

## Financial Results (v12)

Reference No. FRA-19082016-00022

RELEASED

Created by KUMPULAN FIMA BERHAD on 19 Aug 2016 at 3:32:10 PM  
Submitted by KUMPULAN FIMA BERHAD on 25 Aug 2016 at 5:13:36 PM

| COMPANY INFORMATION SECTION |  |  |  |
|-----------------------------|--|--|--|
| Announcement Type           | <input checked="" type="radio"/> New Announcement <input type="radio"/> Amended Announcement |  |  |
| Company Name                | KUMPULAN FIMA BERHAD   |  |  |
| Stock Name                  | KFIMA  |  |  |
| Stock Code                  | 6491   |  |  |
| Board                       | Main Market  |  |  |
|                             |  |  |  |

| CONTACT DETAIL       |             |              |                         |
|----------------------|-------------|--------------|-------------------------|
| Contact Person       | Designation | Contact No   | Email Address           |
| KUMPULAN FIMA BERHAD |             | 010-2228074  | aslimawar@fima.com.my   |
| JASMIN BT HOOD       | Secretary   | 03-2092-1211 | secretarial@fima.com.my |

| MAIN  |   |           |           |      |   |                             |         |
|---|---|-----------|-----------|------|---|-----------------------------|---------|
| General Information                             |   |           |           |      |   |                             |         |
| Financial Year End                              | 31 Mar 2017   |           |           |      |   |                             |         |
| Quarter   | 1 Qtr   |           |           |      |   |                             |         |
| Quarterly report for the financial period ended | 30 Jun 2016   |           |           |      |   |                             |         |
| The figures                                     | have not been audited   |           |           |      |   |                             |         |
| Remarks   |   |           |           |      |   |                             |         |
| Please attach the full Quarterly Report here    | <table border="1"> <thead> <tr> <th>No</th> <th>File Name</th> <th>Size</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>BM_Announcement_Q1 2017.pdf</td> <td>195.0KB</td> </tr> </tbody> </table> | No        | File Name | Size | 1 | BM_Announcement_Q1 2017.pdf | 195.0KB |
|   | No  | File Name | Size      |      |   |                             |         |
| 1   | BM_Announcement_Q1 2017.pdf   | 195.0KB   |           |      |   |                             |         |
|   |   |           |           |      |   |                             |         |

## DEFAULT CURRENCY

|          |                         |
|----------|-------------------------|
| Currency | Malaysian Ringgit (MYR) |
|----------|-------------------------|

## Part A2 : SUMMARY OF KEY FINANCIAL INFORMATION

| Summary of the Key Financial Information for the financial period ended | 30 Jun 2016              |                                      |                          |                                     |
|---|--------------------------|--------------------------------------|--------------------------|-------------------------------------|
|   | INDIVIDUAL PERIOD        | CUMULATIVE PERIOD                    |                          |                                     |
|   | CURRENT YEAR QUARTER     | PRECEDING YEAR CORRESPONDING QUARTER | CURRENT YEAR TO DATE     | PRECEDING YEAR CORRESPONDING PERIOD |
|   | 30 Jun 2016              | 30 Jun 2015                          | 30 Jun 2016              | 30 Jun 2015                         |
|   | [dd/mm/yyyy]<br>\$\$'000 | [dd/mm/yyyy]<br>\$\$'000             | [dd/mm/yyyy]<br>\$\$'000 | [dd/mm/yyyy]<br>\$\$'000            |
| 1. Revenue  | 124,819                  | 141,339                              | 124,819                  | 141,339                             |
| 2. Profit/(loss) before Tax   | 26,169                   | 25,754                               | 26,169                   | 25,754                              |
| 3. Profit/(loss) for the period   | 17,526                   | 18,422                               | 17,526                   | 18,422                              |
| 4. Profit/(loss) attributable to ordinary equity holders of the parent  | 11,927                   | 11,293                               | 11,927                   | 11,293                              |
| 5. Basic earnings/(loss) per share (Subunit)                            | 4.31                     | 4.10                                 | 4.31                     | 4.10                                |
| 6. Proposed/Declared dividend per share                                 | 0.00                     | 0.00                                 | 0.00                     | 0.00                                |

|  |                              |                                    |
|--|------------------------------|------------------------------------|
| (Subunit)  |                              |                                    |
|  | AS AT END OF CURRENT QUARTER | AS AT PRECEDING FINANCIAL YEAR END |
| 7. Net assets per share attributable to ordinary equity holders of the parent (\$\$) | 2.7500                       | 2.7000                             |
| Remarks  |                              |                                    |

In a currency system, there is usually a main unit (base) and subunit that is a fraction amount of the main unit.  
Example for the subunit as follows:

| Country        | Base unit | Subunit |
|----------------|-----------|---------|
| Malaysia       | Ringgit   | Sen     |
| United States  | Dollar    | Cent    |
| United Kingdom | Pound     | Pence   |

