



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

Condensed Consolidated Financial Statements
For the Third Quarter Ended 31 December 2023

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2023
(THE FIGURES HAVE NOT BEEN AUDITED)

	Note	Current quarter		9 months cumulative	
		Current year quarter 31-12-2023	Preceding year corresponding quarter 31-12-2022	Current year to date 31-12-2023	Preceding year corresponding period 31-12-2022
		RM'000	RM'000	RM'000	RM'000
Revenue	A9	191,408	157,027	465,494	500,434
Cost of sales		(120,676)	(91,473)	(275,924)	(304,926)
Gross profit		70,732	65,554	189,570	195,508
Other income		4,041	3,535	9,753	8,694
Other items of expense					
Administrative expenses		(31,936)	(29,402)	(79,183)	(68,577)
Selling and marketing expenses		(4,505)	(3,929)	(12,462)	(13,592)
Other operating expenses		(8,539)	(4,513)	(18,358)	(15,526)
		(44,980)	(37,844)	(110,003)	(97,695)
Finance costs		(3,641)	(3,123)	(11,071)	(8,857)
Share of results of associates		1,565	2,031	3,974	4,683
Profit before tax and zakat	A9/A10	27,717	30,153	82,223	102,333
Income tax expense and zakat	B5	(4,814)	(9,673)	(20,552)	(29,274)
Profit net of tax		22,903	20,480	61,671	73,059
Other comprehensive (expenses)/income					
Foreign exchange translation (loss)/gain		(9,586)	(11,294)	(645)	3,310
Total comprehensive income for the period		13,317	9,186	61,026	76,369
Profit attributable to :					
Equity holders of the Company		21,711	15,015	55,955	56,231
Non-controlling interests		1,192	5,465	5,716	16,828
Profit for the period		22,903	20,480	61,671	73,059
Total comprehensive income attributable to :					
Equity holders of the Company		12,807	5,098	55,200	59,716
Non-controlling interests		510	4,088	5,826	16,653
Total comprehensive income for the period		13,317	9,186	61,026	76,369
Earnings per share attributable to equity holders of the Company :					
Basic/diluted earnings per share (sen)	B12	7.88	5.44	20.32	20.37

(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 31 DECEMBER 2023

	As at 31-12-2023	As at 31-03-2023
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	550,074	468,338
Right-of-use assets	429,822	441,778
Investment properties	48,470	49,430
Investment in associates	44,882	40,908
Deferred tax assets	15,491	15,458
Goodwill on consolidation	12,710	12,710
	<u>1,101,449</u>	<u>1,028,622</u>
Current assets		
Inventories	87,652	78,868
Biological assets	6,750	6,787
Trade receivables	84,414	109,644
Other receivables	57,007	49,506
Financial investments	169,024	188,491
Cash and bank balances	163,203	157,929
	<u>568,050</u>	<u>591,225</u>
TOTAL ASSETS	<u>1,669,499</u>	<u>1,619,847</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	311,670	311,670
Treasury shares	(11,963)	(11,932)
Other reserves	63,391	64,146
Retained earnings	576,521	553,611
	<u>939,619</u>	<u>917,495</u>
Non-controlling interests	239,286	250,854
Total equity	<u>1,178,905</u>	<u>1,168,349</u>
Non-current liabilities		
Lease liabilities	209,759	212,820
Long term borrowings	51,389	19,196
Retirement benefit obligation	1,783	1,636
Deferred tax liabilities	63,234	61,833
	<u>326,165</u>	<u>295,485</u>
Current liabilities		
Lease liabilities	5,967	8,617
Short term borrowings	56,603	53,737
Trade and other payables	96,578	89,332
Provisions	1,091	1,657
Tax payable	4,190	2,670
	<u>164,429</u>	<u>156,013</u>
TOTAL LIABILITIES	<u>490,594</u>	<u>451,498</u>
TOTAL EQUITY AND LIABILITIES	<u>1,669,499</u>	<u>1,619,847</u>
Net assets per share (RM)	<u>3.33</u>	<u>3.25</u>

(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 THIRD QUARTER ENDED 31 DECEMBER 2023**

