 2</b>	<b>QTR 1</b>		
	<b>FY 2023</b>	<b>FY 2023</b>	<b>Variance</b>	<b>%</b>
<b>Revenue</b>				
<u>Indonesia</u>				
- CPO	24.43	32.25	(7.82)	(24.2)
- CPKO	2.00	4.64	(2.64)	(56.9)
<u>Malaysia</u>				
- Fresh fruit bunch	15.01	21.90	(6.89)	(31.5)
- Pineapple	0.47	0.46	0.01	2.2
<b>Total</b>	<b>41.91</b>	<b>59.25</b>	<b>(17.34)</b>	<b>(29.3)</b>
<b>Profit before tax</b>	<b>5.99</b>	<b>21.39</b>	<b>(15.40)</b>	<b>(72.0)</b>

CPO produced (mt)	9,016	8,945	71	0.8
<b>Sales Quantity (mt)</b>				
- CPO	8,587	8,051	536	6.7
- CPKO	500	998	(498)	(49.9)

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

**Plantation Division** has posted a lower revenue in the current quarter by RM17.34 million (or 29.3%) to RM41.91 million, as compared to RM59.25 million in the preceding quarter mainly attributable to lower sales price of CPO and CPKO. In line with lower revenue, the Division PBT has also declined by RM15.40 million to RM5.99 million in the current quarter.

**Bulking Division**

(RM Million)	<b>QTR 2 FY 2023</b>	<b>QTR 1 FY 2023</b>	<b>Variance</b>	<b>%</b>
<b>Revenue</b>				
Liquid bulking and logistic	33.51	30.44	3.07	10.1
Biodiesel	0.85	12.62	(11.77)	(93.3)
	<u>34.36</u>	<u>43.06</u>	<u>(8.70)</u>	<u>(20.2)</u>
Profit before tax	16.49	15.30	1.19	7.8

Revenue from **Bulking Division** has decreased by 20.2% or RM8.70 million to RM34.36 million as compared to the preceding quarter, primarily attributable to lower sales of PME product from biodiesel operation during the quarter. Despite this, the Division posted a marginal improvement in PBT by RM1.19 million to RM16.49 million in the current quarter, on the back of higher revenue contribution from its liquid bulking operation.

**Food Division**

(RM Million)	<b>QTR 2 FY 2023</b>	<b>QTR 1 FY 2023</b>	<b>Variance</b>	<b>%</b>
<b>Revenue</b>				
PNG	49.62	45.57	4.05	8.9
Malaysia	1.30	1.15	0.15	13.0
	<u>50.92</u>	<u>46.72</u>	<u>4.20</u>	<u>9.0</u>
Profit before tax	6.53	3.56	2.97	83.4

**Food Division's** revenue continue to improve by 9.0% or RM4.20 million to RM50.92 million as compared to the preceding quarter, mainly contributed by higher sales volume of mackerel and tuna loin products. In line with higher revenue posted, coupled with higher net forex gain and lower impairment on trade receivables during the quarter, the Division's PBT has increased by RM2.97 million to RM6.53 million as compared to preceding quarter.

**B3. Prospects**

**Manufacturing Division** - The division will continue its concerted efforts to develop new products and solutions to complement its existing products.

**Plantation Division** - The performance of the oil palm production and processing is very much influenced by the direction of palm oil prices and our estates' yield. Nevertheless, we will remain focus in improving our efficiency in oil processing and production cost.

**Bulking Division** - The demand for storage is expected to be satisfactory. The division is looking at securing more long term contracts with customers as well as handling higher margin products.

**NOTES TO THE QUARTERLY ANNOUNCEMENT FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2022**
**B3. Prospects (cont'd.)**

**Food Division** faces many challenges ahead, particularly in Papua New Guinea where the division's main operation is located, amidst intense market competition from cheaper imported products, currency fluctuation, transportation cost and increase in price of raw materials - mainly cans. The division will continue to focus on operational efficiency, productivity and margin improvements, and cost control as well as emphasising on quality, service and delivery.