**Part A3 : ADDITIONAL INFORMATION (This Information is for Exchange's Internal Use only)**

|                           | INDIVIDUAL PERIOD  |                                      | CUMULATIVE PERIOD        |                                     |
|---------------------------|--|--------------------------------------|--------------------------|-------------------------------------|
|                           | CURRENT YEAR QUARTER   | PRECEDING YEAR CORRESPONDING QUARTER | CURRENT YEAR TO DATE     | PRECEDING YEAR CORRESPONDING PERIOD |
|                           | 30 Jun 2016  | 30 Jun 2015                          | 30 Jun 2016              | 30 Jun 2015                         |
|                           | [dd/mm/yyyy]<br>\$\$'000   | [dd/mm/yyyy]<br>\$\$'000             | [dd/mm/yyyy]<br>\$\$'000 | [dd/mm/yyyy]<br>\$\$'000            |
| 1. Gross interest income  | 1,606  | 1,176                                | 1,606                    | 1,176                               |
| 2. Gross interest expense | 0  | 0                                    | 0                        | 0                                   |
| Remarks                   | For Individual Period RM'000<br>(i) As at 30/06/2016: (688)<br>(ii) As at 30/06/2015: (92)<br><br>For Cumulative Period RM'000<br>(i) As at 30/06/2016: (688)<br>(ii) As at 30/06/2015: (92) |                                      |                          |                                     |

**OTHER CURRENCY**

| Other Currency   |                              |                                      |                                    |                                     |
|--|------------------------------|--------------------------------------|------------------------------------|-------------------------------------|
| <b>Part A2 : SUMMARY OF KEY FINANCIAL INFORMATION</b>                                |                              |                                      |                                    |                                     |
| Summary of the Key Financial Information for the financial period ended              | 30 Jun 2016                  |                                      |                                    |                                     |
|  | INDIVIDUAL PERIOD            |                                      | CUMULATIVE PERIOD                  |                                     |
|  | CURRENT YEAR QUARTER         | PRECEDING YEAR CORRESPONDING QUARTER | CURRENT YEAR TO DATE               | PRECEDING YEAR CORRESPONDING PERIOD |
|  | [dd/mm/yyyy]<br>\$\$'000     | [dd/mm/yyyy]<br>\$\$'000             | [dd/mm/yyyy]<br>\$\$'000           | [dd/mm/yyyy]<br>\$\$'000            |
| 1. Revenue   |                              |                                      |                                    |                                     |
| 2. Profit/(loss) before Tax  |                              |                                      |                                    |                                     |
| 3. Profit/(loss) for the period  |                              |                                      |                                    |                                     |
| 4. Profit/(loss) attributable to ordinary equity holders of the parent               |                              |                                      |                                    |                                     |
| 5. Basic earnings/(loss) per share (Subunit)   |                              |                                      |                                    |                                     |
| 6. Proposed/Declared dividend per share (Subunit)                                    |                              |                                      |                                    |                                     |
|  | AS AT END OF CURRENT QUARTER |                                      | AS AT PRECEDING FINANCIAL YEAR END |                                     |
| 7. Net assets per share attributable to ordinary equity holders of the parent (\$\$) |                              |                                      |                                    |                                     |
| Remarks  |                              |                                      |                                    |                                     |

In a currency system, there is usually a main unit (base) and subunit that is a fraction amount of the main unit.  
Example for the subunit as follows:

|  |  |  |
|--|--|--|
|  |  |  |
|--|--|--|

| Country        | Base unit | Subunit |
|----------------|-----------|---------|
| Malaysia       | Ringgit   | Sen     |
| United States  | Dollar    | Cent    |
| United Kingdom | Pound     | Pence   |

**Part A3 : ADDITIONAL INFORMATION (This Information is for Exchange's Internal Use only)**

|                                  | INDIVIDUAL PERIOD        |  | CUMULATIVE PERIOD        |   |
|----------------------------------|--------------------------|--|--------------------------|---|
|                                  | CURRENT YEAR<br>QUARTER  | PRECEDING YEAR<br>CORRESPONDING<br>QUARTER | CURRENT YEAR TO<br>DATE  | PRECEDING YEAR<br>CORRESPONDING<br>PERIOD |
|                                  | [dd/mm/yyyy]<br>\$\$'000 | [dd/mm/yyyy]<br>\$\$'000                   | [dd/mm/yyyy]<br>\$\$'000 | [dd/mm/yyyy]<br>\$\$'000                  |
| <b>1. Gross interest income</b>  |                          |  |                          |   |
| <b>2. Gross interest expense</b> |                          |  |                          |   |
| <b>Remarks</b>                   |                          |  |                          |   |



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

Condensed Consolidated Financial Statements  
For The First Quarter Ended 30 June 2016

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FIRST QUARTER ENDED 30 JUNE 2016  
(THE FIGURES HAVE NOT BEEN AUDITED)**