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
At 1 April 2023	311,670	(11,932)	64,146	437	66,459	(2,750)	553,611	917,495	250,854	1,168,349
Profit for the period	-	-	-	-	-	-	55,955	55,955	5,716	61,671
Other comprehensive (expense)/income for the period	-	-	(755)	-	-	(755)	-	(755)	110	(645)
Total comprehensive income for the period	-	-	(755)	-	-	(755)	55,955	55,200	5,826	61,026
Transactions with equity holders										
Dividend	-	-	-	-	-	-	(33,045)	(33,045)	-	(33,045)
Dividend paid to minority shareholders of subsidiaries	-	-	-	-	-	-	-	-	(17,308)	(17,308)
Purchase of treasury shares	-	(31)	-	-	-	-	-	(31)	(86)	(117)
Total transactions with equity holders	-	(31)	-	-	-	-	(33,045)	(33,076)	(17,394)	(50,470)
At 31 December 2023	311,670	(11,963)	63,391	437	66,459	(3,505)	576,521	939,619	239,286	1,178,905
At 1 April 2022	311,670	(10,431)	59,025	437	66,459	(7,871)	531,842	892,106	255,128	1,147,234
Profit for the period	-	-	-	-	-	-	56,231	56,231	16,828	73,059
Other comprehensive income/(expense) for the period	-	-	3,485	-	-	3,485	-	3,485	(175)	3,310
Total comprehensive income for the period	-	-	3,485	-	-	3,485	56,231	59,716	16,653	76,369
Transaction with equity holders										
Dividend	-	-	-	-	-	-	(41,414)	(41,414)	-	(41,414)
Dividend paid to minority shareholders of subsidiaries	-	-	-	-	-	-	-	-	(17,968)	(17,968)
Purchase of treasury shares	-	(969)	-	-	-	-	-	(969)	(243)	(1,212)
Total transaction with equity holders	-	(969)	-	-	-	-	(41,414)	(42,383)	(18,211)	(60,594)
At 31 December 2022	311,670	(11,400)	62,510	437	66,459	(4,386)	546,659	909,439	253,570	1,163,009

(The condensed consolidated statements 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 THIRD QUARTER ENDED 31 DECEMBER 2023**

	← 9 months ended →	
	<u>31-12-2023</u>	<u>31-12-2022</u>
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	82,223	102,333
Adjustments for:		
Depreciation of investment properties	987	1,238
Depreciation for property, plant and equipment	20,646	17,418
Depreciation of right-of-use assets	12,276	12,180
Fair value changes on biological assets	(249)	2,090
Net provision for impairment on trade and other receivables	1,588	61
Interest expense	11,071	8,857
Profit income	(1,640)	(1,447)
Interest income	(295)	(150)
Distribution from financial investments	(4,381)	(2,794)
Net provision for retirement benefit obligation	156	2
Net (reversal of provision)/provision for warranty	(566)	276
Net unrealised forex loss/(gain)	1,729	(1,426)
Net gain on disposal of property, plant and equipment	(37)	(39)
Share of results of associates	(3,974)	(4,683)
Inventories written down	1,263	847
Operating profit before working capital changes	<u>120,797</u>	<u>134,763</u>
Increase in inventories	(10,047)	(22,943)
Decrease/(increase) in receivables	17,022	(5,168)
Increase in payables	7,246	27,860
Cash generated from operations	<u>135,018</u>	<u>134,512</u>
Interest paid	(2,755)	(1,509)
Taxes paid	(18,279)	(43,235)
Zakat paid	(466)	(605)
Retirement benefits paid	(29)	(55)
Net cash generated from operating activities	<u>113,489</u>	<u>89,108</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	37	1,306
Purchase of property, plant and equipment	(103,328)	(55,686)
Purchase of investment property	(27)	(325)
Payment for acquisition of land	-	(33,030)
Acquisition of treasury shares	(31)	(969)
Profit income received	1,640	1,447
Interest income received	295	150
Distribution received from financial investments	4,381	2,794
Net placement of deposit with maturity period more than 3 months	58	(11,000)
Net redemption of financial investments	19,467	39,908
Net cash used in investing activities	<u>(77,508)</u>	<u>(55,405)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Net drawdown of borrowings	35,059	3,779
Repayment of lease liabilities	(12,568)	(13,148)
Dividend paid	(33,045)	(41,414)
Dividend paid by subsidiaries to non-controlling interests	(17,308)	(17,968)
Net cash used in financing activities	<u>(27,862)</u>	<u>(68,751)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	8,119	(35,048)
EFFECT ON FOREIGN EXCHANGE RATE CHANGES IN CASH AND CASH EQUIVALENTS	(2,787)	2,342
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	<u>139,311</u>	<u>170,573</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>144,643</u>	<u>137,867</u>
CASH AND CASH EQUIVALENTS COMPRISE:		
Cash and bank balances	102,297	86,818
Fixed deposits with financial institutions	60,906	62,049
	<u>163,203</u>	<u>148,867</u>
Less: Fixed deposits with financial institutions with maturity of more than three months	(18,560)	(11,000)
Cash and cash equivalents at end of period	<u>144,643</u>	<u>137,867</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).

