KUMPULAN FIMA BERHAD
(11817-V)

ANNUAL REPORT 2012

Official Launch of FIMA Sdn Bhd ("FIMA") by Tun Abdul Razak bin Dato' Hussien at Lake Club, Kuala Lumpur on 26 February 1972.

From left to right: Tan Sri Datuk Jamil bin Mohd Jan, first Chairman of FIMA, Tun Abdul Razak bin Dato' Hussien, Prime Minister, Tan Sri Haji Abdul Taib bin Mahmud, Minister of Primary Industries and Encik Aziz Yassin, Managing Director of FIMA.

40years Milestones

KFIMA was incorporated by the Malaysian Government on 24 February 1972 under the name of Fima Sendirian Berhad (FIMA is the acronym for "Food Industries of Malaysia")

During its early years after inception, FIMA was entrusted with a role for the development of agrobased industries within the framework of the then New Economic Policy

1972

KFIMA pioneered the setting-up of a common-user liquid bulking terminal in Port Klang. A similar facility was set-up in Butterworth the following year. 2 new common-user liquid bulking terminals were subsequently constructed in Port Klang in 1986 and 1989 to handle chemicals and latex respectively

1979

KFIMA underwent a Management Buy-Out (MBO) in line with the privatization policy of the Malaysian Government

1991

1975

KFIMA became a public company and changed its name to Kumpulan Fima Berhad

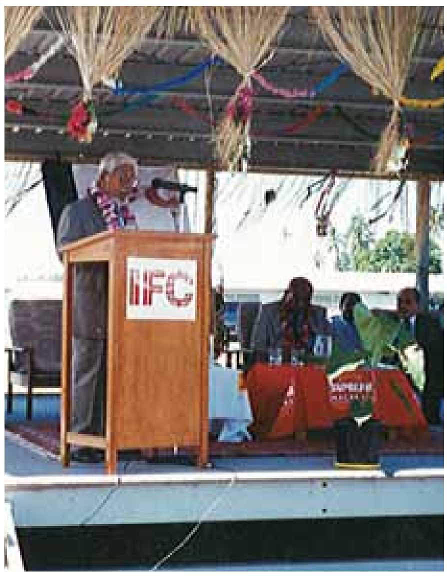
Kumpulan Fima Berhad

1981

KFIMA became the controlling shareholder of Fima Metal Box Berhad (now known as Fima Corporation Berhad ("FimaCorp")), a listed company on the Main Board of the Kuala Lumpur Stock Exchange (KLSE)

1995

KFIMA ventured overseas and undertook a mackerel canning project in Papua New Guinea via its locally incorporated subsidiary, International Food Corporation Ltd (IFC)



KFIMA was listed on the Main Board of KLSE (now known as Bursa Malaysia Securities Berhad)

1996

2002

KFIMA's subsidiary FimaCorp entered into a joint venture with Giesecke & Devrient Gmbh for the establishment of Giesecke & Devrient (Malaysia) Sdn Bhd whose principal activities are in the printing and production of bank notes

KFIMA is one of the earliest to set up a biodiesel plant when it constructed its first dedicated biodiesel plant in North Port, Klang using the technologies and know-how developed by the Malaysian Palm Oil Board

2006

2007

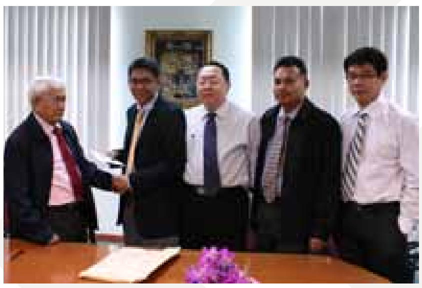
KFIMA via a subsidiary, FCB Plantation Holdings Sdn Bhd, completed the acquisition of an 80% equity interest in PT Nunukan Jaya Lestari, an Indonesian plantation company

KFIMA was conferred as one of Forbes Asia's "200 Best under a Billion" by the Forbes business magazine

2009

2011

KFIMA completed its acquisition in Victoria Square Plantation Sdn Bhd ("VSP"), an investment holding company which in turns owns a 65% interest in Amgreen Gain Sdn Bhd, a joint venture company between VSP, Yayasan Sarawak and Amanah Khairat Yayasan Budaya Melayu Sarawak which is involved in the development of an oil palm plantation on a new area of 5,000 hectares in Miri, Sarawak



40TH ANNUAL GENERAL MEETING

Date : Tuesday, 25 September 2012
Time : 3.00 p.m.
Venue : Dewan Berjaya,
Bukit Kiara Equestrian &
Country Resort
Jalan Bukit Kiara
Off Jalan Damansara
60000 Kuala Lumpur

CONTENTS

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Fortieth (40th) Annual General Meeting ("AGM") of **KUMPULAN FIMA BERHAD** will be held at the Dewan Berjaya, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on Tuesday, 25 September 2012 at 3.00 p.m. for the following purposes:-

1. To receive and adopt the Audited Financial Statements of the Company for the financial year ended 31 March 2012 and the Directors' and Auditors' Reports thereon. **Ordinary Resolution 1**

2. To declare a final dividend of 8% less 25% income tax in respect of the financial year ended 31 March 2012 as recommended by the Directors. **Ordinary Resolution 2**

3. To re-appoint Tan Sri Dato' Ir. Muhammad Radzi bin Haji Mansor as a Director of the Company and to hold office until the conclusion of the next Annual General Meeting pursuant to Section 129(6) of the Companies Act, 1965. **Ordinary Resolution 3**

4. To re-appoint Encik Azizan bin Mohd Noor as a Director of the Company and to hold office until the conclusion of the next Annual General Meeting pursuant to Section 129(6) of the Companies Act, 1965. **Ordinary Resolution 4**

5. To re-elect the following Directors who retire by rotation pursuant to Article 114 of the Company's Articles of Association and who, being eligible, offer themselves for re-election:-

   (i) Dato' Rosman bin Abdullah **Ordinary Resolution 5**

   (ii) Cik Rozilawati binti Haji Basir **Ordinary Resolution 6**

6. To approve the payment of Directors' fees for the ensuing financial year. **Ordinary Resolution 7**

7. To re-appoint Messrs. Hanafiah Raslan & Mohamad as Auditors of the Company and to authorise the Directors to fix their remuneration. **Ordinary Resolution 8**

8. As a special business:

   ORDINARY RESOLUTION - PROPOSED SHAREHOLDERS' MANDATE

   "THAT pursuant to Paragraph 10.09 of the Bursa Securities Main Market Listing Requirements, a mandate be and is hereby granted to allow recurrent related party transactions of a revenue or trading nature, which are necessary for the day-to-day operations of the Company and/or its subsidiaries, entered into or to be entered into by the Company and/or its subsidiaries, provided that such transactions are in the ordinary course of business and are on terms not more favourable to the related party than those generally available to the public, particulars of which are set out in Section 2.4 of the Circular to Shareholders dated 29 August 2012 AND THAT such approval conferred by the mandate shall continue to be in force until: **Ordinary Resolution 9**

   (a) the conclusion of the next AGM of the Company following this AGM, at which time the mandate will lapse, unless by an ordinary resolution passed at general meeting, the mandate is renewed; or

(b) the expiration of the period within which the next AGM of the Company after that date is required to be held pursuant to Section 143(1) of the Companies Act, 1965 ("Act") (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or

(c) revoked or varied by ordinary resolution passed by the shareholders in a general meeting;

whichever is earlier,

AND FURTHER THAT the Directors of the Company and/or any of them be and are/is (as the case may be) hereby authorised to complete and do all such acts and things (including executing such documents under the common seal in accordance with the provisions of the Articles of Association of the Company, as may be required) as they may consider expedient or necessary to give effect to the proposed mandate."

NOTICE OF DIVIDEND ENTITLEMENT

NOTICE IS ALSO HEREBY GIVEN that subject to the approval of the shareholders at the AGM to be held on 25 September 2012, a final dividend of 8% less 25% income tax for the financial year ended 31 March 2012 will be paid on 22 October 2012 to Depositors whose names appear in the Record of Depositors on 9 October 2012.

A Depositor shall qualify for entitlement to the dividend only in respect of:-

a. Securities transferred into the Depositor's Securities Account before 4.00 p.m. on 9 October 2012 in respect of transfers; and

b. Securities bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

BY ORDER OF THE BOARD

MOHD YUSOF BIN PANDAK YATIM (MIA 4110)
JASMIN BT HOOD (LS 0009071)
Company Secretaries

Kuala Lumpur
29 August 2012

Explanatory Note on Special Business:

The proposed Ordinary Resolution 9 if passed, will empower the Company and/or its subsidiaries ("the Group") to enter into recurrent related party transactions of a revenue or trading nature which are necessary for the Group's day-to-day operations, subject to the transactions being carried out in the ordinary course of business on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company.

Detailed information on the Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature is set out in the Circular to Shareholders dated 29 August 2012, dispatched together with the Annual Report.

Note:

1. A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy may not be a Member of the Company and a Member may appoint more than two (2) proxies by specifying the proportion of his shareholding to be represented by each proxy. The instrument appointing a proxy must be completed and deposited at the registered office of the Company not less than forty-eight (48) hours before the time of holding the Meeting or any adjournment thereof.

2. Only members registered in the General Meeting Record of Depositors as at 19 September 2012 shall be eligible to attend the Annual General Meeting or appoint proxy(ies) to attend and/or vote on their behalf.

Statement Accompanying Notice Of Annual General Meeting

The Directors who are standing for re-appointment under Section 129(6) of the Companies Act, 1965, are:

a. Tan Sri Dato' Ir. Muhammad Radzi bin Haji Mansor
b. Encik Azizan bin Mohd Noor

The Directors who are retiring pursuant to Article 114 of the Company's Articles of Association and seeking re-election are:

a. Dato' Rosman bin Abdullah
b. Cik Rozilawati binti Haji Basir

The profiles of the above Directors are set out in the Profile of Directors section of this Annual Report.

Corporate Information

Board Of Directors

Tan Sri Dato' Ir. Muhammad Radzi bin Haji Mansor
Chairman/Independent Non-Executive Director

Roslan bin Hamir
Group Managing Director/ Non-Independent Executive Director

Azizan bin Mohd Noor
Senior Independent Non-Executive Director

Rozana Zeti binti Basir
Non-Independent Non-Executive Director

Dato' Rosman bin Abdullah
Independent Non-Executive Director

Rozilawati binti Haji Basir
Non-Independent Non-Executive Director

Audit Committee

Azizan bin Mohd Noor	*Chairman*
Dato' Rosman bin Abdullah	*Member*
Rozana Zeti binti Basir	*Member*

Nomination Committee

Dato' Rosman bin Abdullah	*Chairman*
Azizan bin Mohd Noor	*Member*
Rozana Zeti binti Basir	*Member*

Remuneration Committee

Tan Sri Dato' Ir. Muhammad Radzi bin Haji Mansor	*Chairman*
Azizan bin Mohd Noor	*Member*
Dato' Rosman bin Abdullah	*Member*
Rozilawati binti Haji Basir	*Member*

Options Committee

Dato' Rosman bin Abdullah	*Chairman*
Roslan bin Hamir	*Member*
Rozilawati binti Haji Basir	*Member*

Company Secretaries

Mohd Yusof bin Pandak Yatim
MIA 4110

Jasmin binti Hood
LS 0009071

Registered Office

Suite 4.1, Level 4, Block C, Plaza Damansara
No. 45, Jalan Medan Setia 1, Bukit Damansara
50490 Kuala Lumpur
Telephone No. : +603-2092 1211
Facsimile No. : +603-2092 5923
E-mail : enquiry@fima.com.my
Website : http://www.fima.com.my

Share Registrar

Symphony Share Registrars Sdn. Bhd.
Level 6, Symphony House
Pusat Dagangan Dana 1
Jalan PJU 1A/46, 47301 Petaling Jaya
Selangor
Telephone No. : +603-7841 8000
Facsimile No. : +603-7841 8151/8152

Stock Exchange Listing

Main Market of Bursa Malaysia Securities Berhad

Auditors

Messrs. Hanafiah Raslan & Mohamad

Principal Bankers

Malayan Banking Berhad
Maybank International (L) Ltd.
CIMB Bank Berhad
Public Bank Berhad

Profile of Directors

TAN SRI DATO' IR. MUHAMMAD RADZI BIN HAJI MANSOR

Chairman / Independent Non-Executive Director

Aged 71, Malaysian

Tan Sri Dato' Ir. Muhammad Radzi bin Haji Mansor ("Tan Sri Radzi") was appointed as Director and Chairman of the Company on 10 April 2008. He is also Chairman of the Remuneration Committee.

Tan Sri Radzi graduated with a Diploma in Electrical Engineering in 1962 from Faraday House Engineering College, London and a Masters in Science (Technological Economics) from the University of Stirling, Scotland in 1975. A Chartered Professional Engineer registered with the Board of Engineers, Malaysia and Engineering Council, United Kingdom, he is a corporate member of the Institution of Engineers, Malaysia, the Institution of Engineering and Technology, United Kingdom and the Chartered Management Institute, United Kingdom.

He served in various engineering and management capacities in Government with Jabatan Telekom Malaysia ("JTM") over a 22-year period, including a 3-year secondment as Technical Adviser to the Ministry of Energy, Telecommunications and Post. Tan Sri Radzi retired as Director General of Telecommunications upon corporatisation of JTM on 1 January 1987 and was subsequently appointed as Director of Operations, Telekom Malaysia Berhad ("TM"). He served as Director of Marketing and Customer Services from 1989 to 1995 and later as Director of Regulatory Management and External Affairs before retiring in July 1996. He was an independent consultant for 3 years and was retained by Multimedia Development Corporation Sdn Bhd ("MDeC") between 1997 to 1999.

Tan Sri Radzi was Chairman and Director of TM for 10 years from July 1999 to July 2009 and Director of MDeC from April 2005 to March 2011. He is currently the President Commissioner of PT XL Axiata Tbk, (Indonesia) and Pro-Chancellor of Multimedia University. He also sits on the Board of Mewah International Inc. (Singapore) and is the Chairman of International Food Corporation Limited, the Company's subsidiary incorporated in Papua New Guinea. He was Director of Pos Malaysia Berhad from 2009 to 2011 and was also Chairman and Director of Menara Kuala Lumpur Sdn Bhd from 1999 to 2012.

He has never been convicted for any offence within the past 10 years. He has no family relationship with any Director and/or major shareholder of the Company and has no conflict of interest with the Company. He attended all Board Meetings held during the financial year ended 31 March 2012.

ROSLAN BIN HAMIR

Group Managing Director / Non-Independent Executive Director

Aged 45, Malaysian

Roslan bin Hamir was appointed a Director of the Company on 11 October 2002 and made Group Managing Director on 1 April 2009. He is also the Managing Director of Fima Corporation Berhad and member of the Options Committee.

He is an ACCA graduate with Bachelor of Arts (Honours) in Accounting and Finance. He began his career with Messrs. Ernst & Young in 1993 as an auditor. In 1998, he joined Kumpulan Fima Berhad as Senior Vice President, Corporate Services. Currently, he is a Director of Riverview Rubber Estate Berhad, a company listed on Bursa Malaysia Securities Berhad, Narborough Plantations Plc, a company listed on the London Stock Exchange, Director of Malaysian Transnational Trading (MATTRA) Corporation Berhad and Fima Bulking Services Berhad.

He holds shares in the Company and has never been convicted for any offence within the past 10 years. He attended all Board Meetings held during the financial year ended 31 March 2012.