|   | Note   | Current Quarter                                 |  | 3 Months Cumulative                                |   |
|---|--------|---|--|--|---|
|   |        | Current Year<br>Quarter<br>30-06-2016<br>RM'000 | Preceding Year<br>Corresponding<br>Quarter<br>30-06-2015<br>RM'000 | Current<br>Year<br>To Date<br>30-06-2016<br>RM'000 | Preceding Year<br>Corresponding<br>Period<br>30-06-2015<br>RM'000 |
| Revenue   | A9     | 124,819   | 141,339  | 124,819  | 141,339   |
| Cost of sales   |        | (78,075)  | (92,231)   | (78,075)   | (92,231)  |
| <b>Gross profit</b>   |        | <b>46,744</b>                                   | <b>49,108</b>  | <b>46,744</b>                                      | <b>49,108</b>   |
| Other income  |        | 1,692   | 1,314  | 1,692  | 1,314   |
| <b>Other items of expense</b>   |        |   |  |  |   |
| Administrative expenses   |        | (15,732)  | (16,641)   | (15,732)   | (16,641)  |
| Selling and marketing expenses  |        | (1,476)   | (1,487)  | (1,476)  | (1,487)   |
| Other expenses  |        | (5,602)   | (6,619)  | (5,602)  | (6,619)   |
|   |        | (22,810)  | (24,747)   | (22,810)   | (24,747)  |
| Finance costs   |        | (688)   | (92)   | (688)  | (92)  |
| Share of profit of associates   |        | 1,231   | 171  | 1,231  | 171   |
| <b>Profit before tax</b>  | A9/A10 | <b>26,169</b>                                   | <b>25,754</b>  | <b>26,169</b>                                      | <b>25,754</b>   |
| Income tax expense  | B5     | (8,643)   | (7,332)  | (8,643)  | (7,332)   |
| <b>Profit net of tax</b>  |        | <b>17,526</b>                                   | <b>18,422</b>  | <b>17,526</b>                                      | <b>18,422</b>   |
| <b>Other comprehensive income</b>   |        |   |  |  |   |
| Foreign currency translation differences<br>for foreign operations                      |        | 2,400   | (4,963)  | 2,400  | (4,963)   |
| <b>Total comprehensive income<br/>for the period</b>                                    |        | <b>19,926</b>                                   | <b>13,459</b>  | <b>19,926</b>                                      | <b>13,459</b>   |
| <b>Profit attributable to :</b>   |        |   |  |  |   |
| Equity holders of the Company   |        | 11,927  | 11,293   | 11,927   | 11,293  |
| Non-controlling interests   |        | 5,599   | 7,129  | 5,599  | 7,129   |
| <b>Profit for the period</b>  |        | <b>17,526</b>                                   | <b>18,422</b>  | <b>17,526</b>                                      | <b>18,422</b>   |
| <b>Total comprehensive income<br/>attributable to :</b>                                 |        |   |  |  |   |
| Equity holders of the Company   |        | 13,833  | 6,590  | 13,833   | 6,590   |
| Non-controlling interests   |        | 6,093   | 6,869  | 6,093  | 6,869   |
| <b>Total comprehensive income<br/>for the period</b>                                    |        | <b>19,926</b>                                   | <b>13,459</b>  | <b>19,926</b>                                      | <b>13,459</b>   |
| <b>Earnings per share attributable<br/>to owners of the parent<br/>(sen per share):</b> |        |   |  |  |   |
| Basic   | B13    | 4.31  | 4.10   | 4.31   | 4.10  |
| Diluted   | B13    | 4.27  | 4.07   | 4.27   | 4.07  |

(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).

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2016**

|   | As At<br>30-06-2016<br>(unaudited)<br>RM'000 | As At<br>31-03-2016<br>(audited)<br>RM'000<br>Restated |
|---|--|--|
| <b>ASSETS</b>   |  |  |
| <b>Non-current assets</b>                                   |  |  |
| Property, plant and equipment                               | 341,612                                      | 344,402  |
| Investment properties                                       | 69,710                                       | 70,097   |
| Biological assets   | 160,796                                      | 153,476  |
| Investment in associates                                    | 47,623                                       | 46,659   |
| Deferred tax assets   | 6,603  | 8,394  |
| Goodwill on consolidation                                   | 12,710                                       | 12,710   |
|   | <u>639,054</u>                               | <u>635,738</u>   |
| <b>Current assets</b>                                       |  |  |
| Inventories   | 88,031                                       | 90,807   |
| Trade receivables   | 193,464                                      | 183,562  |
| Other receivables   | 29,472                                       | 27,963   |
| Cash and bank balances                                      | 255,841                                      | 247,592  |
|   | <u>566,808</u>                               | <u>549,924</u>   |
| <b>TOTAL ASSETS</b>   | <u>1,205,862</u>                             | <u>1,185,662</u>                                       |
| <b>EQUITY AND LIABILITIES</b>                               |  |  |
| <b>Equity attributable to equity holders of the Company</b> |  |  |
| Share capital   | 277,417                                      | 276,968  |
| Share premium   | 25,115                                       | 24,713   |
| Other reserves  | 139,723                                      | 138,002  |
| Retained earnings   | 320,544                                      | 308,617  |
|   | <u>762,799</u>                               | <u>748,300</u>   |
| Non-controlling interests                                   | 256,731                                      | 250,986  |
| <b>Total equity</b>   | <u>1,019,530</u>                             | <u>999,286</u>   |
| <b>Non-current liabilities</b>                              |  |  |
| Finance lease obligations                                   | 16,641                                       | 16,799   |
| Retirement benefit obligations                              | 1,437  | 1,391  |
| Deferred tax liabilities                                    | 44,977                                       | 46,951   |
|   | <u>63,055</u>                                | <u>65,141</u>  |
| <b>Current liabilities</b>                                  |  |  |
| Finance lease obligations                                   | 646  | 646  |
| Short term borrowings                                       | 9,291  | 15,281   |
| Trade payables  | 41,511                                       | 44,007   |
| Other payables  | 70,455                                       | 60,615   |
| Tax payable   | 1,374  | 686  |
|   | <u>123,277</u>                               | <u>121,235</u>   |
| <b>Total liabilities</b>                                    | <u>186,332</u>                               | <u>186,376</u>   |
| <b>TOTAL EQUITY AND LIABILITIES</b>                         | <u>1,205,862</u>                             | <u>1,185,662</u>                                       |
| <br>  |  |  |
| Net assets per share (RM)                                   | <u>2.75</u>                                  | <u>2.70</u>  |

