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Kumpulan Fima Berhad

51st Annual General Meeting

29 August 2023

Positioning for the Future
www.fima.com.my



About Us

Incorporated in 1972, Kumpulan Fima Berhad (“KFIMA”) is a diversified group with business in Manufacturing, Plantation, Bulking and Food. KFima was listed on the Main Market of Bursa Malaysia in 1996. Currently, The Group employs 3,178 people.



Our Presence

Malaysia

- Kuala Lumpur
- Selangor
- Perak
- Pulau Pinang
- Kelantan
- Terengganu
- Johor
- Sarawak

Indonesia

- Kabupaten Nunukan, Kalimantan Utara

Papua New Guinea

- Lae

What We Do

Manufacturing

Production and trading of security & confidential documents

Plantation

Development, cultivation & processing of oil palm products

Bulking

Storage facilities

Food

Manufacturer and distribution of canned fish/trading & packaging

Facilities & Capabilities

Produce a wide range of products and services which include **travel documents, licenses, and other security and confidential documents** for the local and overseas markets

16 estates in Malaysia and Indonesia	18,596 hectares of plantable land bank	14,981 hectares of planted area	45 MT/HR palm oil mill in Kalimantan Utara
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3 terminals in North Port	2 terminals in Butterworth	259 tanks with 412,865 cbm of storage capacity	Biodiesel plant with 60,000 MT capacity
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Manufactures and distributes of canned mackerel, tuna and frozen tuna loins	Trading & packaging services of powdered beverages and condiments	Brands: Besta, Besta Mcflakes, Besta Choice & Besta White, Instanco & Farmtree
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FYE2023 Financial Highlights

Revenue

RM709.75 million
(FYE2022: RM683.50 million)

+3.8%
y-o-y

EBIT

RM131.93 million
(FYE2022: RM192.16 million)

-31.3%
y-o-y

PBT

RM119.29 million
(FYE2022: RM185.31 million)

-35.6%
y-o-y

PAT

RM77.14 million
(FYE2022: RM150.97 million)

-48.9%
y-o-y

Earnings Per Share

22.92 sen
(FYE2022: 37.05 sen)