AZIZAN BIN MOHD NOOR

Senior Independent Non-Executive Director
Aged 71, Malaysian

Azizan bin Mohd Noor was appointed a Director of the Company on 2 April 2003 and made Senior Independent Non-Executive Director on 24 November 2011. He is also Chairman of the Audit Committee as well as a member of the Remuneration and Nomination Committees.

He is a fellow member of the Institute of Chartered Accountants in England & Wales (ICAEW). He is also a member of the Malaysian Institute of Accountants (MIA) and the Malaysian Institute of Certified Public Accountants (MICPA) respectively.

The positions held by him previously include senior auditor with Azman, Wong, Salleh & Co., Chartered Accountants, Chief Internal Auditor of the former Bank Bumiputra Malaysia Berhad and senior partner with Anuarul, Azizan, Chew & Co., Chartered Accountants. He is currently Chairman of Fima Bulking Services Berhad.

He has no family relationship with any Director and/or major shareholders of the Company and has no conflict of interest with the Company. He has never been convicted for any offence within the past 10 years. He attended all Board Meetings held during the financial year ended 31 March 2012.

ROZANA ZETI BINTI BASIR

Non-Independent Non-Executive Director
Aged 37, Malaysian

Rozana Zeti binti Basir was appointed a Director of the Company on 30 March 2004. She is also member of the Nomination and Audit Committees.

She graduated with a Bachelor of Arts in Fashion Marketing from American College in London. She began her career with Metro Jaya Bhd in 1998 as Visual Merchandising Executive. She was with Kumpulan Fima Berhad as Corporate Services Executive from 2000 to 2001. She is a Director of BHR Enterprise Sdn Bhd which is the major shareholder of the Company.

She is the sister of Rozilawati binti Haji Basir, a Director of the Company. She has never been convicted for any offence within the past 10 years. She attended all Board Meetings held during the financial year ended 31 March 2012.

DATO' ROSMAN BIN ABDULLAH
Independent Non-Executive Director
Aged 45, Malaysian

Dato' Rosman bin Abdullah was appointed to the Board of the Company on 5 May 2004. He is the Chairman of the Nomination and Options Committees and also a member of the Audit and Remuneration Committees.

An accountant by profession, he holds a Bachelor of Commerce (Accounting) degree from the Australian National University and had attended the Advanced Management Programme at Oxford University. He is a chartered member of the Malaysian Institute of Accountants and a member of the Australian Society of Certified Practicing Accountants.

At present, he is the Chief Executive Officer of Syarikat Air Negeri Sembilan Sdn Bhd. Previously, he was the Group Chief Executive Officer of PECD Berhad from 30 May 2006 to 7 April 2009, an Executive Director of Malaysia Airport Holdings Berhad from 1997 until 2003 and was with Arthur Andersen & Co. from 1989 to 1997. He is also now serving as a Non-Independent Non-Executive Director of Cuscapi Berhad and as an Independent Non-Executive Director of Narra Industries Berhad. He was a Non-Independent Non-Executive Director of KUB Malaysia Berhad from 19 May 2006 until 19 December 2011.

He has no family relationship with any Director and/or major shareholder of the Company and has no conflict of interest with the Company. He has never been convicted for any offence within the past 10 years. He attended all Board Meetings held during the financial year ended 31 March 2012.

ROZILAWATI BINTI HAJI BASIR
Non-Independent Non-Executive Director
Aged 41, Malaysian

Rozilawati binti Haji Basir was appointed a Director of the Company on 26 November 2009. She is also a member of the Remuneration and Options Committees.

She holds a Masters in Business Administration in International Business from University of Bristol, United Kingdom and a Bachelor of Arts (Hons) Degree Social Sciences majoring in Law from the University of Hertfordshire, United Kingdom.

She has experience in the areas of corporate strategy, marketing, development of new businesses and entrepreneurship both locally and overseas. She is presently the Chairman of Nationwide Express Courier Services Berhad after having been its Chief Executive Officer from 31 March 2003 to 31 March 2010. She is a Director of BHR Enterprise Sdn Bhd, the Company's major shareholder.

She is the sister of Rozana Zeti binti Basir, a Director of the Company. She has never been convicted for any offence within the past 10 years. She attended all Board Meetings held during the financial year ended 31 March 2012.

Group Corporate Structure

KUMPULAN FIMA BERHAD
(11817-V)

Manufacturing

Production and trading of security and confidential documents

Plantation

Oil palm and pineapple cultivation including oil palm production and processing

Bulking

Bulk handling and storage of various types of liquid and semi-liquid products; as well as transportation and forwarding services

Food

Manufacture and distribution of canned fish

Others

Property investment
Trading
Food packaging

CHAIRMAN'S STATEMENT

Dear Shareholders,

2012 marks the 40th anniversary of Kumpulan Fima Berhad's ("KFIMA") founding.

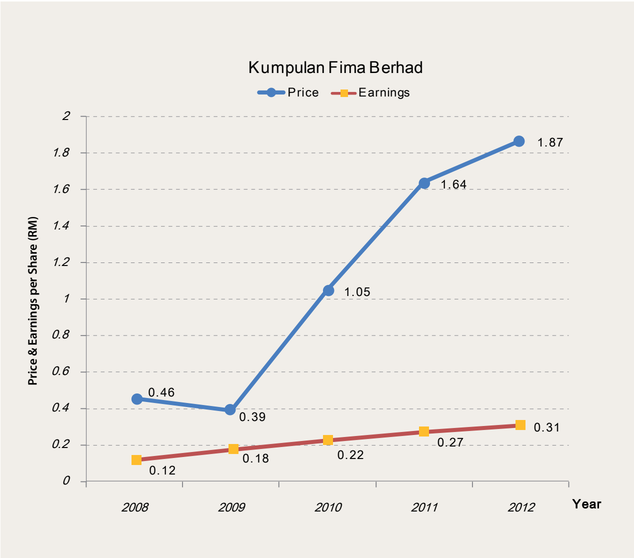
It has indeed been a remarkable journey. 40 years on since its establishment in 1972 by the Malaysian Government, the KFIMA Group has grown and seen some extraordinary changes. Over the years, KFIMA diversified into specialized manufacturing, services, plantation and trading sectors and pioneered the setting-up of a liquid bulking terminal in Port Klang. Given the Group's diversity, the Group had also over the years undertaken several initiatives to streamline and realign entities within the Group by rationalizing its businesses to create a leaner and more flexible corporate structure.

We are now well into the growth phase of this journey, and the Group's strong results are testament of what we can achieve. On that positive note, it is with great pleasure that we to present to you the Annual Report and Audited Financial Statements of the KFIMA Group for the financial year ended 31 March 2012 ("FYE2012").

FINANCIAL RESULTS AND PERFORMANCE

Amidst challenging conditions, the Group remained resilient and once more posted a strong set of results. Profit before tax ("PBT") grew 9.1% to RM153.81 million, surpassing last year's high of RM140.93 million while profit after tax and minority interests rose 13.8% to RM80.86 million. Total revenue increased 9.0% to RM470.75 million compared to the year before reflecting higher sales volume from the Plantation, Bulking and Food Divisions.

Earnings per share and net assets per share also improved to 30.70 sen and RM2.07 respectively, from 26.99 sen and RM1.76 respectively the year before.



OVERVIEW OF OPERATIONS

MANUFACTURING DIVISION

The Division closed the financial year with a slight decrease in revenue. It registered RM193.7 million revenue compared to RM203.5 million in the previous year, a drop of RM9.8 million or 4.8%. PBT decreased by RM16.7 million or 23.5% to RM54.3 million from RM71.0 million recorded last year. The decline was mainly attributable to price reduction in certain products, less favourable sales mix and recognition of equity settled share options. Nevertheless, the Division remains the Group's major income earner, contributing 41% to the Group's revenue.

The Division is optimistic on the outlook for the medium term as it continues to be innovative in its product upgrading and enhancement by adopting the latest technology and techniques.

Manufacturing division

Seedlings been transported to the field

PLANTATION DIVISION

Revenue rose 14.5% to RM109.26 million, while PBT jumped 35.3% to RM47.20 million. These achievements were realized despite a lower average of crude palm oil price recorded (net of tax, duty and transport) of RM2,290 per metric tonne ("MT") against RM2,392 per MT last year, which was attributable to the increase in the Indonesian export duty rate averaging from 8.9% to 17.5% during the year under review.

The Division's planted area totaled 7,287 hectares ("ha") of which 90% were matured areas. Fresh fruit bunch ("FFB") production was 144,422 MT compared with 122,688 MT harvested last year, with an average yield of 21.27 MT per mature ha. The improvements in crop production were primarily driven by better yield and crop recovery initiatives. The average oil extraction rate and oil kernel extraction rate were marginally lower at 23.84% and 38.16% respectively, against the 24.55% and 39.85% recorded last year respectively, attributable to small FFB bunches received from smallholders.

Since the commissioning of the palm kernel crusher plant at the Group's Indonesian plantation in July 2010, the Division recorded its first year of crude palm kernel oil sales totaling 3,392 MT at an average selling price (net of tax, duty and transport) of RM4,230 per MT. The Group's Indonesian subsidiary is currently building a composting plant with a capacity to produce 17,000 MT of compost fertilizer annually, slated to be commissioned by the end of 2012. Besides its environmental benefits, the plant is expected to bring about cost savings in fertilizer expenditure.

On 14 March 2012, the first oil palm seedling was officially planted at the Group's Miri estate. As of 31 March 2012, approximately 1,200 ha out of the 5,000 ha of land have been cleared to pave the way for planting activities, which are currently on track.

Maiden field planting at Miri estate

PT Nunukan Jaya Lestari Palm Oil Mill

The Division is committed towards improving productivity and reducing costs through the adoption of good agronomic practices namely, water management, manuring regime, weeding and pest control. Replanting programs are also in place to achieve optimal age profile by reducing low yielding areas and fields over 25 years old, particularly at the Group's Johor estates. These initiatives remain a key priority in the year ahead.

BULKING DIVISION

Bulking Division posted a revenue of RM63.37 million, representing an increase of 12.6% from the previous year while PBT improved 23.7% to RM34.73 million from RM28.08 million last year, underpinned by the increase in throughput volume of oleochemical, edible oil and industrial chemical products.

The Division's challenge is to remain proactive and sufficiently flexible in response to the ever-changing business conditions vis-à-vis provision of value-added service propositions, capacity expansion and upgrading as well as continuous improvements in operational efficiencies.

Fimachem Sdn. Bhd

FOOD DIVISION

The Food Division continues on its strong growth trajectory. Revenue climbed 42.8% to a record of RM90.11 million from last year's RM63.09 million. On the back of this higher revenue, the Division recorded a PBT of RM17.09 million, more than double the RM7.24 million recorded a year ago. The primary drivers behind this growth were the higher sales volume recorded and higher selling price of canned mackerel as well as foreign exchange gains resulting from the strengthening of the local currency, Kina.

Besta and Besta Choice

During the FYE2012, the Division launched its locally produced canned tuna products under the "Besta" brand. A lower priced value-for-money version of its canned tuna products under the brand name "BestaChoice" was also launched during the year to capture the budget-conscious consumer market.

DIVIDEND

In tandem with our improved profits, the Board of Directors is pleased to recommend for shareholders' approval a final dividend of 8.0% less 25% taxation for the year ended 31 March 2012 at the forthcoming Annual General Meeting.

In considering the level of dividend payments, the Board took into account the need to strike a balance between providing a reasonable return to shareholders and funding requirements of the Group.

EMPLOYEE SHARE SCHEME

Our growth over the years is a direct result of the dedication and hard work of all our employees. The Employee Share Scheme comprising the Employee Share Option Scheme and Restricted Share Grant Scheme (ESS) was approved by the shareholders at the Extraordinary General Meeting held on 21 September 2011. I'm delighted that the ESS which has had a take-up rate of 100% to-date are helping our employees to relate directly to the overall performance of the Group and to eventually realize gains from the appreciation on the value of KFIMA's shares.

PROSPECTS AND CHALLENGES FOR 2012

Progress in FYE2012 was significant, and although the Malaysian economy has been projected to grow by 4% to 5% in 2012, we believe the current year and beyond will be challenging for the Group as the Eurozone debt crisis, geopolitical instability and escalating commodity prices continue to dampen business and consumer confidence globally.

While the Group's strengthened financial position and diverse business portfolio give us the ability to mitigate the impact of an economic slowdown, the Group will nonetheless continue to reinforce its fundamentals and competitive advantages that provide the resilience necessary in response to the volatile business environment.

APPRECIATION AND ACKNOWLEDGEMENT

On behalf of the Board, I would like to close this message with sincere thanks to the Management team and staff for their role in delivering the Group's strong performance. The Board is equally grateful for the tremendous support the Group has received during the year from its business partners, customers and various governmental and regulatory authorities.

My thanks also go to my fellow Board members for their wise counsel and commitment to the business of the Group, and to my predecessors for laying the strong foundations on which the Group now builds upon.

Last, but not least, we wish to thank our shareholders and stakeholders for their continued faith and support to the Group through good times and bad. All of this has gone towards making KFIMA the company it is today and we look forward to many more years of generating value for all.

TAN SRI DATO' IR. MUHAMMAD RADZI BIN HAJI MANSOR
Chairman

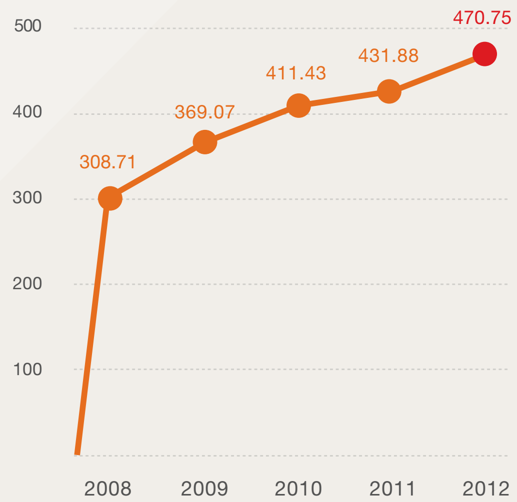
Replanting Programs at Ladang Kota Tinggi

Five-Year Group Financial Highlights

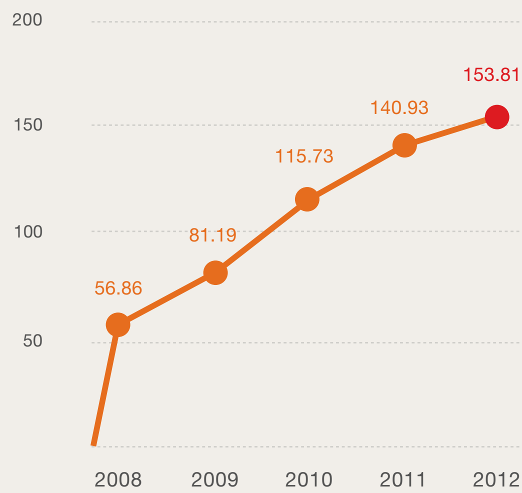
Financial Year Ended 31 March (RM Million)	2012	2011	2010 (restated)	2009	2008
REVENUE	470.75	431.88	411.43	369.07	308.71
PROFIT					
Profit before taxation	153.81	140.93	115.73	81.19	56.86
Income tax expense	37.27	33.43	29.29	10.57	13.59
Minority interests	35.68	36.47	27.68	24.47	12.99
Profit after taxation and minority interests	80.86	71.03	58.75	46.16	30.29
ASSETS AND LIABILITIES					
Total assets	906.55	831.51	733.59	653.15	609.17
Total liabilities	153.74	186.24	191.47	201.32	209.05
Minority interests	203.64	182.81	139.09	117.21	100.73
Shareholders' Equity	549.17	462.46	403.04	334.62	299.40
EARNINGS AND DIVIDEND					
Earnings per share (sen):					
Basic	30.70	26.99	22.32	17.54	11.51
Diluted	30.63	26.99	22.32	17.54	11.51
Gross dividend per share (sen)	8.00	7.00	5.00	3.00	2.50
Net dividend per share (sen)	6.00	5.25	3.75	2.25	1.88
SHARE PRICES					
Transacted price per share (RM)					
Highest	2.10	1.83	1.09	0.51	0.94
Lowest	1.45	0.85	0.38	0.33	0.42