*(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 FIRST QUARTER ENDED 30 JUNE 2016**

| Group                                       | 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 subsidiaries | Employee share option reserve | 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  | RM'000                    | RM'000       |
| <b>At 1 April 2016</b>                      | 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 year     | -   | -             | 1,906          | -                   | -               | -  | -                             | 1,906                    | 11,927            | 13,833  | 6,093                     | 19,926       |
| <b>Transactions with owners</b>             |   |               |                |                     |                 |  |                               |                          |                   |         |                           |              |
| Share options exercised                     | 449   | 402           | (185)          | -                   | -               | -  | (185)                         | -                        | -                 | 666     | -                         | 666          |
| Purchase of treasury shares by a subsidiary | -   | -             | -              | -                   | -               | -  | -                             | -                        | -                 | -       | (348)                     | (348)        |
| Total transaction with owners               | -   | -             | (185)          | -                   | -               | -  | (185)                         | -                        | -                 | 666     | (348)                     | 318          |
| <b>At 30 June 2016</b>                      | 277,417                                       | 25,115        | 139,723        | 87,471              | 437             | 66,459   | 4,242                         | (18,886)                 | 320,544           | 762,799 | 256,731                   | 1,019,530    |
| <b>At 1 April 2015</b>                      | 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 year     | -   | -             | (4,703)        | -                   | -               | -  | -                             | (4,703)                  | 11,293            | 6,590   | 6,869                     | 13,459       |
| <b>Transactions with owners</b>             |   |               |                |                     |                 |  |                               |                          |                   |         |                           |              |
| Share options exercised                     | 190   | 168           | (78)           | -                   | -               | -  | (78)                          | -                        | -                 | 280     | -                         | 280          |
| Purchase of treasury shares by a subsidiary | -   | -             | -              | -                   | -               | -  | -                             | -                        | -                 | -       | -                         | -            |
| Total transaction with owners               | 190   | 168           | (78)           | -                   | -               | -  | (78)                          | -                        | -                 | 280     | -                         | 280          |
| <b>As 30 June 2015</b>                      | 276,277                                       | 24,098        | 152,287        | 87,471              | 437             | 66,459   | 4,482                         | (6,562)                  | 286,495           | 739,157 | 252,592                   | 991,749      |

(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).

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FIRST QUARTER ENDED 30 JUNE 2016**

|   | ← 3 months ended → |                   |
|---|--------------------|-------------------|
|   | <u>30-06-2016</u>  | <u>30-06-2015</u> |
|   | RM'000             | RM'000            |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                                 |                    |                   |
| Profit before tax   | 26,169             | 25,754            |
| Adjustments for:  |                    |                   |
| Depreciation for property, plant and equipment                              | 6,317              | 7,082             |
| Depreciation of investment properties                                       | 408                | 434               |
| Amortisation of biological assets   | 2,188              | 1,376             |
| Impairment loss on trade receivables  | 20                 | 1,640             |
| Write back of impairment loss on trade receivables                          | (253)              | (571)             |
| Provision for retirement benefit obligation                                 | 20                 | 27                |
| Inventories written back  | (161)              | (123)             |
| Share of result of associates   | (1,231)            | (171)             |
| Interest expense  | 688                | 92                |
| Interest income   | (1,606)            | (1,176)           |
| Operating profit before working capital changes                             | <u>32,559</u>      | <u>34,364</u>     |
| Increase in inventories   | (2,615)            | (2,207)           |
| Increase in receivables   | (11,158)           | (10,796)          |
| Increase/(decrease) in payables   | 9,231              | (14,336)          |
| Cash generated from operations  | <u>28,017</u>      | <u>7,025</u>      |
| Interest paid   | (688)              | (92)              |
| Taxes paid  | (5,770)            | (6,739)           |
| Retirement benefits paid  | (5)                | (5)               |
| Net cash generated from operating activities                                | <u>21,554</u>      | <u>189</u>        |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                                 |                    |                   |
| Biological assets expenditure   | (7,576)            | (6,316)           |
| Proceeds from disposal of property, plant and equipment                     | -                  | 1                 |
| Purchase of property, plant and equipment                                   | (2,158)            | (1,973)           |
| Repayment of obligation under finance lease                                 | (158)              | (12)              |
| Interest received   | 1,606              | 1,176             |
| Net cash used in investing activities                                       | <u>(8,286)</u>     | <u>(7,124)</u>    |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                                 |                    |                   |
| Net (repayment)/drawdown of borrowings                                      | (6,343)            | 1,681             |
| Proceeds from exercise of employee share scheme                             | 666                | 280               |
| Net cash (used in)/generated from financing activities                      | <u>(5,677)</u>     | <u>1,961</u>      |
| <b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>                 | 7,591              | (4,974)           |
| <b>EFFECT ON FOREIGN EXCHANGE RATE CHANGES IN CASH AND CASH EQUIVALENTS</b> | 658                | (643)             |
| <b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>                     | <u>247,592</u>     | <u>236,710</u>    |
| <b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>                           | <u>255,841</u>     | <u>231,093</u>    |
| <b>CASH AND CASH EQUIVALENTS COMPRISE:</b>                                  |                    |                   |
| Cash and bank balances  | 63,378             | 39,733            |
| Fixed deposits with financial institutions                                  | 192,463            | 191,360           |
|   | <u>255,841</u>     | <u>231,093</u>    |