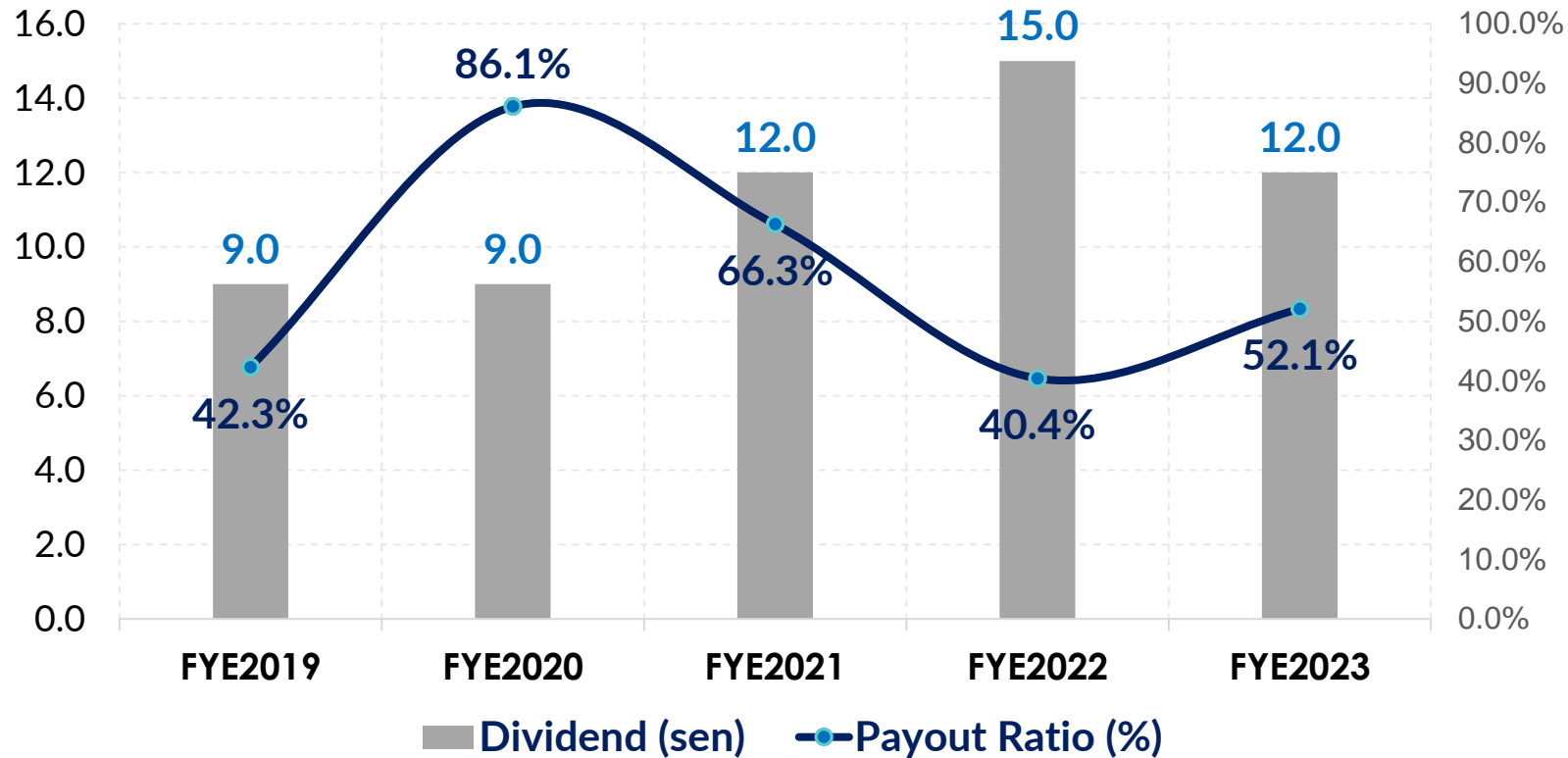
-38.1%
y-o-y

Net Assets Per Share

RM3.25
(FYE2022: RM3.16)

+2.8%
y-o-y

Delivering Shareholders Value



Our Dividend policy targets to pay at least **40.0%** of Profit After Tax and Non-Controlling Interests (PATANCI), subject to the Company's financial position

FYE2023 Divisional Highlights

Bulking



Revenue

RM185.25 million

+13.0% y-o-y

(FYE2022:RM163.90 million)

Attributed to higher throughput in the biofuel, transportation, and biodiesel segments

PBT

RM62.10 million

+10.4% y-o-y

(FYE2022:RM56.26 million)

Driven by strong contributions from the biofuel and transportation segments despite the increase in the division's COS

STRATEGIC FOCUS

Short/Medium term

- Maximise asset utilisation – optimising land areas in North Port
- Expand premium product handling portfolio
- Shift towards long-term contracts
- New terminal development

North Port, Port Klang:

- Added total of **36,020 cbm** of new storage capacity in FYE2023
- **21,820 cbm** completed in June 2023 (FY2024)

On-going development:

- **86,450 cbm** is currently in progress and expected to complete in this financial year (FY2024)

New greenfield development at Tanjung Langsat Industrial Complex

Long-term

- East Malaysia and Regional expansion



FYE2023 Divisional Highlights

Plantation



Revenue

RM204.41 million

-16.7% y-o-y

(FYE2022:RM245.50 million)

Attributed to lower prices for Crude Palm Oil ("CPO") and Crude Palm Kernel Oil ("CPKO") as well as drop in sales volume of CPO

PBT

RM45.39 million

-58.3% y-o-y

(FYE2022:RM108.75 million)

Primarily due to lower prices realised for CPO and CPKO, higher operational costs (especially fertiliser prices) and higher rehabilitation costs

STRATEGIC FOCUS

Short/Medium term

- Increase productivity and cost efficiency through mechanisation
- Best estate management practices
- Land development works at greenfield estates
- Prioritize replanting in low-yielding areas