Five-Year Group Financial Highlights (Cont'd)

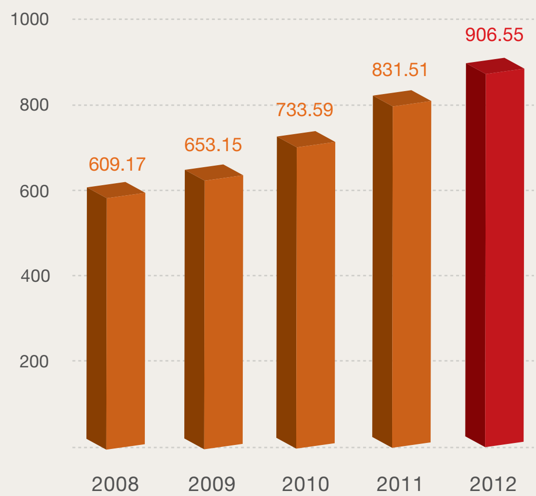
REVENUE
(RM Million)



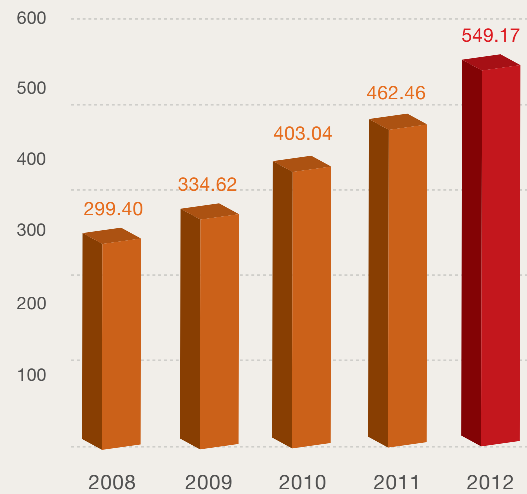
PROFIT BEFORE TAXATION
(RM Million)



TOTAL ASSETS
(RM Million)



SHAREHOLDERS' EQUITY
(RM Million)



Corporate Social Responsibility

Kumpulan Fima Berhad Group ("the Group") is mindful of its responsibilities to the surrounding community and relishes the opportunity to contribute to the society at large as well as the Group's employees. The Group believes that a strong corporate social responsibility ("CSR") will ultimately build stronger ties and longer-term relationships with the shareholders, community, employees, environment and other stakeholders which are essential components to any corporate growth strategy.

The Community

As the Group grows, it is important to consider the disadvantaged members of the society in need of assistance and aid. To this end, the Group has continued to supporting those in need and reaching out to the communities especially where its businesses operate in the form of donations, sponsorships and support in kind:

- Contribution to IJN Foundation in support of their charity dinner "Night of a Thousand Hearts".

- International Food Corporation Limited ("IFC"), the Group's Papua New Guinea ("PNG") subsidiary, had partnered with the PNG Football Association to launch the Besta FA Cup in June 2011 and establish a development programme for budding soccer talents, vis-à-vis the formation of an under-23 team to compete in regional soccer tournament. In addition, IFC's management trainee programme provides opportunities to local graduates for on-the-job training to build their capabilities and strength as well as to accelerate professional development.

- PT Nunukan Jaya Lestari, the Group's Indonesian subsidiary, continued to lend its support to the local community through various CSR activities:
    - Donation of stationery and books to kindergartens.
    - Provision of free transportation to school for employees' children.
    - Contribution towards the construction of a mosque.
    - Contribution to the Independence Day and Hari Raya Aidil Adha celebration.
    - Supply of electricity and water to a school.

- Another Group subsidiary, Percetakan Keselamatan Nasional Sdn Bhd ("PKN"), had successfully conducted a series of training on "Understanding the Security Features and Specification", "Understanding the preparation on printing format of Malaysia Pass/ Visa and Residence Pass" and "Physical and Digital Security Verification" to Immigration Department and "Modernisation of Police's Pensioner Card and Authority Card" to Royal Malaysia Police. The company is also firmly committed to making positive contributions to the lives of underprivileged communities by providing financial assistance to Pusat Jagaan Anak-Anak Yatim dan Miskin Nurul Iman, Manjoi, Perak, The Malaysia Dialysis Organisation, Yayasan Aminul Ummah Malaysia for its programme on "Pemulihan Akhlak dan Perlindungan kepada Remaja Bermasalah", Nadi Annissa (an organisation providing educational activities, counseling and legal advice in line with Syariah principles and Islamic environment for Muslim women) and contribution towards the renovation of existing storeroom into classroom at Putra Ria Apartment, Bangsar in support of the community development initiatives undertaken by Majlis Ekonomi Melayu (a non-profit organisation) for the less fortunate children in the area.




Corporate Social Responsibility (cont'd)




The Workplace

The Group appreciates that encouraging strong bonds between its employees is vital to ensure Group's continued success. As part of the Group's effort to strengthen the spirit of camaraderie, numerous employee programmes were organized by Kelab Sukan Fima. These comprised programmes such as Ramadhan breaking fast function, Hari Raya Open House, Fima Family Day, Mini Bowling Tournament and Books for Charity. Apart from these activities, in-door games like carom, dart, chess and 'congkak' were provided for the benefit and enjoyment of the employees.

Family days, weekend retreats and festive gatherings were also regularly organized at the divisional level as a means to promote harmonious relationship and interaction amongst staff from across the Group and to foster a sense of belonging to the Group.

The Group recognises that its success over the years has been built on the foundation of a skilled and talented workforce. Therefore, the Group continues to focus on enhancing its human resource fundamentals, developing capabilities and growing talents by providing requisite knowledge, skills and competencies which are either organized in-house or by external professional bodies.

Statement on Corporate Governance

The Board is committed to upholding the highest standards of corporate governance throughout the Group in all aspects of its business dealings with the objective of protecting and enhancing shareholders' value and the performance of the Group. The Board further acknowledges that expectations on the corporate governance have heightened in light of the changing global financial and regulatory landscapes.

The Board is pleased to report to the shareholders on the manner the Company has applied the principles of good corporate governance and the extent of compliance with the best practices as expressed in the Principles of and Best Practices in Corporate Governance set out in the Malaysian Code on Corporate Governance throughout the financial year.

1. BOARD OF DIRECTORS

1.1 Board Duties and Responsibilities

The Group fully appreciates the pivotal role played by the Board in the stewardship and monitoring of its long term direction and achievement of business objectives; and ultimately the enhancement of shareholders' value. The Board meets at least four (4) times a year, once every quarter, with additional meetings convened when necessary. Besides the Board Meetings, urgent decisions were approved via Directors' Circular Resolutions during the year.

Certain responsibilities of the Board are delegated to Board Committees; namely the Nomination, Remuneration, Audit and Options in discharging its fiduciary duties. These Committees operate within clearly defined terms of reference and have the authority to examine particular issues and report their proceedings and deliberations to the Board. The ultimate responsibility for the final decision on all matters, however, lies with the Board.

1.2 Board Composition and Balance

As at the date of this Annual Report, the Board consists of six (6) members, comprising an Independent and Non-Executive Chairman, one (1) Group Managing Director (Executive and Non-Independent), one (1) Senior Independent Non-Executive Director, one (1) Independent Non-Executive Director and two (2) Non-Executive and Non-Independent Directors. The presence of Independent Non-Executive Directors assures an additional element of balance to the Board as they provide unbiased and independent views, advice, judgement to all Board deliberations, taking into account the interests of the Company's stakeholders.

The Board recognises that diversity is critical to a well functioning Board and an essential measure of good governance. Currently, the Company's Board is a balanced Board with a complementary blend of expertise with members drawn from varied backgrounds, bringing with them depth and diversity in experience, expertise and perspectives to the Group's business operations. Directors are able to act independently and express their views unfettered and free from any influence.

The roles of the Chairman and the Group Managing Director (GMD) are distinct and separate to ensure a balance of power and authority, avoiding any unfettered power of decision making in one individual. The Chairman is responsible for ensuring Board effectiveness and conduct while the GMD has overall responsibilities over the Group's operational and business units, organisational effectiveness and implementation of Board policies, directives, strategies and decisions.

During the year under review, the Board created the position of a Senior Independent Director (SID) for the Company, to serve as a point of contact to whom concerns may be conveyed. The SID is also responsible to receive reports from employees or third parties for the purpose of whistleblowing in accordance with the Group's Whistleblowing Policy and Procedures. Accordingly, the Board appointed/redesignated Encik Azizan bin Mohd Noor as SID with effect from 24 November 2011. Contact details of the SID is set out on page 34 of this Annual Report.

1.3 Board Meetings

The Board meets on a scheduled basis whereat the meetings are scheduled a year ahead in order to facilitate the Board attendance at Board meetings. Additional meetings are convened when specific directions or decisions are required expeditiously or urgently from the Board. Decisions can also be taken by way of Directors' Circular Resolutions between the scheduled meetings, where appropriate.

Whenever necessary, the Senior Management are also invited to join in Board and Board Committee meetings to provide explanation or engage in dialogue with Board members on agenda items being discussed in order for the Board and/or Board Committees to make an informed decision. All issues raised, deliberations and decisions including dissenting views made at Board meetings along with clear actions to be taken by responsible parties are recorded in the minutes. Decision made, policies approved and follow-up actions at Board meetings will be communicated to Management after the Board meetings.

During the year ended 31 March 2012, seven (7) Board meetings were held whereat the Board deliberated and considered a variety of matters including the Company's financial results, the business plan and direction of the Company. The attendance record of each Director in respect of meetings held was as follows:

Name of Directors	No. of Board Meetings Attended
Tan Sri Dato' Ir. Muhammad Radzi bin Haji Mansor (Chairman)	7/7
Roslan bin Hamir	7/7
Azizan bin Mohd Noor	7/7
Rozana Zeti binti Basir	7/7
Dato' Rosman bin Abdullah	7/7
Rozilawati binti Haji Basir	7/7

1.4 Supply of Information

Each Board member receives a full set of board papers for each agenda item distributed in advance of each Board meeting which include the comprehensive reviews and analysis of major operational, financial, technical, legal and regulatory issues, reports of meetings of all committees of the Board including matters requiring the full Board's deliberation and approval, performance reports of the Group, business developments and updates and on other matters of discussion and/or approval. The board papers are issued in sufficient time to enable the Directors to appreciate the issues to be deliberated and where necessary, be briefed properly before the meeting.

The Board also avails itself of independent professional advice in the furtherance of their duties. In addition, the Directors have direct access to the advice and services of the Company Secretaries who are responsible for ensuring that Board procedures are followed. The Board is regularly updated on new statutory as well as regulatory requirements relating to the duties and responsibilities of Directors. The Board also reviews and approves all corporate announcements, including the announcement of the quarterly financial results prior to releasing them to Bursa Malaysia Securities Berhad.

Apart from the scheduled meetings, on separate occasions, the Directors also visit locations of the operating units and new projects that have been launched or proposed. On these visits Directors are given briefings by Management. The 'hands-on' approach is useful in assisting Directors to have a better understanding of the workings of the Group's business operations, so that they are able to bring insight on matters affecting the business units during Board deliberations and the eventual decision making.

1.5 Board Committees

1.5.1 Nomination Committee

The Nomination Committee, which was established on 23 November 2001, has been entrusted with the following duties and/or responsibilities:

- Review contribution of individual Directors and effectiveness of the Board as a whole with its mix of skills and experience and other qualities, including core competencies which each Director shall bring to the Board;
- Make recommendations to the Board on candidates for directorship on the Board of the Company and its Group subsidiaries;
- Recommend suitable orientation, educational and training programmes to continuously train and equip both existing and new Directors; and
- Examine the size of the Board to determine its effectiveness.

The members of the Nomination Committee as at the date of the Annual Report are:

- Dato' Rosman bin Abdullah – Chairman
  (Independent Non-Executive Director)
- Azizan bin Mohd Noor
  (Senior Independent Non-Executive Director)
- Rozana Zeti binti Basir
  (Non- Independent Non-Executive Director)

All members of the Committee have access to the advice and services of the Company Secretaries.

The Nomination Committee meets as and when necessary and can also make decisions by way of circular resolutions.

1.5.2 Remuneration Committee

The Company has adopted the objective as recommended by the Code to determine the remuneration for a Director so as to ensure that the Company attracts and retains the Directors needed to run the Group successfully. In this respect, a Remuneration Committee was established on 23 November 2001.

The Remuneration Committee shall have the authority to carry out the following:

- Make recommendations to the Board on the remuneration framework for the Group Managing Director and determining the remuneration arrangements for the Group Managing Director;
- Recommend to the Board changes in remuneration, if required or in the event the present structure and remuneration policy are deemed inappropriate; and
- Remuneration of the Non-Executive Directors shall be determined by the Board collectively, where individuals concerned shall abstain from discussion of their own remuneration.

As at the date of this Report, the Remuneration Committee of the Board consists of the following Non-Executive Directors:

- Tan Sri Dato' Ir. Muhammad Radzi bin Haji Mansor - Chairman
  (Independent Non-Executive Director)

- Azizan bin Mohd Noor
  (Senior Independent Non-Executive Director)

- Dato' Rosman bin Abdullah
  (Independent Non-Executive Director)

- Rozilawati binti Haji Basir
  (Non-Independent Non-Executive Director)

The Remuneration Committee met once during the financial year.

1.5.3 Audit Committee

The Board is also assisted by the Audit Committee whose members, terms of reference and activities for the year under review are presented in the Report of the Audit Committee in this Annual Report.

1.5.4 Options Committee

The Options Committee was established on 23 March 2011 with delegated authority to administer the Company Employees' Share Scheme ("ESS") and to decide on all relevant matters incidental thereto in accordance with the ESS Bye-Laws including, but not limited to, the power to determine the criteria for eligible employees, the entitlement for eligible employees and the granting of options to such eligible employees.

The shareholders of the Company had at the Extraordinary General Meeting held on 21 September 2011 approved the establishment of the ESS.

The Options Committee is entrusted with the following responsibilities:

- To administer the ESS in accordance with the ESS Bye-Laws and in such manner as it shall in its discretion deem fit and within such powers and duties as are conferred upon it by the Board;

- To review and amend, at any time and from time to time, any provisions of the ESS Bye-Laws, provided that the amendments are not prejudicial to the eligible employees and with the prior approval of the shareholders of the Company. Such modifications/variations shall be subject to the approval of the Board and the relevant regulatory authorities; and

- Such other authorities as governed by the ESS Bye-Laws and/or are conferred upon the Committee by the Board from time to time.

Members of the Options Committee consist of the following Directors:

- Dato' Rosman bin Abdullah - Chairman
  (Independent Non-Executive Director)

- Rozilawati binti Haji Basir
  (Non-Independent Non-Executive Director)

- Roslan bin Hamir
  (Non-Independent Executive Director)

The Secretary to the Committee shall be the Company Secretaries.

The Options Committee meets at least twice a year and can also make decisions by way of circular resolutions. The Committee met four times during the financial year ended 31 March 2012 and all the members attended the meetings.