*(The condensed consolidated statement of cash flow 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 new and amended FRSs and IC Interpretations:

|  | <b>Effective for annual period<br/>beginning on or after</b> |
|--|--|
| Annual Improvements to FRSs 2012-2014 Cycle  | 1 January 2016   |
| Amendments to FRS 11: Accounting for Acquisition of Interests in<br>Joint Operations                       | 1 January 2016   |
| Amendments to FRS 116 and FRS 138: Clarification of Acceptable<br>Methods of Depreciation and Amortisation | 1 January 2016   |
| Amendments to FRS 116 and FRS 141: Agriculture: Bearer Plants  | 1 January 2016   |
| <b>Amendments to FRS 127: Equity Method in Separate Financial Statements</b>                               | 1 January 2016   |
| Amendments to FRS 101: Disclosure Initiatives  | 1 January 2016   |
| Amendments FRS 10, FRS 12 and FRS 128: Investment Entities:<br>Applying the Consolidation Exception        | 1 January 2016   |
| FRS 14: Regulatory Deferral Accounts   | 1 January 2016   |

The adoption of the above FRSs, Amendments to FRS and Interpretations do not have significant impact on the financial statements of the Group for the current financial period.

**A2. Changes in accounting policies (contd)**

**(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:

|  | <b>Effective for annual period<br/>beginning on or after</b> |
|--|--|
| Amendments to FRS 112: Recognition of Deferred Tax Assets for<br>Unrealised Losses   | 1 January 2017   |
| Amendments to FRS 107: Disclosure Initiative   | 1 January 2017   |
| FRS 15: Revenue from Contracts with Customers  | 1 January 2018   |
| FRS 9: Financial Instruments   | 1 January 2018   |
| Amendments to FRS 10 and FRS 128: Sale or Contribution of Assets<br>between an Investor and its Associate of 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 and FRS 15: Revenue from Contracts with Customers.

**(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.

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 2016 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 current quarter ended 30 June 2016.

**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 except for the issuance of the following new ordinary shares of RM1.00 each pursuant to the Company Employees' Share Scheme.

| Option price<br>per share<br>RM | No. of<br>share<br>issued | Cash<br>Proceeds<br>RM |
|---------------------------------|---------------------------|------------------------|
| 1.48                            | 450,000                   | 666,000                |

**A8. Dividend paid**

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

**A9. Segmental revenue and results for business segments**

|                                    | Quarter Ended  |                | 3 Months Cumulative |                |
|------------------------------------|----------------|----------------|---------------------|----------------|
|                                    | 30-06-2016     | 30-06-2015     | 30-06-2016          | 30-06-2015     |
| <b>Revenue</b>                     | <b>RM'000</b>  | <b>RM'000</b>  | <b>RM'000</b>       | <b>RM'000</b>  |
| Manufacturing*                     | 53,224         | 72,503         | 53,224              | 72,504         |
| Plantation                         | 31,988         | 37,553         | 31,988              | 37,553         |
| Bulking                            | 14,543         | 15,261         | 14,543              | 15,261         |
| Food                               | 23,947         | 14,857         | 23,947              | 14,857         |
| Others                             | 3,653          | 6,119          | 3,653               | 6,119          |
|                                    | <u>127,355</u> | <u>146,293</u> | <u>127,355</u>      | <u>146,294</u> |
| Elimination of inter-segment sales | (2,536)        | (4,954)        | (2,536)             | (4,955)        |
|                                    | <u>124,819</u> | <u>141,339</u> | <u>124,819</u>      | <u>141,339</u> |
| <b>Profit before tax</b>           |                |                |                     |                |
| Manufacturing*                     | 13,574         | 11,973         | 13,574              | 11,973         |
| Plantation                         | 3,535          | 9,129          | 3,535               | 9,129          |
| Bulking                            | 7,651          | 7,984          | 7,651               | 7,984          |
| Food                               | (248)          | (3,339)        | (248)               | (3,339)        |
| Others                             | 426            | (164)          | 426                 | (164)          |
|                                    | <u>24,938</u>  | <u>25,583</u>  | <u>24,938</u>       | <u>25,583</u>  |
| Associated companies               | 1,231          | 171            | 1,231               | 171            |
|                                    | <u>26,169</u>  | <u>25,754</u>  | <u>26,169</u>       | <u>25,754</u>  |

\* Production and trading of security documents.

**A10. Profit before tax**

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

|  | Quarter Ended |               | 3 Months Cumulative |               |
|--|---------------|---------------|---------------------|---------------|
|  | 30-06-2016    | 30-06-2015    | 30-06-2016          | 30-06-2015    |
| <b>Other income</b>                                | <b>RM'000</b> | <b>RM'000</b> | <b>RM'000</b>       | <b>RM'000</b> |
| Interest income                                    | 1,606         | 1,176         | 1,606               | 1,176         |
| Foreign exchange (loss)/gain                       | (554)         | 283           | (554)               | 283           |
| <b>Operating expenses</b>                          |               |               |                     |               |
| Depreciation and amortisation                      | 8,913         | 8,892         | 8,913               | 8,892         |
| Interest expense                                   | 688           | 92            | 688                 | 92            |
| Impairment loss on trade receivables               | 20            | 1,640         | 20                  | 1,640         |
| Write back of impairment loss on trade receivables | (253)         | (571)         | (253)               | (571)         |
| Inventories written back                           | (161)         | (123)         | (161)               | (123)         |

The Group does not deal in derivatives.