PART A - Explanatory notes pursuant to MFRS 134

A1. Basis of preparation

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

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 March 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 Interpretations that are not yet effective:

Description	Effective for financial period beginning on or after
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 121: Lack of Exchangeability	1 January 2025
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 2023 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. However, plantation segment is affected by fluctuations in commodity prices.

A5. Unusual items affecting the financial statements

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 did not repurchase any of its issued ordinary shares from the open market. Of the total 282,231,600 issued ordinary shares, 6,853,200 shares are held as treasury shares by the Company.

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

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:

		9 months cumulative	
		31-12-2023	31-12-2022
		RM'000	RM'000
Interim dividend			
2022	Single-tier interim dividend of 9.0 sen (Paid on 22 August 2022)	-	24,848
2023	Single-tier interim dividend of 9.0 sen (Paid on 18 August 2023)	24,784	-
Special dividend			
2022	Single-tier special dividend of 6.0 sen (Paid on 22 August 2022)	-	16,566
2023	Single-tier special dividend of 3.0 sen (Paid on 18 August 2023)	8,261	-

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

	Quarter ended		9 months cumulative	
	31-12-2023	31-12-2022	31-12-2023	31-12-2022
Revenue	RM'000	RM'000	RM'000	RM'000
Manufacturing*	16,825	32,999	53,703	97,956
Plantation	44,375	44,074	122,898	145,236
Bulking	87,694	36,105	166,773	113,526
Food	41,522	42,733	119,090	140,377
Others	3,582	5,998	15,516	20,398
	193,998	161,909	477,980	517,493
Eliminations	(2,590)	(4,882)	(12,486)	(17,059)
	191,408	157,027	465,494	500,434
Profit before tax				
Manufacturing*	(1,931)	4,765	(1,780)	11,916
Plantation	6,642	9,961	18,995	37,342
Bulking	24,306	15,592	61,503	47,384
Food	(109)	(1,465)	6,286	8,631
Others	(2,756)	(731)	(6,755)	(7,623)
	26,152	28,122	78,249	97,650
Associated companies	1,565	2,031	3,974	4,683
	27,717	30,153	82,223	102,333

* Production and trading of security documents.

(ii) Geographical segments

	Quarter ended		9 months cumulative	
	31-12-2023	31-12-2022	31-12-2023	31-12-2022
Revenue	RM'000	RM'000	RM'000	RM'000
Malaysia	123,596	89,232	282,444	286,312
Indonesia	30,040	31,200	80,008	94,515
Papua New Guinea	40,362	41,477	115,528	136,666
	193,998	161,909	477,980	517,493
Eliminations	(2,590)	(4,882)	(12,486)	(17,059)
	191,408	157,027	465,494	500,434
Profit before tax				
Malaysia	15,362	16,933	42,785	56,312
Indonesia	11,109	12,746	29,694	33,548
Papua New Guinea	(319)	(1,557)	5,770	7,790
	26,152	28,122	78,249	97,650
Associated companies	1,565	2,031	3,974	4,683
	27,717	30,153	82,223	102,333

← 9 months cumulative →

	Current year to date		Preceding year corresponding period	
	31-12-2023		31-12-2022	
Assets and liabilities	Assets	Liabilities	Assets	Liabilities
	RM'000	RM'000	RM'000	RM'000
Malaysia	1,845,552	424,817	1,781,792	369,054
Indonesia	91,584	6,396	85,339	10,878
Papua New Guinea	196,093	84,106	223,005	112,117
	2,133,229	515,319	2,090,136	492,049
Eliminations	(463,730)	(24,725)	(483,762)	(48,684)
	1,669,499	490,594	1,606,374	443,365