1.5.5 Management of Business Operations

A Heads of Divisions and Divisional Executive Committee have been established to assist in the running of the business of the Group.

- **Heads of Divisions ("HOD") Meeting**

  The HOD under the chairmanship of the Group Managing Director deliberates on the performance and conduct of the Group's operating units, implementation of Group policies and examining all strategic matters affecting the Group.

- **Divisional Executive Committees ("Divisional EXCOs")**

  Divisional EXCOs are established to assist the Heads of Divisions in dealing with issues that arise in their respective divisions/operating units. The Divisional EXCOs addresses among others, day-to-day operational and financial issues/risks affecting the division, utilisation of resources and examines investment proposals before making the appropriate recommendations to the Board.

1.6 Re-election of Directors

The Articles of Association of the Company provide that all Directors are subject to retirement and re-election by shareholders at their first opportunity after their appointment, and are subject to re-election at least once every three (3) years.

Pursuant to Section 129(6) of the Companies Act, 1965 (the Act), the office of a Director of or over the age of seventy (70) years becomes vacant at every AGM unless he is re-appointed by a resolution passed at such an AGM of which no shorter notice than that required for the AGM has been given and the majority by which such resolution is passed is not less than three-fourths of all members present and voting at such an AGM.

The profiles of the Directors who are due for re-election and re-appointment in accordance with Section 114 of the Company's Articles of Association and Section 129(6) of the Act, respectively, are set out in the Profile of Directors section of this Annual Report.

1.7 Directors' Training

The Board acknowledges the importance of continuous education and training programmes to enable effective discharge of its responsibility.

All Directors have successfully attended the Mandatory Accreditation Programme prescribed by Bursa Malaysia Securities Berhad. During the financial year, the Directors have attended various training programmes and seminars organised by the relevant regulatory authorities and professional bodies to further enhance their business acumen and professionalism in discharging their duties to the Company and the Group. The details of which are set out below:

Director	Name of courses/seminars/workshops/conferences	Date Held
Tan Sri Dato' Ir.Muhammad Radzi bin Haji Mansor	1. Axiata 8th Asean Leadership Forum	08/05/2011-09/05/2011
	2. Cranfield Executive Leadership Forum - The Makings of a Global Leader	05/07/2011
	3. Institute of Internal Auditors International Conference 2011	11/11/2011
	4. IIA International Conference 2011 - Audit Committee Forum	12/11/2011
	5. Launch of the Corporate Governance Week & Sustainable Leadership - Standing Apart From Others	30/11/2011
	6. The New Corporate Governance Blueprint and Updates on Competition Act	19/01/2012
	7. i. Amendment to Bursa Malaysia Securities Berhad Main Market Listing Requirements in relation to Disclosure and Other Obligations ii. Corporate Disclosure Guide iii. Convergence with IFRS - How to Apply FRS 1?	10/02/2012
Roslan bin Hamir	1. 2011 Mid Year Global Economic Outlook - UBS AG	05/07/2011
	2. i. Amendment to Bursa Malaysia Securities Berhad Main Market Listing Requirements in relation to Disclosure and Other Obligations ii. Corporate Disclosure Guide iii. Convergence with IFRS - How to Apply FRS 1?	10/02/2012
Azizan bin Mohd Noor	1. The Resurgence of Corporate Malaysia	03/05/2011-04/05/2011
	2. Governance Series for Directors - Selected Governance Concerns and Tools for Addressing Corporate Culture and Board Performance	05/05/2011
	3. Updates of 2011 New and Revised Financial Reporting Standards and New Bursa Listing Requirements	09/11/2011-10/11/2011

Director	Name of courses/seminars/workshops/conferences	Date Held
Azizan bin Mohd Noor	4. i. Reporting on Corporate Governance Practices: What Do People Want To Know? ii. Oxford Union Style Corporate Governance Debate Motion: Independent Directors Are A Myth iii. Session By Asria: Taking Socially Responsible Investment Practices Forward	01/12/2011
	5. Challenges Faced by Accountants as Independent Directors	06/12/2011
	6. The New Corporate Governance Blueprint and Updates on Competition Act	19/01/2012
	7. i. Amendment to Bursa Malaysia Securities Berhad Main Market Listing Requirements in relation to Disclosure and Other Obligations ii. Corporate Disclosure Guide iii. Convergence with IFRS – How to Apply FRS 1?	10/02/2012
Rozana Zeti binti Basir	1. Comprehensive Overview of Standards	30/11/2011-01/12/2011
	2. The New Corporate Governance Blueprint and Updates on Competition Act	19/01/2012
	3. i. Amendment to Bursa Malaysia Securities Berhad Main Market Listing Requirements in relation to Disclosure and Other Obligations ii. Corporate Disclosure Guide iii. Convergence with IFRS – How to Apply FRS 1?	10/02/2012
Dato' Rosman bin Abdullah	1. Governance Series for Directors – Selected Governance Concerns and Tools for Addressing Corporate Culture and Board Performance	05/05/2011
	2. Narra Directors' Training	27/05/2011
	3. Bursa Malaysia ½ Day Gabeno Programme	22/08/2011
	4. Challenges Faced by Accountants as Independent Directors	06/12/2011
	5. i. Amendment to Bursa Malaysia Securities Berhad Main Market Listing Requirements in relation to Disclosure and Other Obligations ii. Corporate Disclosure Guide iii. Convergence with IFRS – How to Apply FRS 1?	10/02/2012

<table>
<tr><th>Director</th><th>Name of courses/seminars/workshops/conferences</th><th>Date Held</th></tr>
<tr><td rowspan="3">Rozilawati binti Haji Basir</td><td>1. Comprehensive Overview of Standards</td><td>30/11/2011-01/12/2011</td></tr>
<tr><td>2. The New Corporate Governance Blueprint and Updates on Competition Act</td><td>19/01/2012</td></tr>
<tr><td>3. i. Amendment to Bursa Malaysia Securities Berhad Main Market Listing Requirements in relation to Disclosure and Other Obligations
ii. Corporate Disclosure Guide
iii. Convergence with IFRS – How to Apply FRS 1?</td><td>10/02/2012</td></tr>
</table>

2. DIRECTORS' REMUNERATION

The aggregate remuneration of the Directors categorized into appropriate components for the financial year ended 31 March 2012, are as follows:

	Salaries & Other Emoluments (RM'000)	Benefits-in-kind (RM'000)	Fees (RM'000)	Total (RM'000)
Executive Director	1,450	42	-	1,492
Non-Executive Directors	137	-	252	389

The number of Directors whose total remuneration falls within the respective bands is tabulated as follows:

Bands	No. of Directors (Company)	
	Executive	Non-Executive
RM1,450,000 – RM1,500,000	1	-
RM50,001 – RM100,000	-	5

3. COMMUNICATION AND RELATIONSHIP WITH SHAREHOLDERS

The Company recognizes the importance of an effective communication channels between the Board, shareholders and general public.

At the Company's general meetings, shareholders have direct access to the Board and are given the opportunity to participate effectively in the proceedings and engage in dialogues with the Board and Senior Management.

In addition, shareholders and investors can obtain the latest corporate information of the Group by accessing its website at www.fima.com.my. The latest financial results and other announcements can also be found on this site.

4. ACCOUNTABILITY AND AUDIT

4.1 Financial Reporting

For financial reporting through quarterly reports to Bursa Malaysia Securities Berhad and the Annual Report to shareholders, the Directors have a responsibility to ensure the accuracy of the statements of comprehensive income, the statements of financial position, the statements of cash flow and all other financial disclosure based on Malaysian Accounting Standards Board rules and other legislation. The Audit Committee assists the Board to oversee the Group's financial reporting processes and the quality of its financial reporting. The Statement by Directors pursuant to Section 169 of the Companies Act 1965 is presented herein.

4.2 Internal Controls

The Board has overall responsibility for maintaining a sound system of internal control to safeguard the shareholders' investment and Group's assets.

The system of internal control is designed to manage and provide reasonable and not absolute assurance against material misstatement or loss. The Board however, remains committed towards operating a sound system of internal control and therefore, recognizes that the system must continually evolve to support the type of business and size of operations of the Group. As such, the Board will, when necessary, put in place appropriate action plans to further enhance the Group's system of internal control.

The Statement on Internal Control is set out herein.

4.3 Relationship with Auditors

Through the Audit Committee, the Board has established transparent and appropriate relationship with the auditors, both internal and external. The role of the Audit Committee in relation to the auditors, including a summary of activities of the Audit Committee are included in the Audit Committee Report stated herein.

As at the date of this Annual Report, the Audit Committee had met with the external auditors without any Executive Directors and Management being present on two occasions i.e. 28 February 2012 and 28 June 2012, to discuss the adequacy of controls and any judgemental areas.

4.4 Statement of Compliance with the Best Practices of the Code

The Company is committed to achieving high standards of Corporate Governance throughout the Group and to the highest level of integrity and ethical standards in all its business dealings. The Board considers that it has complied throughout the financial year with the Best Practices as set out in the Code.

This statement is made in accordance with the resolution of the Board of Directors dated 28 June 2012.

TAN SRI DATO' IR. MUHAMMAD RADZI BIN HAJI MANSOR
Chairman

Audit Committee Report

1. MEMBERS OF THE COMMITTEE

Chairman

Azizan bin Mohd Noor	*Senior Independent Non-Executive Director* *(Member of Malaysian Institute of Accountants)* *Re-designated as Senior Independent Non-Executive Director on 24 November 2011*

Members

Dato' Rosman bin Abdullah	*Independent Non-Executive Director* *(Member of Malaysian Institute of Accountants)*
Rozana Zeti binti Basir	*Non-Independent Non-Executive Director*

2. TERMS OF REFERENCE

2.1 Composition

The Audit Committee ("the Committee") shall be appointed by the Board amongst the Directors of the Company and shall consist of no less than three (3) members comprising of Non-Executive Directors a majority of which are independent directors. A quorum for a meeting shall be at least two (2) members, both being Independent Directors.

The members of the Committee must elect a Chairman among themselves who is an Independent Non-Executive Director. No Alternate Director is appointed as a member of the Committee.

The Committee shall include at least one (1) Director who is a member of the Malaysian Institute of Accountants ("MIA") or alternatively a Director who must have at least three (3) years working experience and have passed the examinations specified in Part I of the First Schedule of the Accountants Act 1967 or is a member of one (1) of the associations of accountants specified in Part II of the said schedule.

If a member of the Committee resigns, dies or for any reason ceases to be a member with the result that the number of members is reduced below three (3), the Board shall within three (3) months of that event, appoint such number of new members as may be required to make up the minimum number of three (3) members.

The terms of office and performance of the Committee and each of its members must be reviewed by the Board at least once every three (3) years.

2.2 Authority

The Committee is authorised by the Board to investigate any activity within its terms of reference. It is authorised to seek information it requires from any employee and all employees are directed to cooperate with any request made by the Committee.

The Committee is also authorised by the Board to obtain independent professional advice if necessary.

2.3 Duties and Responsibilities

The duties and responsibilities of the Committee are:

2.3.1 Review audit plans before the audit commences, audit reports, evaluations of the system of internal accounting controls and management letters and response with the external auditors.

2.3.2 Carry out the following with regard to the internal audit function:

- Review the adequacy of scope, functions and resources of the internal audit function and that it has the necessary authority to carry out its work;
- Review the internal audit programmes, major findings of internal audits, process and investigation undertaken, management's response and coordination between the internal and external auditors;
- Review any appraisal or assessment of the performance of members of the internal audit function; and
- Approve any appointment/termination of senior internal audit staff and keep informed of resignations of internal audit staff and provide the resigning staff with opportunity to submit reasons for resigning.

2.3.3 Review quarterly results and year end financial statements, before the approval by the Board, focusing particularly on:

- Any changes in or implementation of major accounting policy changes;
- Significant and unusual events; and
- Compliance with accounting standards and other legal requirements.

2.3.4 Discuss any problems and reservations arising from the interim and final audits and any matters the external auditors may wish to discuss (in the absence of Management where necessary) two times in a year.

2.3.5 Review any related party transactions and conflict of interests situation that may arise in the Company and Group including any transactions, procedure or course of conduct that raises questions of Management integrity.

2.3.6 Consider and review any letter of resignation from the external auditors of the Company and recommend the nomination of another firm of external auditors.

2.3.7 The Committee shall also report on the following to the Board to enable the Board in preparing an Audit Committee Report for the Company's annual report:

- The composition of the Committee, including name, designation and directorship of the members and whether the director is independent or otherwise;
- The terms of reference of the Committee;
- The number of Committee meetings held in the financial year and details of attendance of each member;
- A summary of the activities of the Committee in the discharge of its functions and duties for the financial year; and
- A summary of the activities of the Group Internal Audit Department ("the GIA").

2.3.8 If the Committee is of the view that a matter reported by the Committee to the Board has not been satisfactorily resolved resulting in a breach of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Committee shall be responsible for reporting such matters to Bursa Malaysia Securities Berhad. The Committee shall have the discretion to undertake such action independently from the Board.

2.3.9 The Committee shall update the Board on issues and concerns discussed during their meetings including those raised by external auditors and where appropriate, make the necessary recommendations to the Board.

2.3.10 The Committee had also reviewed the allocation of Employee Share Scheme ("ESS") to ensure that it is consistent with the approved matrix set out in the ESS Bye-Laws and confirms that allocation is in compliance with the criteria of the said ESS Bye-Laws.

2.4 Meetings

Meetings shall be at least four (4) times annually. However, at least twice a year, the Committee shall meet with the external auditors without the presence of the Executive Director and Management. Apart from that, the external auditors may request for a meeting if they consider it necessary. Other Directors and employees shall attend any particular Committee meeting only at the Committee's invitation and specific to the relevant meeting. The Company Secretary shall be the Secretary of the Committee.

The Committee shall cause minutes to be entered in the books provided for purpose of recording all resolutions and proceedings of minutes. Such minutes shall be signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting and if so signed, shall be conclusive evidence without any further proof of the facts.

The Committee, through its Chairman, shall report to the Board at the next Board's meeting after each Committee meeting. When presenting any recommendation to the Board, the Committee will provide such background and supporting information as may be necessary for the Board to make an informed decision.

Minutes of each meeting shall also be distributed to all attendees of the Committee meetings and circulated and presented to all members of the Board for notation purposes at the Board meeting. The books containing the minutes of the proceedings of any meetings of the Committee shall be kept by the Company at the registered office of the Company and shall be open to the inspection of any member of the Committee or the Board.

3. SUMMARY OF ACTIVITIES OF THE COMMITTEE DURING THE FINANCIAL YEAR ENDED 31 MARCH 2012

3.1 The details of the Committee meetings held during the financial year are as follows:

Name of Committee Members	No. of Meetings	
	Held	**Attended**
Azizan bin Mohd Noor *(Chairman)*	5	5
Dato' Rosman bin Abdullah	5	5
Rozana Zeti binti Basir	5	5

3.2 In line with the terms of reference of the Committee, the following main activities were carried out during the financial year in discharging its duties and responsibilities:

- Reviewed the audit plans, system of internal controls, management letters and response with the external auditors;
- Reviewed the internal audit programmes, major findings of internal audits, process and investigation undertaken, management's response and coordination between the internal and external auditors;
- Reviewed the quarterly and annual financial results of the Company and Group before submission to the Board for consideration and approval;
- Reviewed the changes in and/or compliance of accounting standard;
- Reviewed related party transactions entered by the Group; and
- Reviewed the allocation of ESS to ensure compliance to the provision of the ESS Bye-Laws.