**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 :

|                        | <b>Current Year<br/>To Date<br/>RM'000</b> |
|------------------------|--|
| Plant and equipment    | 990  |
| Vehicles               | 175  |
| Land and buildings     | 790  |
| Furniture and fittings | 203  |
|                        | <u>2,158</u>                               |

**A17. Capital commitments**

The amount of commitments not provided for in the interim financial statements as at 30 June 2016 were as follows:

|                                   | <b>Current Year<br/>To Date<br/>RM'000</b> |
|-----------------------------------|--|
| Property, plant and equipment     |  |
| - Approved and contracted for     | 3,222                                      |
| - Approved but not contracted for | 64,560                                     |
|                                   | <u>67,782</u>                              |

**A18. Related party transactions**

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

| <b>KFB and its subsidiaries</b> | <b>Transacting parties</b>              | <b>Relationship</b>               | <b>Nature of transactions</b>   | <b>RM'000</b> |
|---------------------------------|---|-----------------------------------|---------------------------------|---------------|
| Kumpulan Fima Berhad            | BHR Enterprise Sdn Bhd                  | Common Shareholders/<br>Directors | Advisory services               | (30)          |
| Fima Corporation Berhad         | Nationwide Express Courier Services Bhd | Common Shareholders/<br>Directors | Rental income                   | 20            |
| PT Nunukan Jaya Lestari         | PT Pohon Emas Lestari                   | Common Shareholders/<br>Directors | Purchase of fresh fruit bunches | (1,387)       |

**PART B - Bursa Securities Listing Requirements**
**B1. Review of performance**
**Group Performance**

| (RM Million)      | <b>Current<br/>YTD</b> | <b>Previous<br/>YTD</b> | <b>Variance</b> | <b>%</b> |
|-------------------|------------------------|-------------------------|-----------------|----------|
| Revenue           | 124.82                 | 141.34                  | (16.52)         | (11.7)   |
| Profit before tax | 26.17                  | 25.75                   | 0.42            | 1.6      |

Group revenue for the first quarter ended 30 June 2016 decreased to RM124.82 million as compared to RM141.34 million recorded in the previous financial year. The decrease of RM16.52 million (11.7%) was attributed to the lower revenue generated by manufacturing, plantation and bulking divisions.

However, profit before tax ("PBT") increased by RM0.42 million to RM26.17 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)      | <b>Current<br/>YTD</b> | <b>Previous<br/>YTD</b> | <b>Variance</b> | <b>%</b> |
|-------------------|------------------------|-------------------------|-----------------|----------|
| Revenue           | 53.22                  | 72.50                   | (19.28)         | (26.6)   |
| Profit before tax | 13.57                  | 11.97                   | 1.60            | 13.4     |

Revenue from **Manufacturing Division** decreased by 26.6% to RM53.22 million from RM72.50 million recorded last year, mainly due to lower sales volume of certain travel documents. PBT increased by 13.4% to RM13.57 million from RM11.97 million posted last year, mainly attributable to favourable sales mix and lower depreciation cost.

**Plantation Division**

| (RM Million)   | <b>Current<br/>YTD</b> | <b>Previous<br/>YTD</b> | <b>Variance</b> | <b>%</b>      |
|--|------------------------|-------------------------|-----------------|---------------|
| <b>Revenue</b>   |                        |                         |                 |               |
| <u>Indonesia</u>   |                        |                         |                 |               |
| - Crude palm oil (CPO)                                     | 24.28                  | 31.61                   | (7.33)          | (23.2)        |
| - Crude palm kernel oil (CPKO)                             | 4.59                   | 3.36                    | 1.23            | 36.6          |
| <u>Malaysia</u>  |                        |                         |                 |               |
| - Fresh fruit bunch/Pineapple                              | 3.12                   | 2.58                    | 0.54            | 20.9          |
| <b>Total</b>   | <b>31.99</b>           | <b>37.55</b>            | <b>(5.56)</b>   | <b>(14.8)</b> |
| <b>Profit Before Tax</b>                                   | <b>3.54</b>            | <b>9.13</b>             | <b>(5.59)</b>   | <b>(61.2)</b> |
| <b>Sales Quantity (mt)</b>                                 |                        |                         |                 |               |
| - CPO  | 11,016                 | 14,429                  | (3,413)         | (23.7)        |
| - CPKO   | 1,022                  | 1,099                   | (77)            | (7.0)         |
| <b>Average net CIF selling price,<br/>net of duty (RM)</b> |                        |                         |                 |               |
| - CPO  | 2,204                  | 2,191                   | 13              | 0.6           |
| - CPKO   | 4,492                  | 3,056                   | 1,436           | 47.0          |

**NOTES TO THE QUARTERLY ANNOUNCEMENT FOR THE FIRST QUARTER ENDED 30 JUNE 2016**
**B1. Review of performance (contd)**
**Plantation Division (contd)**

Revenue from **Plantation Division** decreased by 14.8% to RM31.99 million compared to last year mainly due to lower sales volume of CPO. The division posted a PBT of RM3.54 million, 61.2% lower 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 RM1.47 million as compared to RM0.96 million pretax loss recorded in the corresponding period last year.

**Bulking Division**

| (RM Million)      | <b>Current<br/>YTD</b> | <b>Previous<br/>YTD</b> | <b>Variance</b> | <b>%</b> |
|-------------------|------------------------|-------------------------|-----------------|----------|
| Revenue           | 14.54                  | 15.26                   | (0.72)          | (4.7)    |
| Profit before tax | 7.65                   | 7.98                    | (0.33)          | (4.1)    |

**Bulking Division** recorded decrease of RM0.72 million or 4.7% in revenue to RM14.54 million from RM15.26 million recorded last year. The decrease was mainly due to lower revenue recorded by most of the products. In line with the decrease in revenue, the division's PBT decreased by RM0.33 million (4.1%) to RM7.65 million.