A10. Profit before tax and zakat

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

	Quarter ended		9 months cumulative	
	31-12-2023	31-12-2022	31-12-2023	31-12-2022
	RM'000	RM'000	RM'000	RM'000
Other income				
Profit income	679	529	1,640	1,447
Interest income	80	46	295	150
Distribution from financial investments	1,291	1,130	4,381	2,794
Operating expenses				
Depreciation	12,217	10,305	33,909	30,836
Interest expense on:				
- Borrowings	1,131	683	2,755	1,509
- Lease liabilities	2,510	2,440	8,316	7,348
Unrealised foreign exchange loss/(gain)	4,456	4,716	1,729	(1,426)
Realised forex exchange loss	1,374	531	1,707	569
Net provision/(reversal of provision) for impairment on trade and other receivables	654	(773)	1,588	61
Net gain on disposal of property, plant and equipment	(24)	-	(37)	(39)
Fair value changes on biological assets	870	1,139	(249)	2,090
Net provision/(reversal of provision) for retirement benefit obligation	9	(11)	156	2
Net provision/(reversal of provision) for warranty	8	127	(566)	276
Inventories written down	1,401	883	1,263	847

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 :

	Current year to date
	RM'000
Plant and machinery	27,833
Land and buildings	1,222
Factory and office renovations	208
Equipment, furniture and fittings and motor vehicles	7,781
Bearer plants and infrastructure	13,990
Work in progress	52,294
	103,328

A16. Capital commitments

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

	Current year to date
	RM'000
Property, plant and equipment - Approved and contracted for	30,305

A17. Related party transactions

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

	Current year to date
	RM'000
Transactions with subsidiaries	
- Fima Corporation Berhad - Rental expenses payable	668
- Fima Corporation Berhad - Management fees receivable	630
- Fima Corporation Berhad - Services payable	202
- Pineapple Cannery of Malaysia Sendirian Berhad - Rental income	255
- International Food Corporation - Sales of fish	12,096
- International Food Corporation - Interest receivable	1,424
Transactions with related parties*	
- BHR Enterprise Sdn. Bhd. - Services payable	90
- PT Pohon Emas Lestari - Purchase of fresh fruit bunch	6,511
- TD Technologies Sdn. Bhd. - Services payable	150
- First Zanzibar Sdn. Bhd. - Service payable	80

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

NOTES TO THE QUARTERLY ANNOUNCEMENT FOR THE THIRD QUARTER ENDED 31 DECEMBER 2023

PART B - Bursa Securities Listing Requirements

B1. Review of performance

Group Performance

(RM Million)	Current YTD	Previous YTD	Variance	%
Revenue	465.49	500.43	(34.94)	(7.0)
Profit before tax	82.22	102.33	(20.11)	(19.7)

Group revenue for the period ended 31 December 2023 declined by 7.0% to RM465.49 million as compared to RM500.43 million recorded last year. Lower revenue by RM34.94 million was attributed by the decrease in revenue generated by manufacturing, plantation and food division.

In line with lower revenue posted, the Group profit before tax ("PBT") has decreased by 19.7% to RM82.22 million as compared to the last financial year, attributable to lower PBT recorded by manufacturing, plantation and food division.

The performance of each business division is as follows:

Manufacturing Division

(RM Million)	Current YTD	Previous YTD	Variance	%
Revenue	53.70	97.96	(44.26)	(45.2)
(Loss)/profit before tax	(1.78)	11.92	(13.70)	(114.9)

Revenue from **Manufacturing Division** decreased by 45.2% or RM44.26 million to RM53.70 million from RM97.96 million recorded last year, attributed by lower sales volume for most of the products. On the back of lower revenue, the division's PBT decreased by RM13.70 million and registered a pre-tax losses of RM1.78 million as compared to last year.

Plantation Division

(RM Million)	Current YTD	Previous YTD	Variance	%
Revenue				
<u>Indonesia</u>				
- Crude palm oil (CPO)	71.44	84.78	(13.34)	(15.7)
- Crude palm kernel oil (CPKO)	8.57	9.14	(0.57)	(6.2)
<u>Malaysia</u>				
- Fresh fruit bunch (FFB)	42.27	49.92	(7.65)	(15.3)
- Pineapple	0.62	1.40	(0.78)	(55.7)
Total	122.90	145.24	(22.34)	(15.4)
Profit before tax	19.00	37.34	(18.34)	(49.1)
FFB produced (mt)	65,043	57,645	7,398	12.8
Production (mt)				
- CPO	25,049	27,118	(2,069)	(7.6)
- CPKO	2,380	2,514	(134)	(5.3)
Sales Quantity (mt)				
- CPO	21,577	24,907	(3,330)	(13.4)
- CPKO	2,497	2,263	234	10.3

NOTES TO THE QUARTERLY ANNOUNCEMENT FOR THE THIRD QUARTER ENDED 31 DECEMBER 2023
B1. Review of performance (cont'd.)
Plantation Division (cont'd.)