Statement On Internal Control

1. INTRODUCTION

The Malaysian Code on Corporate Governance stipulates that the Board of listed companies should maintain a sound system of internal controls to safeguard shareholders' investment and the Group's assets.

The Board acknowledges that the practice of good corporate governance is an on-going process and not just an annual matter to be covered as compliance in the Annual Report. The Board is committed to practising the highest standards of corporate governance and observing best practices throughout the Group. The Board's Statement on Internal Control is in compliance with Paragraph 15.26(b) of the Bursa Malaysia Securities Berhad Main Market Listing Requirements and the Statement on Internal Control: Guidance for Directors of Public Listed Companies.

2. RESPONSIBILITY

The Board recognises their responsibility for the Group's system of internal control, which is designed to identify and manage the principal risks facing the business in pursuit of its objectives, to review its adequacy and integrity and to ensure good corporate governance. The Management is accountable to the Board for monitoring the Group's system of internal control and for providing assurance to the Board that it has done so.

The system of internal control covers risk management, financial, operational, administration, human resource and compliance controls to safeguard shareholders' investments and the Group's assets. This system is designed to manage rather than to eliminate the risk of failure to achieve business objectives and can only provide reasonable but not absolute assurance against material misstatement or loss.

3. WHISTLEBLOWING POLICY

To reinforce the culture of good business ethics, the Group also has introduced a whistleblowing framework and policy to provide an avenue for stakeholders and employees to raise genuine concerns internally or report any suspected breach or wrongdoing, which includes fraud, misappropriation of assets, breach of any law or regulation, including the Group's policies and procedures, to the Group Managing Director and/or Chairman of Audit Committee without fear of reprisals.

3.1 Procedure

Any concerns should be raised with immediate superior. If for any reason, it is believed that this is not possible or appropriate, then the concern should be reported to the Group Managing Director. Channel of reporting to the Group Managing Director is as follows:

Name	:	Encik Roslan bin Hamir
Via Email	:	whistleblowing@fima.com.my
Via Mail	:	*Mark: Strictly Confidential* Kumpulan Fima Berhad Suite 4.1, Level 4, Block C Plaza Damansara No. 45, Jalan Medan Setia 1 Bukit Damansara 50490 Kuala Lumpur Attention: Group Managing Director

In the case where reporting to management is a concern, then the report should be made to the Chairman of Audit Committee. Channel of reporting to the Chairman of Audit Committee is as follows:

Name	:	Encik Azizan bin Mohd Noor
Via Email	:	ac_chairman@fima.com.my
Via Mail	:	*Mark: Strictly Confidential* Kumpulan Fima Berhad Suite 4.1, Level 4, Block C Plaza Damansara No. 45, Jalan Medan Setia 1 Bukit Damansara 50490 Kuala Lumpur Attention: Chairman of Audit Committee

The above mechanism protects employees and stakeholders who contemplate to "blow the whistle" against victimisation or harassment. The confidentiality of all matters raised and the identity of the whistleblower are protected under the policy.

4. KEY PROCESS

The key processes that the Board has established in reviewing the adequacy and integrity of the system of internal control are as follows:

4.1 Operational and follow up audits are conducted throughout the financial year based on approved annual audit plan to provide reasonable assurance that the systems of internal controls and its framework, and governance processes put in place by Management continue to operate satisfactorily and effectively and to add value and improve the Group's business operations.

4.2 The Head of Divisions meet on a monthly basis to consider Group's financial performance, internal audit report, business development, legal/litigation, management and corporate issues.

4.3 There is a budgeting and forecasting system. Each line of business submits a business plan annually for approval by the Board. The results of the lines of businesses are reported monthly and variances are analysed against budget and acted on in timely manner. The Group's strategic directions are also reviewed annually taking into account changes in market conditions and significant business risks.

4.4 The periodic and streamlining review of limits of authority and other standard operating procedures within the Group provides a sound framework of authority and accountability within the organisation and to facilitate quality, well informed and timely corporate decisions making at the appropriate level in the organisation's hierarchy.

4.5 The compliance function, which includes the Committee and internal audit function, assists the Board to oversee the management of risks and review the effectiveness of internal controls. The Committee reviews reports of the GIA and also conducts annual assessment on the adequacy of the GIA's scope of work.

4.6 The Committee, on behalf of the Board, regularly reviews and holds discussions with the Management on the actions taken on internal control issues identified in reports prepared by the GIA, external auditors and Management. Minutes of the Committee meetings are tabled to the Board.

4.7 The competency of staff is enhanced through rigorous recruitment process and development programmes. A performance appraisal system of staff is in place, with established targets and accountability and is reviewed on annual basis.

5. INTERNAL AUDIT FUNCTION

The role of internal audit has moved towards a risk-based internal audit methodology. This approach includes focusing the internal audit work on the significant risks identified across the Group. Risk management and internal controls are firmly linked with the ability of the Group to fulfill clear business objectives.

The internal audit function provides assurance of the effectiveness of the system of internal controls within the Group. It conducts independent reviews of the key activities within the Group's operating units based on a detailed annual audit plan which was approved by the Audit Committee.

The GIA evaluated the following:

- Adequacy, integrity and effectiveness of the Company and Group's internal controls in safeguarding shareholders' investment and the Company and Group's assets. The internal controls cover financial, operational and compliance controls and enterprise risk management;

- Extent of compliance with established policies, procedures and statutory requirements; and

- Adequacy of policies, procedures and guidelines on the Company and Group's accounting, financial and operational activities.

The GIA also recommended improvements to the existing system of internal controls, where applicable.

The process of reviewing the adequacy and the integrity of internal control is a continuous process and the Board will from time to time review the monitoring and reporting processes to ensure their effectiveness as a whole.

The total costs incurred pertaining to carry out operational audit and as Enterprise Risk Management ("ERM") Coordinator for the financial year is approximately RM375,000.00.

6. ENTERPRISE RISK MANAGEMENT

6.1 The ERM framework adopted by the Group involves various key processes and its core elements are as follows:

- The identification of each business risk by division to ensure that all components of the organisational risks are captured;

- The measurement of the identified risk in terms of magnitude of impact and frequency of occurrence; and

- The control or the way the risk is managed in line with the needs for constant monitoring to ensure continuous improvements.

6.2 The ERM assessment has been conducted through a combination of workshops and interviews involving senior management participation to provide a structured approach in identifying, prioritising and managing risks.

6.3 The Risk Management Committee's reports include an assessment of the degree of risk, an evaluation of the effectiveness of the controls in place and the requirements for future controls. The approved divisional risk profile will be adopted after presentation to Risk Management Committee bi-annually.

6.4 The risk management policy and procedure document will sensitise staff more strongly to risk identification, measurement, control, ongoing monitoring, responsibilities and accountabilities. The workshops conducted generated the following reports:

- Detailed risk register;
- ERM report; and
- Risk management policy and procedure document.

6.5 The above reports were summarised as risk profile and provide the basis for the following:

- Business action plans and improvement strategies;
- Developing cost effective control strategies; and
- Prioritisation of areas for operational audit.

6.6 The principal risks identified are those relating to operational, finance, environment, management information system, technology, preparedness, human resources, governance, integrity, compliance and reputation.

7. REVIEW OF THIS STATEMENT BY EXTERNAL AUDITORS

Pursuant to paragraph 15.23 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements, the external auditors have reviewed this Statement for inclusion in the Annual Report for the year ended 31 March 2012 and reported to the Board that nothing has come to their attention that causes them to believe that this Statement is inconsistent with their understanding of the process adopted by the Board in reviewing the adequacy and integrity of the system of internal controls.

AZIZAN BIN MOHD NOOR
Chairman of Audit Committee

Statement of Directors' Responsibilities in Relation to the Audited Financial Statements

The Directors are required by the Companies Act, 1965 to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and the Group as at the end of the financial year and of the result of the Company and the Group for the year then ended.

In preparing the financial statements, the Directors have consistently applied appropriate accounting policies supported by reasonable and prudent judgements, estimates and complied with all applicable accounting standards.

The Directors have responsibility for ensuring that the Company and the Group keeps accounting records which disclose with reasonable accuracy the financial position of the Company and the Group and which enable them to ensure that the financial statements comply with the Companies Act, 1965.

The Directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and the Group and to prevent and detect fraud and others irregularities.

This Statement is made in accordance with the resolution of the Board dated 28 June 2012.

Additional Disclosure

Pursuant to the Listing Requirements of Bursa Malaysia Securities Berhad, additional disclosure by the Company is as follows:

Recurrent Related Party Transactions of Revenue or Trading Nature (“RRPT”)

RRPT of the Company for the financial year ended 31 March 2012 were as follows:

Name of Companies	Related Parties	Nature of RRPT	Interested Major Shareholder, Directors and Persons Connected to Them of KFima	Estimated Annual Value Disclosed in the Preceding Year’s Circular RM’000	Actual Value of Transactions during the Financial Year RM’000
KFima[(1)] IFC[(2)]	KFima/ IFC	Sale of frozen fish Seller: KFima Buyer: IFC	**Major Shareholder** BHR **Directors** Tan Sri Dato’ Ir. Muhammad Radzi bin Haji Mansor[(3)] Roslan bin Hamir[(4)] Rozana Zeti binti Basir[(5)] Rozilawati binti Haji Basir[(6)] **Persons Connected** Persons Connected to BHR (refer to Table A)	35,000	24,425

Notes:

(1) KFima holds 95.57% effective interest in IFC, by virtue of its 77.85% direct investment and 17.72% indirect investment through Endell Pte Ltd (a company incorporated in the Republic of Singapore), an 80.00% owned subsidiary of Fima Overseas Holdings Sdn. Bhd. which in turn is a wholly-owned subsidiary of KFima;

(2) IFC’s principal activities are in the manufacturing and distribution of canned fish;

(3) Tan Sri Dato’ Ir. Muhammad Radzi bin Haji Mansor was appointed as Director and Chairman of IFC with effect from 24 March 2011;

(4) Roslan bin Hamir is the Group Managing Director of KFima and Director of IFC and has direct shareholding in KFima;

(5) Rozana Zeti binti Basir is a Non-Independent Non-Executive Director of KFima and has direct and indirect shareholding in KFima; and

(6) Rozilawati binti Haji Basir is a Non-Independent Non-Executive Director of KFima and has an indirect shareholding in KFima.

Table A

Name	Direct Interest		Indirect Interest	
	No. of Shares	%	No. of Shares	%
Directors				
Tan Sri Dato' Ir. Muhammad Radzi bin Haji Mansor	-	-	-	-
Roslan bin Hamir	111,000	*	-	-
Rozana Zeti binti Basir	50,000	*	(3) 162,241,900	61.21
Rozilawati binti Haji Basir	-	-	(3)(4) 162,291,900	61.23
Major Shareholder				
BHR	146,202,300	55.16	(1) 460,000	0.17
Persons Connected to Directors and/or Major Shareholder of KFima other than disclosed above				
Persons Connected to BHR				
Puan Sri Datin Hamidah binti Abdul Rahman	200,000	0.08	(2) 162,091,900	61.15
Roshayati binti Basir	200,000	0.08	(4) 162,091,900	61.15
Rozilawati binti Haji Basir	-	-	(3)(4) 162,291,900	61.23
Rozana Zeti binti Basir	50,000	*	(4) 162,241,900	61.21
Ahmad Riza bin Basir	-	-	(4) 162,291,900	61.23
Zailini binti Zainal Abidin	255,000	0.10	(5) 162,036,900	61.13

** Negligible*

Notes:

(1) Puan Sri Datin Hamidah binti Abdul Rahman, Roshayati binti Basir, Rozana Zeti binti Basir and Rozilawati binti Haji Basir's direct and indirect shareholding, respectively, in the Company. Deemed interested by virtue of their shareholdings in BHR of more than 15%.

(2) Puan Sri Datin Hamidah binti Abdul Rahman is the mother of Roshayati binti Basir, Rozilawati binti Haji Basir, Rozana Zeti binti Basir and Ahmad Riza bin Basir. Deemed interested by virtue of her shareholding of preference shares in BHR which carry veto rights in all the decisions in BHR.

(3) Rozilawati binti Haji Basir's shareholding in the Company is held under M&A Nominees (Tempatan) Sdn Bhd.

(4) Deemed interested by virtue that:

(i) Roshayati binti Basir, Rozilawati binti Haji Basir and Rozana Zeti binti Basir are sisters and their shareholdings in BHR of more than 15%.

(ii) Ahmad Riza bin Basir is the son of Puan Sri Datin Hamidah binti Abdul Rahman and brother of Roshayati binti Basir, Rozilawati binti Haji Basir and Rozana Zeti binti Basir and:

(a) His shareholding in Subur Rahmat Sdn Bhd ("SRSB") pursuant to Section 6A of the Companies Act, 1965 (the Act). SRSB holds 9,118,100 (or 3.44%) and 6,511,500 (or 2.46%) direct and indirect interests, respectively, in KFima.

(b) His wife, Zailini binti Zainal Abidin's shareholding in SRSB pursuant to Section 6A of the Act and her direct shareholding in KFima.

(5) Zailini binti Zainal Abidin is deemed interested by virtue of her shareholding in SRSB pursuant to Section 6A of the Act; and wife of Ahmad Riza bin Basir.

This page has been deliberately left blank

FINANCIAL STATEMENTS

Directors' Report

The directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 March 2012.

PRINCIPAL ACTIVITIES

The principal activities of the Company are those of investment and property holding.

The principal activities of the subsidiaries and the associates are described in Notes 38 and 39 respectively to the financial statements.

There have been no significant changes in the nature of the principal activities during the financial year.

RESULTS

	Group RM'000	Company RM'000
Profit net of tax	116,543	30,129
Profit attributable to:		
Owner of the parent	80,864	30,129
Non-controlling interests	35,679	-
	116,543	30,129

There were no material transfers to or from reserves or provisions during the financial year other than as disclosed in the financial statements.

In the opinion of the directors, the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature.

DIVIDENDS

The amount of dividend paid by the Company since 31 March 2011 was as follows:

	RM'000
In respect of the financial year ended 31 March 2011 as reported in the directors' report for that year:	
Final dividend of 7.0% less 25% taxation, paid on 21 October 2011	13,816

At the forthcoming Annual General Meeting, a final dividend in respect of financial year ended 31 March 2012, of 8.0% less 25% taxation amounting to a dividend payable of approximately RM15,904,140 (6.00 sen net dividend per ordinary share) will be proposed for shareholders' approval. The financial statements for the current year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained profits in the financial year ending 31 March 2013.

DIRECTORS

The names of the directors of the Company in office since the date of the last report and at the date of this report are:

Tan Sri Dato' Ir. Muhammad Radzi bin Haji Mansor (Chairman)
Roslan bin Hamir (Group Managing Director)
Azizan bin Mohd Noor
Rozana Zeti binti Basir
Dato' Rosman bin Abdullah
Rozilawati binti Haji Basir

DIRECTORS' BENEFITS

Neither at the end of the financial year, nor at any time during the year, did there subsist any arrangement to which the Company was a party, whereby the directors might acquire benefits by means of acquisition of shares in or debentures of the Company or any other corporate body, other than those arising from the share options granted under the Employee Share Scheme ("ESS").

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors as shown in Note 7 to the financial statements) by reason of a contract made by the Company or a related corporation with any director or with a firm of which he is a member, or with a company in which he has a substantial financial interest, other than as disclosed in Note 34 to the financial statements.