**Food Division**

| (RM Million)           | <b>Current<br/>YTD</b> | <b>Previous<br/>YTD</b> | <b>Variance</b> | <b>%</b>    |
|------------------------|------------------------|-------------------------|-----------------|-------------|
| <b>Revenue</b>         |                        |                         |                 |             |
| Papua New Guinea (PNG) | 22.22                  | 13.22                   | 9.00            | 68.1        |
| Malaysia               | 1.73                   | 1.64                    | 0.09            | 5.5         |
|                        | <u>23.95</u>           | <u>14.86</u>            | <u>9.09</u>     | <u>61.2</u> |
| Profit before tax      | (0.25)                 | (3.34)                  | 3.09            | (92.5)      |

**Food Division's** revenue increased to RM23.95 million compared to RM14.86 million recorded in the same period last year. The increase in revenue was mainly due to the higher sales of mackerel and tuna. Results of the division improved by RM3.09 million as compared to RM3.34 million loss in the same period last year.

**B2. Comparison with preceding quarter's results**
**Group Performance**

| (RM Million)      | <b>QTR 1<br/>FY 2017</b> | <b>QTR 4<br/>FY 2016</b> | <b>Variance</b> | <b>%</b> |
|-------------------|--------------------------|--------------------------|-----------------|----------|
| Revenue           | 124.82                   | 133.96                   | (9.14)          | (6.8)    |
| Profit before tax | 26.17                    | 29.84                    | (3.67)          | (12.3)   |

The Group's revenue decreased by RM9.14 million to RM124.82 million compared to the preceding quarter, as a result of the lower revenue recorded by all divisions.

In line with the lower revenue, PBT decreased by RM3.67 million to RM26.17 million as compared to RM29.84 million recorded in the preceding quarter.



**NOTES TO THE QUARTERLY ANNOUNCEMENT FOR THE FIRST QUARTER ENDED 30 JUNE 2016**
**B2. Comparison with preceding quarter's results (contd)**

The performance of each business division is as follows:

**Manufacturing Division**

| (RM Million)      | <b>QTR 1</b><br><b>FY 2017</b> | <b>QTR 4</b><br><b>FY 2016</b> | <b>Variance</b> | <b>%</b> |
|-------------------|--------------------------------|--------------------------------|-----------------|----------|
| Revenue           | 53.22                          | 65.77                          | (12.55)         | (19.1)   |
| Profit before tax | 13.57                          | 15.97                          | (2.40)          | (15.0)   |

**Manufacturing Division's** revenue decreased by RM12.55 million or 19.1% 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 registered lower by RM2.40 million in the current quarter.

**Plantation Division**

| (RM Million)   | <b>QTR 1</b><br><b>FY 2017</b> | <b>QTR 4</b><br><b>FY 2016</b> | <b>Variance</b> | <b>%</b>     |
|--|--------------------------------|--------------------------------|-----------------|--------------|
| <b>Revenue</b>   |                                |                                |                 |              |
| <u>Indonesia</u>                                       |                                |                                |                 |              |
| - CPO  | 24.28                          | 14.03                          | 10.25           | 73.1         |
| - CPKO   | 4.59                           | 3.03                           | 1.56            | 51.5         |
| - CP   | -                              | 1.56                           | (1.56)          | (100.0)      |
| <u>Malaysia</u>  |                                |                                |                 |              |
| - Fresh fruit bunch/Pineapple                          | 3.12                           | 2.27                           | 0.85            | 37.4         |
| <b>Total</b>   | <b>31.99</b>                   | <b>20.89</b>                   | <b>11.10</b>    | <b>53.1</b>  |
| <b>Profit Before Tax</b>                               | <b>3.54</b>                    | <b>1.16</b>                    | <b>2.38</b>     | <b>205.2</b> |
| <b>Sales Quantity (mt)</b>                             |                                |                                |                 |              |
| - CPO  | 11,016                         | 8,589                          | 2,427           | 28.3         |
| - CPKO   | 1,022                          | 1,115                          | (93)            | (8.3)        |
| <b>Average net CIF selling price, net of duty (RM)</b> |                                |                                |                 |              |
| - CPO  | 2,204                          | 1,747                          | 457             | 26.2         |
| - CPKO   | 4,492                          | 2,730                          | 1,762           | 64.5         |

**Plantation Division's** revenue for the quarter improved by RM11.10 million, higher than the preceding quarter due to higher sales volume of CPO and higher selling price of CPO and CPKO. PBT increased by RM2.38 million compared to the preceding quarter.

**Bulking Division**

| (RM Million)      | <b>QTR 1</b><br><b>FY 2017</b> | <b>QTR 4</b><br><b>FY 2016</b> | <b>Variance</b> | <b>%</b> |
|-------------------|--------------------------------|--------------------------------|-----------------|----------|
| Revenue           | 14.54                          | 18.62                          | (4.08)          | (21.9)   |
| Profit before tax | 7.65                           | 11.16                          | (3.51)          | (31.5)   |

Revenue from **Bulking Division** of RM14.54 million was 21.9% lower than the preceding quarter. The decrease in results was due to lower revenue generated by edible oil, base oil and oleo chemical segments in the current quarter. In line with decrease in revenue, PBT decreased 31.5% to RM7.65 million over the preceding quarter.