Plantation Division posted a lower revenue by RM22.34 million or 15.4% to RM122.90 million as compared to last year, mainly attributable to a decrease in sales price of CPO and CPKO, as well as lower sales volume of CPO. On the back of lower revenue, coupled with increase in operational cost, the division PBT has declined by 49.1% or RM18.34 million to RM19.00 million as compared to last year.

Plantation estates in Malaysia which are presently in the development phase and partially mature registered a total pre-tax losses of RM7.71 million as compared to RM2.95 million pre-tax losses recorded in the corresponding period last year.

Bulking Division

(RM Million)	<u>Current YTD</u>	<u>Previous YTD</u>	Variance	%
Revenue				
Liquid bulking and logistic	127.20	96.61	30.59	31.7
Biodiesel	39.57	16.92	22.65	133.9
	<u>166.77</u>	<u>113.53</u>	<u>53.24</u>	<u>46.9</u>
Profit before tax	61.50	47.38	14.12	29.8

Revenue from **Bulking Division** of RM166.77 million has improved by 46.9% or RM53.24 million as compared to last year. Its liquid bulking and logistic operation has shown an improvement in revenue by 31.7% or RM30.59 million to RM127.20 million, mainly driven by higher contribution from technical fats, molasses, used cooking oil ("UCO"), base oil and miscellaneous non-core products. Its biodiesel operation has recorded higher revenue by 133.9% to RM39.57 million, contributed mainly by increase in sales of palm methyl ester ("PME"). This stronger performance from both operations has contributed to the Division PBT of RM61.50 million, an improvement by 29.8% or RM14.12 million as compared to RM47.38 million in the corresponding period last year.

Food Division

(RM Million)	<u>Current YTD</u>	<u>Previous YTD</u>	Variance	%
Revenue				
Papua New Guinea (PNG)	115.53	136.67	(21.14)	(15.5)
Malaysia	3.56	3.71	(0.15)	(4.0)
	<u>119.09</u>	<u>140.38</u>	<u>(21.29)</u>	<u>(15.2)</u>
Profit before tax	6.29	8.63	(2.34)	(27.1)

Food Division's revenue has experienced a deficit of RM21.29 million or 15.2% to RM119.09 million, as compared to RM140.38 million recorded in the previous financial year, mainly attributable to a lower sales volume of mackerel and tuna products. On the back of lower revenue coupled with higher net forex losses of RM5.49 million, the division PBT has declined by RM2.34 million or 27.1% to RM6.29 million, as compared to RM8.63 million in the last financial year.

NOTES TO THE QUARTERLY ANNOUNCEMENT FOR THE THIRD QUARTER ENDED 31 DECEMBER 2023
B2. Comparison with preceding quarter's results
Group Performance

(RM Million)	QTR 3 FY 2024	QTR 2 FY 2024	Variance	%
Revenue	191.41	150.31	41.10	27.3
Profit before tax	27.72	37.38	(9.66)	(25.8)

The Group revenue has improved by RM41.10 million or 27.3% to RM191.41 million as compared to the preceding quarter, mainly attributable to the higher revenue contribution by bulking and manufacturing division.

Despite higher revenue posted, the Group PBT has decreased by 25.8% to RM27.72 million as compared to RM37.38 million recorded in the preceding quarter, primarily due to lower contributions from most of the divisions, with the exception of bulking.

The performance of each business division is as follows:

Manufacturing Division

(RM Million)	QTR 3 FY 2024	QTR 2 FY 2024	Variance	%
Revenue	16.83	12.95	3.88	30.0
Loss before tax	(1.93)	(1.15)	(0.78)	(67.8)

Manufacturing Division's revenue recorded higher by RM3.88 million or 30.0% to RM16.83 million in the current quarter, primarily attributable to increase in sales volume of travelling and confidential documents. Despite this, the division has posted a higher pre-tax loss by 67.8% or RM0.78 million this quarter to RM 1.93 million, primarily due to higher inventories written down amounting to RM1.90 million.