We expect the challenging environment to remain in the current financial year due to uncertainties in the pace of economic recovery post COVID-19. Fluctuations in exchange rates and commodity prices will influence the Group's financial performance and position.

**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 and zakat**

	Current quarter 30-09-2022 <u>RM'000</u>	Current year to date 30-09-2022 <u>RM'000</u>
Tax expense	7,836	18,996
Zakat	605	605
	<u>8,441</u>	<u>19,601</u>

The effective tax rate on the Group's profit to date is higher than the statutory tax rate mainly due to certain expenses disallowed for taxation purposes.

**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 30-09-2022 <u>RM'000</u>	As at 31-03-2022 <u>RM'000</u>
<b>Non-current</b>		
Term loan	<u>20,096</u>	<u>7,900</u>
<b>Current</b>		
Term loan	4,704	1,800
Bankers' acceptance	7,341	9,479
Short term revolving credit	35,000	40,718
	<u>47,045</u>	<u>51,997</u>
	<u>67,141</u>	<u>59,897</u>

**NOTES TO THE QUARTERLY ANNOUNCEMENT FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2022**

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**B10. Changes in material litigations**

Except for the following, there were no other changes in material litigation since the date of the last annual statement of financial position:

1. On 30 July 2018, a subsidiary, Fima Corporation Berhad ("FimaCorp") announced that its wholly owned subsidiary, Percetakan Keselamatan Nasional Sdn. Bhd. ("the Plaintiff" or "the Appellant" or "PKN"), has on the same day, commenced a High Court action against Datasonic Technologies Sdn. Bhd. ("the Defendant" or "the Respondent").

The claim is for a sum of RM24,975,000 (excluding interest and cost) ("Outstanding Amount"), 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.

As the parties were unable to reach a solution via mediation took place in October 2018, the matter went to trial in August 2021.

On 13 October 2021, the High Court Judge has delivered its decision and has 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.

The Court of Appeal has on 26 October 2022, maintained the judgment of the High Court Judge save for the following: (a) Post-judgment interest rate has been increased from 4% to 5% per annum, (b) Costs of RM30,000 which was ordered by the High Court against the Appellant has been set aside. In turn, the costs of RM30,000 previously remitted by the Appellant to the Respondent pursuant to the judgment of the High Court is to be refunded by the Respondent to the Appellant. In addition, the Respondent has been ordered to pay the Appellant costs in the sum of RM30,000 for the High Court action, and (c) Costs of RM5,000 to be paid by the Respondent to the Appellant subject to allocator fee.

The decision does not has any material impact on the financial position of the Group as appropriate revenue adjustments have already been made by PKN.

2. On 28 November 2019, an Indonesian subsidiary of FimaCorp, PT Nunukan Jaya Lestari ("PTNJL") has 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 a Third Party (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 will now proceed 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 Defendant on the basis that the 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 Pengadilan Negeri Jakarta Selatan dated 15 September 2020.



**NOTES TO THE QUARTERLY ANNOUNCEMENT FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2022**

**B11. Dividend**

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

**B12. Earnings per share**

The basic earnings per share are calculated as follows:

	Quarter ended		6 months cumulative	
	30-09-2022	30-09-2021	30-09-2022	30-09-2021
Profit net of tax attributable to equity holders of the Company used in the computation of earnings per share (RM'000)	19,507	24,466	41,216	40,527
Weighted average number of ordinary shares in issues ('000)	276,109	277,590	276,109	277,590
Basic/diluted earnings per share (sen)	7.06	8.81	14.93	14.60

**By order of the Board**

**FADZIL BIN AZAHA (MIA20995)**  
**JASMIN BINTI HOOD (LS0009071)**  
 Company Secretaries

**Kuala Lumpur**

**Dated : 29 November 2022**