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors in office at the end of the financial year in shares and options over shares in the Company and its related corporations during the financial year were as follows:

	Number of Ordinary Shares of RM1.00 Each			
	1 April 2011	Bought	Sold	31 March 2012
The Company				
Direct Interest				
Roslan bin Hamir	111,000	-	-	111,000
Rozana Zeti binti Basir	-	50,000	-	50,000
Indirect Interest				
Rozana Zeti binti Basir(1) (2)	146,202,300	16,039,600	-	162,241,900
Rozilawati binti Haji Basir(1) (3)	146,202,300	16,089,600	-	162,291,900
Subsidiary - Fima Corporation Berhad				
Direct Interest				
Roslan bin Hamir	205,600	-	-	205,600
Indirect Interest				
Rozana Zeti binti Basir(4)	50,127,886	-	-	50,127,886
Rozilawati binti Haji Basir(4)	50,127,886	-	-	50,127,886

DIRECTORS' INTERESTS (CONT'D)

	Number of options over ordinary shares of RM1.00 each			
	1 April 2011	Granted on 18 November 2011	Exercised	31 March 2012
The Company				
Tan Sri Dato' Ir. Muhammad Radzi bin Haji Mansor	-	200,000	-	200,000
Roslan bin Hamir	-	1,200,000	-	1,200,000
Azizan bin Mohd Noor	-	200,000	-	200,000
Rozana Zeti binti Basir	-	200,000	-	200,000
Dato' Rosman bin Abdullah	-	200,000	-	200,000
Rozilawati binti Haji Basir	-	200,000	-	200,000

(1) Rozana Zeti Binti Basir ("Rozana Zeti") and Rozilawati Binti Haji Basir ("Rozilawati") are deemed interested by virtue of the following:

(i) Their shareholdings in BHR Enterprise Sdn Bhd ("BHR") being more than 15%. BHR is the major shareholder of the Company.

(ii) Their mother, Puan Sri Datin Hamidah Binti Abdul Rahman's shareholding in the Company.

(iii) Their sister, Roshayati Binti Basir's direct shareholding in the Company and her shareholding in BHR being more than 15%.

(iv) Their brother, Ahmad Riza bin Basir's ("Ahmad Riza") indirect shareholding in the Company through Subur Rahmat Sdn Bhd ("SRSB") and his wife, Zailini Binti Zainal Abidin's direct shareholding in the Company. Ahmad Riza's holds more than 15% shareholding in SRSB.

(2) Deemed interested by virtue of Rozilawati's indirect shareholding in the Company which are held under M&A Nominees (Tempatan) Sdn Bhd. Rozilawati is the sister of Rozana Zeti.

(3) Deemed interested by virtue of Rozana Zeti's direct shareholding in the Company. Rozana Zeti is the sister of Rozilawati.

(4) Rozana Zeti and Rozilawati are deemed interested by virtue of their shareholdings in Fima Corporation Berhad ("FCB") through BHR and her mother, Puan Sri Datin Hamidah Binti Abdul Rahman's direct shareholding in FCB. BHR has 55.73% equity interest in the penultimate holding company, Kumpulan Fima Berhad.

Rozilawati and Rozana Zeti, by virtue of their interests in shares of the Company, are also deemed to be interested in shares of all the subsidiaries of the Company to the extent that the Company has an interest.

Other than as stated above, none of the other directors in office at the end of the financial year had any interest in shares in the Company or its related corporations during the financial year.

EMPLOYEES' SHARE SCHEME ("ESS")

The ESS of the Company was approved by its shareholders at an Extraordinary General Meeting held on 21 September 2011 and implemented on 18 November 2011. The ESS comprises the Employee Share Option Scheme ("ESOS") and Restricted Share Grant Scheme ("RSGS").

The ESS is administered by a committee comprising directors of the Company appointed by the Board of Directors namely, Dato' Rosman bin Abdullah, Roslan bin Hamir and Rozilawati binti Haji Basir.

The details of the ESS are disclosed in Note 33 to the financial statements.

During the financial year, the Company had granted 19,680,000 share options under the ESOS and allocated but not yet granted 1,130,000 shares under the RSGS.

Details of all the options which entitle the employees to subscribe for the ordinary shares of the Company pursuant to the ESS as at 31 March 2012 are as follows:

Expiry Date	Exercise Price (RM)	Number of Options
17 November 2016	1.48	19,401,000
17 November 2016	1.76	279,000
Total		19,680,000

The Company was granted an exemption by the Companies Commission of Malaysia from having to disclose the names of option holders, other than directors, who have been granted options for less than 200,000 ordinary shares of RM1.00 each. The employees who have been granted of 200,000 options or more under the ESOS are as follows:

Name	Exercise Price	1 April 2011	Allocation Granted on 18 November 2011	Exercised	31 March 2012
Mohd Yusof bin Pandak Yatim	1.48	-	360,000	-	360,000
Dzakwan bin Mansori	1.48	-	360,000	-	360,000
Nazaruddin bin Mohd Hadri	1.48	-	360,000	(10,000)	350,000
M.Aslam Haroon	1.48	-	360,000	-	360,000
Ahmad Zakri bin Abu Bakar	1.48	-	280,000	-	280,000
Mohd Khairi bin Mahamor	1.48	-	280,000	-	280,000
Jasmin binti Hood	1.48	-	200,000	-	200,000
Lee Mo Leng	1.48	-	200,000	-	200,000
Kamalanathan a/l Sabapathy	1.48	-	200,000	-	200,000
Rosedean Zaily@Rosedean bin Zulkifli	1.48	-	200,000	-	200,000
Suwardi bin Mistor	1.48	-	200,000	-	200,000

EMPLOYEES' SHARE SCHEME ("ESS") (CONT'D)

The maximum numbers of option shares which the aforesaid option holders can exercise for in a particular year shall be limited to 20% of their granted allocation as stipulated in their ESS offer letter.

Details of options granted to directors are disclosed in the section on Directors' Interests in this report.

OTHER STATUTORY INFORMATION

(a) Before the statements of comprehensive income and statements of financial position of the Group and of the Company were made out, the directors took reasonable steps:

   (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and

   (ii) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.

(b) At the date of this report, the directors are not aware of any circumstances which would render:

   (i) the amount written off for bad debts or the allowance for doubtful debts of the Group and of the Company inadequate to any substantial extent; and

   (ii) the values attributed to the current assets in the financial statements of the Group and of the Company misleading.

(c) At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

(d) At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

(e) As at the date of this report, there does not exist:

   (i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or

   (ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.

OTHER STATUTORY INFORMATION (CONT'D)

(f) In the opinion of the directors:

(i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Company to meet its obligations as and when they fall due; and

(ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

AUDITORS

The auditors, Hanafiah Raslan & Mohamad, have expressed their willingness to continue in office.

Signed on behalf of the Board in accordance with a resolution of the directors dated 28 June 2012.

Tan Sri Dato' Ir. Muhammad Radzi bin Haji Mansor

Roslan bin Hamir

Statement By Directors
Pursuant To Section 169(15) Of The Companies Act, 1965

We, Tan Sri Dato' Ir. Muhammad Radzi bin Haji Mansor and Roslan bin Hamir, being two of the directors of Kumpulan Fima Berhad, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 51 to 126 are drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2012 and of their financial performance and cash flows for the year then ended.

The information set out on in Note 41 to the financial statements have been prepared in accordance with the Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

Signed on behalf of the Board in accordance with a resolution of the directors dated 28 June 2012.

Tan Sri Dato' Ir. Muhammad Radzi bin Haji Mansor

Roslan bin Hamir

Statutory Declaration
Pursuant To Section 169(16) Of The Companies Act, 1965

I, Mohd Yusof bin Pandak Yatim, being the officer primarily responsible for the financial management of Kumpulan Fima Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 51 to 127 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the
abovenamed Mohd Yusof bin Pandak Yatim
at Kuala Lumpur in the Federal Territory
on 28 June 2012

Mohd Yusof bin Pandak Yatim

Before me,
Kapt (B) Affandi bin Ahmad
Commissioner for Oaths
No. W602

Independent Auditors' Report

To The Members Of Kumpulan Fima Berhad (Incorporated in Malaysia)

Report on the financial statements

We have audited the financial statements of Kumpulan Fima Berhad, which comprise the statements of financial position as at 31 March 2012 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 51 to 126.

Directors' responsibility for the financial statements

The directors of the Company are responsible for the preparation of financial statements that give a true and fair view in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia and for such, internal control as the directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2012 and of their financial performance and cash flows for the year then ended.

Report on other legal and regulatory requirements

In accordance with the requirements of the Companies Act, 1965 ("the Act") in Malaysia, we also report the following:

(a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.

(b) We have considered the financial statements and the auditors' reports of all subsidiaries which we have not acted as auditors, which are indicated in Note 38 to the financial statements, being financial statements that have been included in the consolidated financial statements.

(c) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the financial statements of the Company are in form and content appropriate and proper for the purposes of the preparation of the consolidated financial statements and we have received satisfactory information and explanations required by us for those purposes.

(d) The auditors' reports on the financial statements of the subsidiaries were not subject to any qualification and did not include any comment required to be made under Section 174(3) of the Act.

Other reporting responsibilities

The supplementary information set out in Note 41 on page 127 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad. The directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

Other matters

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Hanafiah Raslan & Mohamad
AF: 0002
Chartered Accountants

Wan Daneena Liza binti Wan Abdul Rahman
No. 2978/03/14(J)
Chartered Accountant

Kuala Lumpur, Malaysia
28 June 2012

Statements Of Comprehensive Income
For The Year Ended 31 March 2012

	Note	Group 2012 RM'000	Group 2011 RM'000	Company 2012 RM'000	Company 2011 RM'000
Revenue	3	470,753	431,884	62,763	47,106
Cost of sales	4	(252,600)	(228,827)	(23,842)	(15,949)
Gross profit		218,153	203,057	38,921	31,157
Other income	5	13,583	9,638	3,010	2,910
Other items of expense					
Administrative expenses		(61,018)	(48,064)	(10,307)	(7,075)
Selling and marketing expenses		(5,879)	(5,254)	-	-
Other expenses		(16,111)	(19,502)	(19)	(3,218)
		(83,008)	(72,820)	(10,326)	(10,293)
Finance costs	8	(1,955)	(2,839)	(200)	(331)
Share of profit of associates		7,039	3,894	-	-
Profit before tax	9	153,812	140,930	31,405	23,443
Income tax expense	10	(37,269)	(33,428)	(1,276)	(972)
Profit net of tax		116,543	107,502	30,129	22,471
Other comprehensive income					
Foreign currency translation		8,256	(1,735)	-	-
Total comprehensive income for the year		124,799	105,767	30,129	22,471
Profit attributable to:					
Owners of the parent		80,864	71,027	30,129	22,471
Non-controlling interests		35,679	36,475	-	-
Profit for the year		116,543	107,502	30,129	22,471
Total comprehensive income attributable to:					
Owners of the parent		89,120	69,292	30,129	22,471
Non-controlling interests		35,679	36,475	-	-
Total comprehensive income for the year		124,799	105,767	30,129	22,471
Earnings per share attributable to owners of the parent (sen per share):					
Basic	11	30.70	26.99		
Diluted	11	30.63	26.99		

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Statements Of Financial Position

As At 31 March 2012

		Group		Company	
	Note	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	13	222,195	222,465	38,245	38,429
Investment properties	14	80,644	86,465	8,938	13,326
Biological assets	15	82,984	79,512	-	-
Investments in subsidiaries	16	-	-	112,697	106,641
Investments in associates	17	35,413	41,556	2,251	2,251
Goodwill on consolidation	18	13,055	13,055	-	-
Deferred tax assets	28	4,739	4,244	-	-
		439,030	447,297	162,131	160,647
Current assets					
Inventories	19	97,500	60,587	-	-
Trade receivables	20	77,212	96,612	-	-
Other receivables	21	22,232	9,082	1,595	1,558
Due from subsidiaries	22	-	-	39,227	27,227
Cash and cash equivalents	23	270,573	217,934	7,220	7,692
		467,517	384,215	48,042	36,477
TOTAL ASSETS		906,547	831,512	210,173	197,124
EQUITIES AND LIABILITIES					
Equity attributable to owners of the parent					
Share capital	24	265,069	263,160	265,069	263,160
Share premium	24	13,860	12,161	13,860	12,161
Other reserves	25	94,383	78,325	22,964	15,162
Retained earnings/ (accumulated losses)		175,860	108,812	(118,421)	(134,734)
		549,172	462,458	183,472	155,749
Non-controlling interests		203,636	182,813	-	-
Total equity		752,808	645,271	183,472	155,749

Statements Of Financial Position (cont'd)
As At 31 March 2012

	Note	Group		Company	
		2012	2011	2012	2011
		RM'000	RM'000	RM'000	RM'000
Non-current liabilities					
Long term borrowings	26	4,593	21,132	-	14,000
Retirement benefit obligations	27	1,146	1,291	-	-
Deferred tax liabilities	28	16,480	16,387	5,706	5,706
		22,219	38,810	5,706	19,706
Current liabilities					
Short term borrowings	26	10,559	45,628	10,559	10,127
Trade payables	29	58,692	43,561	13	280
Other payables	30	53,206	48,661	691	474
Due to subsidiaries	22	-	-	9,732	10,788
Tax Payable		9,063	9,581	-	-
		131,520	147,431	20,995	21,669
Total liabilities		153,739	186,241	26,701	41,375
TOTAL EQUITY AND LIABILITIES		906,547	831,512	210,173	197,124
Net assets per share (RM)		2.07	1.76	0.69	0.59

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

For The Year Ended 31 March 2012

		Attributable to Owners of the Parent				
				Non-distributable		Distributable
Group	Note	Equity, total RM'000	Equity attributable to owners of the parent, total RM'000	Share capital RM'000	Share premium RM'000	Retained earnings RM'000
2012						
At 1 April 2011		645,271	462,458	263,160	12,161	108,812
Total comprehensive income for the year		124,799	89,120	-	-	80,864
Transactions with owners						
Dividends	12	(13,816)	(13,816)	-	-	(13,816)
Dividend paid to minority shareholders of a subsidiary		(12,952)	-	-	-	-
Grant of equity-settled share options		8,584	8,584	-	-	-
Share options exercised		2,826	2,826	1,909	1,699	-
Redemption of Redeemable Cumulative Loan Stocks ("RCLS") by minority shareholders of a subsidiary		(1,904)	-	-	-	-
Total transactions with owners		(17,262)	(2,406)	1,909	1,699	(13,816)
At 31 March 2012		752,808	549,172	265,069	13,860	175,860
2011						
At 1 April 2010		542,129	403,035	263,160	12,161	47,654
Total comprehensive income for the year		105,767	69,292	-	-	71,027
Transactions with owners						
Acquisition of minority interests		13,567	-	-	-	-
Dividends	12	(9,869)	(9,869)	-	-	(9,869)
Dividend paid to minority shareholders of a subsidiary		(5,179)	-	-	-	-
Redemption of Redeemable Cumulative Loan Stocks ("RCLS") by minority shareholders of a subsidiary		(1,144)	-	-	-	-
Total transactions with owners		(2,625)	(9,869)	-	-	(9,869)
At 31 March 2011		645,271	462,458	263,160	12,161	108,812