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

**Food Division**

| (RM Million)      | QTR 1<br>FY 2017 | QTR 4<br>FY 2016 | Variance      | %             |
|-------------------|------------------|------------------|---------------|---------------|
| <b>Revenue</b>    |                  |                  |               |               |
| PNG               | 22.22            | 26.74            | (4.52)        | (16.9)        |
| Malaysia          | 1.73             | 1.49             | 0.24          | 16.1          |
|                   | <u>23.95</u>     | <u>28.23</u>     | <u>(4.28)</u> | <u>(15.2)</u> |
| Profit before tax | (0.25)           | 3.78             | (4.03)        | (106.6)       |

Revenue from **Food Division** decreased by RM4.28 million or 15.2% to RM23.95 million as compared to the preceding quarter due to lower sales volume. The division registered loss before tax of RM0.25 million during the quarter.

**B3. Prospects**

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

The **Manufacturing Division** will endeavour to establish new strategic alliances to develop new products and solutions to complement its products. This segment will continue to put concerted efforts to improve its operational efficiency and productivity to deliver sustainable performance for this financial year.

The prospects for **Plantation Division** is very much influenced by the direction of palm oil prices and weather conditions. Notwithstanding this, the outlook for this segment continues to remain steady as the average yield is expected to improve.

**Bulking Division.** The prospects for the remaining period are expected to remain challenging. The Malaysia Derivatives Exchange's (MDEX) Edible Oil tender and transshipment 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 tough challenges ahead, particularly in Papua New Guinea where the division's main operation is located, amidst challenging market competition from the onslaught of 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.

**NOTES TO THE QUARTERLY ANNOUNCEMENT FOR THE FIRST QUARTER ENDED 30 JUNE 2016**
**B5. Income tax expense**

|                  | Current<br>Year<br>Quarter<br>30-06-2016<br>RM'000 | Current<br>Year<br>To Date<br>30-06-2016<br>RM'000 |
|------------------|--|--|
| Current taxation | 8,643  | 8,643  |

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<br>30-06-2016<br>RM'000 | As at<br>31-03-2016<br>RM'000 |
|-----------------------------------|-------------------------------|-------------------------------|
| <b>Secured:</b>                   |                               |                               |
| <b>Non-current</b>                |                               |                               |
| *Obligations under finance leases | 16,641                        | 16,799                        |
| <b>Current</b>                    |                               |                               |
| *Obligations under finance leases | 646                           | 646                           |
| Bankers' acceptance               | 4,291                         | 10,281                        |
| Short term revolving credit       | 5,000                         | 5,000                         |
|                                   | <u>9,937</u>                  | <u>15,927</u>                 |
|                                   | <u>26,578</u>                 | <u>32,726</u>                 |

\* 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.

**NOTES TO THE QUARTERLY ANNOUNCEMENT FOR THE FIRST QUARTER ENDED 30 JUNE 2016**
**B9. Borrowings and debt securities (contd)**

\* The obligations under finance leases are in respect of the following land lease: (contd)

(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)**

|   | <b>As at<br/>30-06-2016<br/>RM'000</b> | <b>As at<br/>31-03-2016<br/>RM'000</b> |
|---|--|--|
| Total retained earnings of Kumpulan Fima Berhad and its subsidiaries: |  |  |
| - Realised  | 374,890                                | 367,486                                |
| - Unrealised  | (47,832)                               | (57,791)                               |
|   | <u>327,058</u>                         | <u>309,695</u>                         |
| Total share of retained earnings from associated companies:           |  |  |
| - Realised  | 35,958                                 | 38,408                                 |
| - Unrealised  | (4,190)                                | (4,000)                                |
|   | <u>31,768</u>                          | <u>34,408</u>                          |
| Consolidation adjustments   | (38,282)                               | (35,486)                               |
| Total group retained earnings as per consolidated accounts            | <u>320,544</u>                         | <u>308,617</u>                         |

**B11. Changes in material litigations**

Pending material litigation since preceeding quarter is as follows:

Following the termination of the Tenancy Agreement by Malaysia Airports Holding Berhad ("MAHB") on 11 May 2000, a subsidiary, Fima Corporation Berhad ("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.

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.

NOTES TO THE QUARTERLY ANNOUNCEMENT FOR THE FIRST QUARTER ENDED 30 JUNE 2016

**B12. Dividends**

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

**B13. Earnings per share**

The basic earnings per share are calculated as follows:

|  | Quarter Ended |            | Cumulative Quarter Ended |            |
|--|---------------|------------|--------------------------|------------|
|  | 30/06/2016    | 30/06/2015 | 30/06/2016               | 30/06/2015 |
| Profit net of tax attributable to owners of the Company used in the computation of earnings per share (RM'000) | 11,927        | 11,293     | 11,927                   | 11,293     |
| Weighted average number of ordinary shares in issues ('000)  | 277,003       | 275,519    | 277,003                  | 275,519    |
| Effect of dilution<br>- Share options ('000)   | 2,165         | 1,804      | 2,165                    | 1,804      |
| Weighted average number of ordinary shares for diluted earnings per share computation ('000)                   | 279,168       | 277,323    | 279,168                  | 277,323    |
| Basic earnings per share (sen per share)   | 4.31          | 4.10       | 4.31                     | 4.10       |
| Diluted earnings per share (sen per share)   | 4.27          | 4.07       | 4.27                     | 4.07       |

**By order of the Board**

**MOHD YUSOF BIN PANDAK YATIM (MIA 4110)**

**JASMIN BINTI HOOD (LS0009071)**

Company Secretaries

**Kuala Lumpur**

**Dated : 25 August 2016**