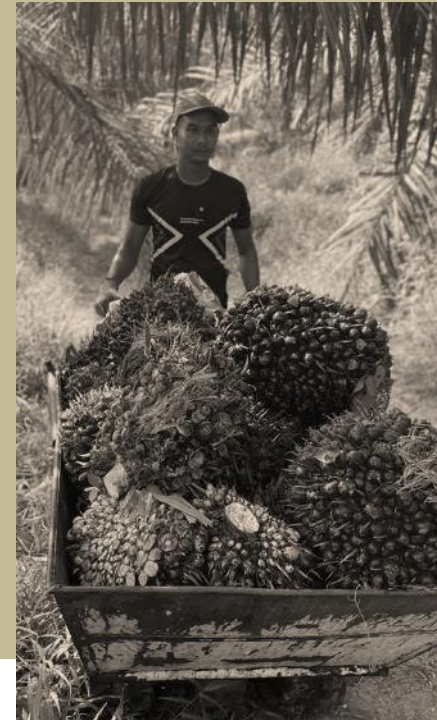
30.0% in overall productivity as a result of widespread adoption of mechanisation which in turn leads to improved earnings for workers

Plantation mature areas increased by **4.9%** to **13,690 hectares**

Completion of development works on **391 hectares** of greenfield areas in Kelantan

Long-term

- Landbank expansion In Malaysia and Indonesia
- Development of palm oil mills in Sarawak and Kelantan



FYE2023 Divisional Highlights

Food



Revenue

RM186.10 million

+12.3% y-o-y

(FYE2022:RM165.72 million)

Attributed to higher sales volumes of export canned tuna, tuna loins and tuna whole round as well as contribution from the fishmeal segment

PBT

RM4.79 million

-76.9% y-o-y

(FYE2022:RM20.72 million)

The increase in raw materials and freight costs in FYE2023 led to a 29.9% rise in COS, adversely affecting the profit margins of tuna and mackerel segments.

STRATEGIC FOCUS

Short/Medium term

- Expanding our product range under the Besta brand in the PNG market
- Improve productivity & efficiencies
- Trading of non-fish products to improve sales mix
- Expand tuna segments export market

Construction of **new cold room** to maintain higher level of fish inventory

Acquired **new pressure cookers** as part of tuna expansion project

Besta instant noodles expected to launch in FY2024

Long-term

- Build new production lines to improve food products offerings in the PNG market



FYE2023 Divisional Highlights

Manufacturing



Revenue

RM129.56 million

+24.4% y-o-y

(FYE2022:RM104.13 million)

Attributed to higher sales volumes in most product segments particularly travel with percentage growth of 253.3% increase y-o-y, driven by the higher contribution from foreign passports

PBT

RM10.11 million

+19.1% y-o-y

(FYE2022:RM8.49 million)

PBT was positively impacted by improvements in demand in most of the product segments.

STRATEGIC FOCUS

Short/Medium term

- Streamlining costs to maintain competitiveness
- Protection of niche markets

Increase in **foreign passport** revenue contribution

Relocation to new and larger complex in Bangi and expected to be completed in Q2 FY2024

- Enable to scale and meet the demands of our customer
- Will yield significant cost savings

Long-term

- Expanding contribution from other product segments
- **Strategic partnerships & alliances**

Actively **exploring** potential collaborations



Our Sustainability Approach

The Group has in place a robust framework consisting of 5 interconnected approaches that are essential for its effective functioning.



To deliver profitable and sustainable long-term growth to create value for all our stakeholders.

Our Sustainability Efforts

Increase our Group's solar power capacity to **389 kWp**

Aggressive **mechanisation** initiatives across our estates – deployment of Land Surf, Badang and Big Bull

Y-o-Y **reduction in water consumption** and **liquid waste** at our Seimenggaris palm oil mill in Indonesia

Reduction in GHG emission by **6.3%** while we continue to grow our business

Zero work related fatalities and reported cases of breach of human and workers' rights respectively

RM60.61 million taxes paid to governments of our host countries, both direct and indirect

Positioning for the Future

Consistent returns underpinned by operational excellence, capital allocation discipline and Social Value leadership



Operational Excellence

- Quality assets
- Driving improvement in culture and capability
- Agile decision making and strategic flexibility



Disciplined Capital Allocation

- Strong balance sheet
- A framework for growth with an active pursuit of opportunities



Value and returns

- Consistent shareholder returns
- Increasing exposure to segment with long-term prospects
- Integrating sustainability and social values into our strategies

A black and white photograph of two men in business suits shaking hands. The image is partially obscured by a dark blue diagonal overlay that covers the right side of the page.

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Thank You & Stay Safe!