Other reserves, total RM'000	Non-distributable: Capital reserve RM'000	Asset revaluation reserve RM'000	Foreign currency translation reserve RM'000	Employee share option reserve RM'000	Capital reserve arising from bonus issue in subsidiary RM'000	Non-controlling interests RM'000
78,325	437	43,313	7,817	-	26,758	182,813
8,256	-	-	8,256	-	-	35,679
-	-	-	-	-	-	-
-	-	-	-	-	-	(12,952)
8,584	-	-	-	8,584	-	-
(782)	-	-	-	(782)	-	-
-	-	-	-	-	-	(1,904)
7,802	-	-	-	7,802	-	(14,856)
94,383	437	43,313	16,073	7,802	26,758	203,636
80,060	437	43,313	9,552	-	26,758	139,094
(1,735)	-	-	(1,735)	-	-	36,475
-	-	-	-	-	-	13,567
-	-	-	-	-	-	-
-	-	-	-	-	-	(5,179)
-	-	-	-	-	-	(1,144)
-	-	-	-	-	-	7,244
78,325	437	43,313	7,817	-	26,758	182,813

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Company	Note	Equity, total RM'000	Non-distributable Share capital RM'000
2012			
At 1 April 2011		155,749	263,160
Total comprehensive income for the year		30,129	-
Transactions with owners			
Dividends	12	(13,816)	-
Grant of equity-settled share options		8,584	-
Share options exercised		2,826	1,909
Total transactions with owners		(2,406)	1,909
At 31 March 2012		183,472	265,069
Company			
At 1 April 2010		143,147	263,160
Total comprehensive income for the year		22,471	-
Transactions with owners			
Dividends	12	(9,869)	-
Total transactions with owners		(9,869)	-
At 31 March 2011		155,749	263,160

Share premium RM'000	Accumulated losses RM'000	Other reserves, total RM'000	Revaluation reserve RM'000	Employee share option reserve RM'000
←	Distributable	←	Non-distributable	→
12,161	(134,734)	15,162	15,162	-
-	30,129	-	-	-
-	(13,816)	-	-	-
-	-	8,584	-	8,584
1,699	-	(782)	-	(782)
1,699	(13,816)	7,802	-	7,802
13,860	(118,421)	22,964	15,162	7,802
12,161	(147,336)	15,162	15,162	-
-	22,471	-	-	-
-	(9,869)	-	-	-
-	(9,869)	-	-	-
12,161	(134,734)	15,162	15,162	-

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS
For The Year Ended 31 March 2012

	Group		Company	
	2012	2011	2012	2011
	RM'000	RM'000	RM'000	RM'000
Cash flows from operating activities				
Profit before tax	153,812	140,930	31,405	23,443
Adjustment for:				
Depreciation				
- Property, plant and equipment	20,188	19,233	569	569
- Investment properties	1,555	1,725	122	160
Amortisation of				
- Biological assets	6,081	5,320	-	-
Impairment of property, plant and equipment	-	1,524	-	-
Impairment of investment in subsidiary	-	-	-	433
Net gain on disposal of property, plant and equipment	(754)	(391)	(35)	-
Net gain on disposal of investment property	(1,427)	(704)	(1,427)	(704)
Share of profit of associates	(7,039)	(3,894)	-	-
Impairment loss on:				
- Trade receivables	707	357	18	-
- Due from subsidiaries	-	-	-	2,404
Bad debts recovered	(395)	-	(90)	-
Trade receivables written off	75	-	-	-
Provision for retirement benefits	184	317	-	-
Retirement benefits written back	(67)	-	-	-
Property, plant and equipment written off	17	154	-	-
Write down of inventories	406	344	-	-
Share option granted under ESOS	8,584	-	2,528	-
Dividend income	-	-	(37,912)	(31,682)
Interest expense	733	1,515	60	119
Interest income	(6,642)	(3,980)	(887)	(1,607)
Operating profit/(loss) before working capital changes	176,018	162,450	(5,649)	(6,865)
Increase in inventories	(34,869)	(8,267)	-	-
Decrease/(increase) in receivables	8,899	24,312	(57)	(2,334)
(Increase)/decrease in net amount due from related companies	-	(2)	(13,056)	3,247
Increase/(decrease) in payables	21,875	(2,217)	(50)	94
Cash generated from/(used in) operations	171,923	176,276	(18,812)	(5,858)
Interest paid	(733)	(1,643)	(60)	(119)
Taxes (paid)/refunded	(39,903)	(36,615)	804	(58)
Retirement benefits paid	(236)	(40)	-	-
Net cash generated from/(used in) operating activities	131,051	137,978	(18,068)	(6,035)

STATEMENTS OF CASH FLOWS (CONT'D)
For The Year Ended 31 March 2012

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Cash flows from investing activities				
Proceeds from disposal of property, plant and equipment	49	395	91	-
Proceeds from disposal of investment property	5,694	2,867	5,694	2,867
Proceeds from disposal of investment	11,812	-	-	-
Biological assets expenditure	(12,302)	(4,669)	-	-
Purchase of property, plant and equipment	(14,132)	(19,353)	(473)	(179)
Redemption of Redeemable Cumulative Loan Stock ("RCLS") by non-controlling interest	(4,444)	(2,668)	-	-
Net dividends received	1,370	6,390	35,956	30,302
Interest received	6,642	3,980	887	1,607
Net cash (used in)/generated from investing activities	(5,311)	(13,058)	42,155	34,597
Cash flows from financing activities				
Net (repayment)/drawdown of revolving credit facility	(14,000)	1,300	(14,000)	1,300
Net (repayment)/drawdown of short term borrowings	(35,068)	3,455	432	6,083
Dividends paid	(13,816)	(9,869)	(13,816)	(9,869)
Dividends paid by a subsidiary to non-controling interests	(12,952)	(5,179)	-	-
Increase/(decrease) in deposits on lien	3,013	(70)	-	-
Net cash outflow on acquisition of a subsidiary	-	(21,000)	-	(21,000)
Proceeds from exercise of ESOS	2,825	-	2,825	-
Net cash used in financing activities	(69,998)	(31,363)	(24,559)	(23,486)
Net increase/(decrease) in cash and cash equivalents	55,742	93,557	(472)	5,076
Effect of foreign exchange rate changes in cash and cash equivalents	(90)	(69)	-	-
Cash and cash equivalents at beginning of year	214,758	121,270	7,692	2,616
Cash and cash equivalents at end of year	270,410	214,758	7,220	7,692
Cash and cash equivalents comprise:				
Cash and bank balances	20,345	32,030	3,220	4,192
Fixed deposits with financial institutions*	250,065	182,728	4,000	3,500
	270,410	214,758	7,220	7,692
* Fixed deposits with financial institutions comprise:				
Fixed deposits (Note 23)	250,228	185,904	4,000	3,500
Less: Deposits on lien	(163)	(3,176)	-	-
	250,065	182,728	4,000	3,500

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

1. CORPORATE INFORMATION

The principal activities of the Company are those of investment and property holding. The principal activities of the subsidiaries and the associates are described in Notes 38 and 39, respectively. There have been no significant changes in the nature of these activities during the financial year.

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad. The principal place of business of the Company is located at Suite 4.1, Level 4, Block C, Plaza Damansara, No. 45, Jalan Medan Setia 1, Bukit Damansara, 50490 Kuala Lumpur.

The holding company is BHR Enterprise Sdn. Bhd., a company incorporated in Malaysia.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 28 June 2012.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation

The financial statements of the Group and of the Company have been prepared under historical cost basis except as disclosed in the accounting policies below and comply with Financial Reporting Standards ("FRSs") and the Companies Act, 1965 in Malaysia. At the beginning of the current financial year, the Group and the Company adopted new and revised FRS which are mandatory for financial periods beginning on or after 1 April 2011 as decribed in Note 2.2.

The financial statements are expressed in Ringgit Malaysia ("RM") and all values are rounded to the nearest thousand (RM'000) except when otherwise indicated.

2.2 New FRSs, Amendments to FRS and IC Interpretations

(a) Changes in Accounting Policies

The accounting policies adopted are consistent with those of the previous financial year except as follows:

On 1 April 2011, the Group and the Company adopted the following new and amended FRS and Issues Committee ("IC") Interpretations which are mandatory for the current financial year.

Effective annual financial periods beginning on or after 1 March 2010:

- Amendments to FRS 132 Classification of Rights Issues

Effective annual financial periods beginning on or after 1 July 2010:

- FRS 1 First-time Adoption of Financial Reporting Standards
- Amendments to FRS 2 Share Based Payment
- FRS 3 Business Combinations
- Amendments to FRS 5 Non-current Assets Held for Sale and Discontinues Operations
- Amendments to FRS 127 Consolidated and Separate Financial Statements

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 New FRSs, Amendments to FRS and IC Interpretations (Cont'd)

(a) Changes in Accounting Policies (Cont'd)

Effective annual financial periods beginning on or after 1 July 2010 (Cont'd):

- Amendments to FRS 138 Intangible Assets
- Amendments to IC Interpretation 9 Reassessment of Embedded Derivatives
- IC Interpretation 12 Service Concession Arrangements
- IC Interpretation 16 Hedges of a Net Investment in a Foreign Operation
- IC Interpretation 17 Distributions of Non-cash Assets to Owners

Effective annual financial periods beginning on or after 1 January 2011:

- IC Interpretation 18 Transfers of Assets from Customers
- Amendments to FRS 1 Limited Exemptions for First-time Adopters
- Amendments to FRS 1 Additional Exemptions for First-time Adopters
- Amendments to FRS 7 Improving Disclosures about Financial Instruments
- IC Interpretation 4 Determining whether an Arrangement contains a Lease
- Improvements to FRS issued in 2010

The adoption of the above standards and interpretations did not have any effect on the financial performance or position of the Group and of the Company except for those discussed below:

(i) Revised FRS 3: Business Combinations and Amendments to FRS 127 Consolidated and Separate Financial Statements.

The revised standards are effective for annual periods beginning on or after 1 July 2010. The revised FRS introduces a number of changes in accounting for business combinations occurring after 1 July 2010. These changes impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs, and future reported results.

The revised FRS 3 continues to apply the acquisition method to business combinations but with some significant changes. All payments to purchase a business are recorded at fair value at the acquisition date, with contingent payments classified as debt subsequently remeasured through the statement of comprehensive income. There is a choice on an acquisition-by-acquisition basis to measure the non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. All acquisition-related costs is expensed off to the profit or loss during the period they incurred.

Under the revised FRS 127, minority interest is referred to as non-controlling interest. The amendments to FRS 127 require that a change in the ownership interest of a subsidiary (without loss of control) be accounted for as an equity transaction. Therefore, such transactions will no longer give rise to a change in goodwill, nor will they give rise to a gain or loss. Further, losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance. Prior to 1 January 2011, the allocation of such losses to non-controlling interests would cease when the carrying amount of the non-controlling interests is nil. The subsequent profits attributable to the non-controlling interests would not be added to the carrying amount of the non-controlling interest until all the previous losses have been made good.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 New FRSs, Amendments to FRS and IC Interpretations (Cont'd)

(a) Changes in Accounting Policies (Cont'd)

(ii) Amendments to FRS 7: Improving Disclosure about Financial Instruments

The amended standard requires enhanced disclosure about fair value measurement and liquidity risk. Fair value measurements related to items recorded at fair value are to be disclosed by source of inputs using a three level fair value hierarchy (Level 1, Level 2, and Level 3), by class, for all financial instruments recognised at fair value. A reconciliation between the beginning and ending balance for Level 3 fair value measurements is required. Any significant transfers between levels of the fair value hierarchy and the reasons for those transfers need to be disclosed. The amendments also clarify the requirements for liquidity risk disclosures with respect to derivative transactions and assets used for liquidity management. The fair value measurement disclosures are presented in Note 36. The liquidity risk disclosures are not significantly impacted by the amendments and are presented in Note 36.

(b) Standards and Interpretations Issued but Not Yet Effective

Description	Effective for annual periods beginning on or after
IC Interpretation 19 Extinguishing Financial Liabilities with Equity Instruments	1 July 2011
Amendments to IC Interpretaion 14: Prepayments of a Minimum Funding Requirement	1 July 2011
Amendments to FRS 1: Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters	1 January 2012
Amendments to FRS 7: Transfers of Financial Assets	1 January 2012
Amendments to FRS 112: Deferred Tax: Recovery of Underlying Assets	1 January 2012
FRS 124 Related Party Disclosures	1 January 2012
Amendments to FRS 101: Presentation of Items of Other Comprehensive Income	1 July 2012
FRS 10 Consolidated Financial Statements	1 January 2013
FRS 11 Joint Arrangements	1 January 2013
FRS 12 Disclosure of Interests in Other Entities	1 January 2013
FRS 13 Fair Value Measurement	1 January 2013
FRS 119 Employee Benefits	1 January 2013
FRS 127 Separate Financial Statements	1 January 2013
FRS 128 Investment in Associate and Joint Ventures	1 January 2013
IC Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine	1 January 2013
Amendments to FRS 7: Disclosures – Offsetting Financial Assets and Financial Liabilities	1 January 2013
Amendments to FRS 132: Offsetting Financial Assets and Financial Liabilities	1 January 2014
FRS 9 Financial Instruments	1 January 2015

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 New FRSs, Amendments to FRS and IC Interpretations (Cont'd)

(b) Standards and Interpretations Issued but Not Yet Effective (Cont'd)

The adoption of the FRSs, Amendments to FRS and Interpretations above are expected to have no significant impact on the financial statements of the Group and the Company in the period of initial application, except as disclosed below:

(i) Amendments to FRS 7: Transfers of Financial Assets

The amendments require additional disclosure about financial assets that have been transferred but not derecognised to enable the user of the Group's financial statements to understand the relationship with those assets that have not been derecognised and their associated liabilities. In addition, the amendments require disclosures about continuing involvement in derecognised assets to enable the user to evaluate the nature of, and risks associated with, the entity's continuing involvement in those derecognised assets. The amendment affects disclosure only and has no impact on the Group's financial position or performance.

(ii) Amendments to FRS 101: Presentation of Items of Other Comprehensive Income

The amendments to FRS 101 change the grouping of items presented in Other Comprehensive Income. Items that could be reclassified (or "recycled") to profit or loss at a future point in time (for example, upon derecognition or settlement) would be presented separately from items that will never be reclassified. The amendment affects presentation only and has no impact on the Group's financial position or performance.

(iii) FRS 10: Consolidated Financial Statements

FRS 10 replaces the portion of FRS 127 Consolidated and Separate Financial Statements that addresses the accounting for consolidated financial statements. FRS 10 establishes a single control model that applies to all entities including special purpose entities. The changes introduced by FRS 10 will require management to exercise significant judgement to determine which entities are controlled, and therefore, are required to be consolidated by a parent, compared with the requirements that were in FRS 127.

(iv) FRS 12: Disclosure of Interests in Other Entities

FRS 12 includes all disclosure requirements for interest in subsidiaries, joint arrangements, associates and structured entities. A number of new disclosures are required. This standard affects disclosures only and has no impact on the Group's financial position or performance.

(c) Malaysian Financial Reporting Standards ("MFRS Framework")

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

The MFRS Framework is to 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 Construction of Real Estate (IC 15), including its parent, significant investor and venturer (herein called "Transitioning Entities'').

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 New FRSs, Amendments to FRS and IC Interpretations (Cont'd)

(c) Malaysian Financial Reporting Standards ("MFRS Framework") (Cont'd)

Transitioning Entities will be allowed to defer adoption of the new MFRS Framework for an additional one year. Consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 April 2013.

The Group falls within the scope definition of Transitioning Entities and have opted to defer adoption of the new MFRS Framework. Accordingly, the Group will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 March 2014. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits.

Currently, the Group is in the process of assessing the gap between current Group accounting policies and the requirements of MFRS Framework and expects to be in a position to fully comply with the requirements of the MFRS Framework for the financial year ending 31 March 2014.

2.3 Summary of Significant Accounting Policies

(a) Subsidiaries and Basis of Consolidation

(i) Subsidiaries

Subsidiaries are entities over which the Group has the ability to control the financial and operating policies so as to obtain benefits from their activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group has such power over another entity.