Plantation Division

(RM Million)	QTR 3 FY 2024	QTR 2 FY 2024	Variance	%
Revenue				
<u>Indonesia</u>				
- CPO	26.73	26.16	0.57	2.2
- CPKO	3.32	3.36	(0.04)	(1.2)
<u>Malaysia</u>				
- Fresh fruit bunch	14.17	16.64	(2.47)	(14.8)
- Pineapple	0.16	0.21	(0.05)	(23.8)
Total	44.38	46.37	(1.99)	(4.3)
Profit before tax	6.64	9.55	(2.91)	(30.5)
FFB produced (mt)	21,830	25,028	(3,198)	(12.8)
Production (mt)				
- CPO	8,713	8,506	207	2.4
- CPKO	810	869	(59)	(6.8)
Sales Quantity (mt)				
- CPO	8,016	8,043	(27)	(0.3)
- CPKO	1,000	996	4	0.4

NOTES TO THE QUARTERLY ANNOUNCEMENT FOR THE THIRD QUARTER ENDED 31 DECEMBER 2023

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

Plantation Division (cont'd.)

Plantation Division's revenue has declined in the current quarter by RM1.99 million or 4.3% to RM44.38 million, as compared to RM46.37 million in the preceding quarter, mainly attributable to lower FFB produced by Malaysia estates. In line with lower revenue posted, the Division PBT has decreased by RM2.91 million to RM6.64 million in the current quarter.

Bulking Division

(RM Million)	QTR 3 FY 2024	QTR 2 FY 2024	Variance	%
Revenue				
Liquid bulking and logistic	48.30	41.32	6.98	16.9
Biodiesel	39.39	0.01	39.38	393,800.0
	<u>87.69</u>	<u>41.33</u>	<u>46.36</u>	<u>112.2</u>
Profit before tax	24.31	20.01	4.30	21.5

Revenue from **Bulking Division** has improved by 112.2% or RM46.36 million to RM87.69 million as compared to the preceding quarter, primarily attributable to higher sales of PME, UCO and technical fats. As a result of higher revenue, the division PBT also improved by RM4.30 million or 21.5% to RM24.31 million in the current quarter.

Food Division

(RM Million)	QTR 3 FY 2024	QTR 2 FY 2024	Variance	%
Revenue				
PNG	40.36	47.49	(7.13)	(15.0)
Malaysia	1.16	1.21	(0.05)	(4.1)
	<u>41.52</u>	<u>48.70</u>	<u>(7.18)</u>	<u>(14.7)</u>
(Loss)/profit before tax	(0.11)	9.04	(9.15)	(101.2)

Food Division has recorded a decrease in revenue of RM7.18 million or 14.7% to RM41.52 million in the current quarter, mainly attributed by lower sales volume for local canned tuna and mackerel products. In line with lower revenue posted, coupled with higher net forex losses of 6.60 million, the division recorded a pre-tax losses of RM0.11 million, a reduction by RM9.15 million as compared to the preceding quarter.

B3. Prospects

Manufacturing Division - The division will continue to put concerted efforts to establish new strategic alliances 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 focused 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 THIRD QUARTER ENDED 31 DECEMBER 2023
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 an increase in the price of raw materials. 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. 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 31-12-2023 RM'000	Current year to date 31-12-2023 RM'000
Tax expense	4,347	20,085
Zakat	467	467
	<u>4,814</u>	<u>20,552</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 and recognition of deferred tax liabilities by certain subsidiaries.

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 31-12-2023 RM'000	As at 31-03-2023 RM'000
Non-current		
Term loan	<u>51,389</u>	<u>19,196</u>
Current		
Term loan	9,368	4,704
Bankers' acceptance	2,099	3,912
Short term revolving credit	45,136	45,121
	<u>56,603</u>	<u>53,737</u>
	<u>107,992</u>	<u>72,933</u>

NOTES TO THE QUARTERLY ANNOUNCEMENT FOR THE THIRD QUARTER ENDED 31 DECEMBER 2023

B10. Changes in material litigations

As at 31 December 2023, there is no material litigation involving the Group.

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		9 months cumulative	
	31-12-2023	31-12-2022	31-12-2023	31-12-2022
Profit net of tax attributable to equity holders of the Company used in the computation of earnings per share (RM'000)	21,711	15,015	55,955	56,231
Weighted average number of ordinary shares in issues ('000)	275,386	276,016	275,382	276,016
Basic/diluted earnings per share (sen)	7.88	5.44	20.32	20.37

By order of the Board

FADZIL BIN AZAHA (MIA20995)
JASMIN BINTI HOOD (LS0009071)

Company Secretaries

Kuala Lumpur

Dated : 29 February 2024