In the Company's separate financial statements, investments in subsidiaries are stated at cost less impairment losses.

(ii) Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the reporting date. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. In preparing the consolidated financial statements, intragroup balances, transactions and unrealised gains or losses are eliminated in full. Uniform accounting policies are adopted in the consolidated financial statements for like transactions and events in similar circumstances.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 Summary of Significant Accounting Policies (Cont'd)

(a) Subsidiaries and Basis of Consolidation (Cont'd)

(ii) Basis of Consolidation (Cont'd)

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amount is included in income statement. The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the reporting date. The financial statements of the subsidiaries are prepared for the same reporting date as the Company. Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. In preparing the consolidated financial statements, intra-group balances, transactions and unrealised gains or losses are eliminated in full. Uniform accounting policies are adopted in the consolidated financial statements for like transactions and events in similar circumstances.

Acquisitions of subsidiaries are accounted for using the acquisition method of accounting. The identifiable assets acquired and the liabilities assumed are measured at their fair values at the acquisition date. Acquisition costs incurred are expensed and included in administrative expenses. The difference between these fair values and the fair value of the consideration (including the fair value of any pre-existing investment in the acquiree) is goodwill or a discount on acquisition. The accounting policy for goodwill is set out in Note 2.3(e). Discount on acquisition which represents negative goodwill is recognised immediately as income in profit or loss.

In business combinations achieved in stages, previously held equity interest in the acquiree is remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

For each business combination, the Group elects whether to measure the non-controlling interest in the acquiree at the acquisition date either at fair value or at the proportionate share of the acquiree's identifiable net assets.

(b) Transaction with Non-controlling Interests

Non-controlling interests represent the equity in subsidiaries not attributable, directly or indirectly, to the owners of the parent, and are presented separately in the consolidated statement of comprehensive income and within equity in the consolidated statement of financial position, separately from shareholders' equity. Losses of a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their respective interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in shareholders' equity.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 Summary of Significant Accounting Policies (Cont'd)

(c) Associates

Associates are entities in which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not in control or joint control over those policies.

Investments in associates are accounted for in the consolidated financial statements using the equity method of accounting. Under the equity method, the investment in associates is carried in the statement of financial position at cost adjusted for post-acquisition changes in the Group's share of net assets of the associates. The Group's share of the net profit or loss of the associate is recognised in the statement of comprehensive income. Where there has been a change recognised directly in the equity of the associate, the Group recognises its share of such changes.

In applying the equity method, unrealised gains and losses on transactions between the Group and the associates are eliminated to the extent of the Group's interest in the associates. After application of the equity method, the Group determines whether it is necessary to recognise any additional impairment loss with respect to the Group's net investment in the associate. The associate is equity accounted for from the date the Group obtains significant influence until the date the Group ceases to have significant influence over the associate.

Goodwill relating to an associate is included in the carrying amount of the investment and is not amortised. Any excess of the Group's share of the net fair value of the associate's identifiable assets, liabilities and contingent liabilities over the cost of the investment is excluded from the carrying amount of the investment and is instead included as income in the determination of the Group's share of the associate's profit or loss in the period in which the investment is acquired.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any long-term interests that, in substance, form part of the Group's net investment in the associates, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The most recent available audited financial statements of the associates are used by the Group in applying the equity method. Where the dates of the audited financial statements used are not coterminous with those of the Group, the share of results is arrived at from the last audited financial statements available and management financial statements to the end of the accounting period. Uniform accounting policies are adopted for like transactions and events in similar circumstances.

In the Company's separate financial statements, investments in associates are stated at cost less impairment losses.

On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in the profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 Summary of Significant Accounting Policies (Cont'd)

(d) Revenue Recognition

Revenue is recognised when it is probable that economic benefits associated with the transaction will flow to the Group and the amount of revenue can be reliably measured. Specific income streams are recognised as follows:

(i) Sale of Goods

Revenue relating to sale of goods is recognised net of sales taxes and discounts, and upon transfer of significant risks and rewards of ownership to the buyer.

(ii) Rental Income

Rental income from investment property is recognised on a straight-line basis over the term of the lease.

(iii) Property Management Services

Revenue from property management is recognised when services are rendered.

(iv) Dividend Income

Dividend income is recognised when the right to receive payment is established.

(e) Goodwill

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost of business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities. Following the initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is not amortised but instead, it is reviewed for impairment, annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

(f) Biological Assets

(i) Oil Palm Planting Expenditure

All expenses incurred in land preparation, planting and developing of oil palm up to maturity are capitalised as biological assets. A portion of the indirect overheads which include general and administrative expenses incurred on immature plantation is similarly capitalised under biological assets until such time when the plantation attains maturity at the age of 36 months. All expenses subsequent to maturity are recognised in the profit or loss. Upon attaining maturity, oil palm planting expenditure is amortised over 20 - 25 years. Replanting expenditure and nursery assets is capitalised under oil palm planting expenditure in the year in which it is incurred until maturity.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 Summary of Significant Accounting Policies (Cont'd)

(f) Biological Assets (Cont'd)

(ii) Pineapple Planting Expenditure

New estate development expenditure is capitalised until the plants attain maturity, after which time the amount capitalised will be charged to the profit or loss based on the area harvested. Replanting expenditure consists of expenses incurred from the stage of clearing to maturity. Replanting expenditure is capitalised and will be charged to the profit or loss based on area harvested upon attaining maturity.

(g) Foreign Currencies

(i) Functional and Presentation Currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency.

(ii) Foreign Currency Transactions

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded in the functional currencies using the exchange rates prevailing at the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in the profit or loss for the period.

Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.

(iii) Foreign Operations

The results and financial position of foreign operations that have a functional currency different from the presentation currency, RM of the consolidated financial statements are translated into RM as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate prevailing at the reporting date;

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 Summary of Significant Accounting Policies (Cont'd)

(g) Foreign Currencies (Cont'd)

(iii) Foreign Operations (Cont'd)

- Income and expenses for each profit or loss are translated at average exchange rates for the year, which approximates the exchange rates at the dates of the transactions; and

- All resulting exchange differences are taken to the foreign currency translation reserve within equity.

(h) Property, Plant and Equipment and Depreciation

All items of property, plant and equipment are initially recorded at cost. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the profit or loss during the financial period in which they are incurred.

Subsequent to recognition, property, plant and equipment except for certain freehold land and buildings are stated at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land and buildings other than office buildings are stated at revalued amount, which is the fair value at the date of the revaluation less any accumulated impairment losses. Revaluations are made at least once in every five years based on a revaluation by an independent valuer on an open market value basis. Any revaluation surplus is credited to the revaluation reserve included within equity, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is recognised in profit or loss to the extent of the decrease previously recognised.

A revaluation deficit is first offset against unutilised previously recognised revaluation surplus in respect of the same asset and the balance is thereafter recognised in profit or loss. Upon disposal or retirement of an asset, any revaluation reserve relating to the particular asset is transferred directly to retained earnings.

Freehold land has an unlimited useful life and therefore is not depreciated. Construction work-in-progress are also not depreciated as these assets are not available for use.

Depreciation of other property, plant and equipment is provided for on a straight-line basis to write-off the cost of each asset to its residual value over the estimated useful life, at the following annual rates:

Buildings	2.0% - 6.66%
Leasehold land	Over lease period
Plant and machinery	4.0% - 33.33%
Warehouses, storage tanks and pipelines	4.0%
Motor vehicles	10.0% - 33.33%
Office equipment, furniture and fittings	6.66% - 25.0%
Renovations	10.0% - 20.0%
Tools, accessories and computer equipment	20.0% - 33.33%

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 Summary of Significant Accounting Policies (Cont'd)

(h) Property, Plant and Equipment and Depreciation (Cont'd)

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any and the net carrying amount is recognised in the profit or loss and the unutilised portion of the revaluation surplus on that item is taken directly to retained earnings.

(i) Investment Properties

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and any accumulated impairment losses. Freehold land has an unlimited useful life and therefore is not depreciated.

Depreciation of investment properties is provided for on a straight-line basis to write-off the cost of the property to its residual value over its estimated useful life, at the following annual rates:

Leasehold land	Over lease period
Leasehold building	2% to 3%

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the investment property.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in the profit or loss in the year in which they arise.

(j) Inventories

Inventories of raw materials, work-in-progress, finished goods, consumables and seedlings are valued at the lower of cost (determined on the first-in, first-out, ("FIFO") basis) and net realisable value, except for palm oil in Indonesia which are valued based on the weighted average method. Cost of finished goods and work-in-progress includes direct materials, direct labour, direct charges and variable production overheads.

Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 Summary of Significant Accounting Policies (Cont'd)

(k) Investments

Investments in subsidiaries, associated companies and unquoted shares are stated at cost less impairment losses. The policy for recognition and of measurement of impairment losses is in accordance with Note 2.3(p).

On disposal of an investment, the difference between net disposal proceeds and its carrying amount is charged or credited to the profit or loss.

(l) Income Tax

Income tax on the profit or loss for the year comprises current and deferred tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted at the reporting date.

Deferred tax is provided for, using the liability method. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. Deferred tax is not recognised if the temporary difference arises from goodwill or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised as income or an expense and included in the profit or loss for the period, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also recognised directly in equity, or when it arises from a business combination that is an acquisition, in which case the deferred tax is included in the resulting goodwill or the amount of any excess of the acquirer's interest is the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the cost of the combination.

(m) Provisions for Liabilities

Provisions are recognised when the Group and the Company have a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 Summary of Significant Accounting Policies (Cont'd)

(n) Employee Benefits

(i) Short Term Benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees of the Group and of the Company. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences, and short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

(ii) Defined Contribution Plan

As required by law, companies in Malaysia make contributions to the national pension scheme, the Employees Provident Fund ("EPF"). Such contributions are recognised as an expense in the profit or loss as incurred.

(iii) Defined Benefit Plan

The Group, other than the foreign subsidiary in Indonesia, operates a retirement benefit scheme for eligible employees of the Group under the Retirement Benefits Plan.

The Group sets aside provisions for retirement benefits based on the basic monthly salary of each eligible employee at the end of each financial year of service over the employees' period of employment and one of the subsidiaries sets aside provision for retirement benefits based on fixed entitlement in relation to the subsidiary's employees period of employment.

Foreign subsidiary in Indonesia

The foreign subsidiary in Indonesia provides for unfunded retirement benefits to eligible employees that are under permanent employment and confirmed in service. The liability in respect of the unfunded defined benefit plan is the present value of the defined benefit obligation at the reporting date adjusted for unrecognised actuarial losses. The foreign subsidiary in Indonesia determines the present value of the defined benefit obligation with sufficient regularity such that the amounts recognised in the financial statements do not differ materially from the amounts that would be determined at the reporting date.

The defined benefit obligation of the foreign subsidiary in Indonesia, calculated using the projected unit credit method, is determined by a qualified independent actuary, considering the estimated future cash outflows using market yields at the reporting date of high quality corporate bonds. The latest actuarial valuation was carried out using the employee data as at 31 March 2012.

Actuarial gains and losses arise from experience adjustments and changes in actuarial assumptions. The amount of net actuarial gains and losses recognised in the profit or loss is determined by the corridor method in accordance with FRS 119 Employee Benefits and is charged or credited to the profit or loss over the average remaining service lives of the related employees participating in the defined benefit plan.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 Summary of Significant Accounting Policies (Cont'd)

(n) Employee Benefits (Cont'd)

(iv) Employees' Share Scheme

The Kumpulan Fima Berhad Employee's Share Scheme ("ESS") comprises the following:

- Employee Share Option Scheme ("ESOS")

The ESOS is an equity-settled share-based compensation plan that allows the directors and employees of the Company and its subsidiaries to acquire shares of Kumpulan Fima Berhad ("KFima"). The total fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in the share option reserve within equity over the vesting period and taking into account the probability that the options will vest. The fair value of share options is measured at grant date, taking into account, if any, the market vesting conditions upon which the options were granted but excluding the impact of any non-market vesting conditions. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable on vesting date.

At each reporting date, the Group revises its estimates of the number of options that are expected to become exercisable on vesting date. It recognises the impact of the revision of original estimates, if any, in the profit or loss, and a corresponding adjustment to equity over the remaining vesting period. The equity amount is recognised in the employee share option reserve.

The proceeds received net of any directly attributable transaction costs are credited to share capital when the options are exercised. The employee share option reserve is transferred to retained earnings upon expiry of the share option.

- Restricted Share Grant Scheme ("RSGS")

Senior management personnel of the Group are entitled to performance-based restricted shares as consideration for services rendered. The RSGS may be settled by way of issuance and transfer of new KFima shares at the absolute discretion of the Options Committee. The total fair value of RSGS granted to senior management employees is recognised as an employee cost with a corresponding increase in the reserve within equity over the vesting period and taking into account the probability that the RSGS will vest. The fair value of RSGS is measured at grant date, taking into account, the market vesting conditions upon which the RSGS were granted but excluding the impact of any non-market vesting conditions. Non-market vesting conditions are included in assumptions about the number of share that are expected to be awarded on the vesting date.

At each reporting date, the Group revises its estimates of the number of RSGS that are expected to be awarded on vesting date. It recognises the impact of the revision of original estimates, if any, in the profit or loss, and a corresponding adjustment to equity over the remaining vesting period. The equity amount is recognised in the RSGS reserve.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 Summary of Significant Accounting Policies (Cont'd)

(o) Leases

A lease is recognised as a finance lease if it transfers substantially to the Group all the risks and rewards incidental to ownership.

(i) Finance Leases

Assets acquired by way of hire purchase or finance leases are stated at an amount equal to the lower of their fair values and the present value of the minimum lease payments at the inception of the leases, less accumulated depreciation and impairment losses. The corresponding liability is included in the statement of financial position as borrowings. In calculating the present value of the minimum lease payments, the discount factor used is the interest rate implicit in the lease, when it is practicable to determine; otherwise, the Group's incremental borrowing rate is used. Any initial direct costs are also added to the carrying amount of such assets.

Lease payments are apportioned between the finance costs and the reduction of the outstanding liability. Finance costs, which represent the difference between the total leasing commitments and the fair value of the assets acquired, are recognised as an expense in the profit or loss over the term of the relevant lease so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

(ii) Operating Leases

The depreciation policy for leased asset is consistent with that for depreciable property, plant and equipment as described in Note 2.3(h).

Operating lease payments are recognised as an expense on a straight-line basis over the term of the relevant lease. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

In the case of a lease of land and buildings, the minimum lease payments or the up-front payments made are allocated, whenever necessary, between the land and the buildings elements in proportion to the relative fair values for leasehold interest in the land element and buildings element of the lease at the inception of the lease. The up-front payment represents prepaid lease payments and are amortised on a straight-line basis over the lease term.

(p) Impairment of Non-financial Assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when an annual impairment assessment for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units ("CGU")).

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 Summary of Significant Accounting Policies (Cont'd)

(p) Impairment of Non-financial Assets (Cont'd)

In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

Impairment losses are recognised in profit or loss except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised.

If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase. Impairment loss on goodwill is not reversed in a subsequent period.

(q) Cash and Cash Equivalents

For the purposes of the cash flow statements, cash and cash equivalents include cash on hand and at bank and deposits at call.

(r) Equity Instruments

Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

The transaction costs of an equity transaction, other than in the context of a business combination, are accounted for as a deduction from equity, net of tax. Equity transaction costs comprise only those incremental external costs directly attributable to the equity transaction which would otherwise have been avoided.

(s) Financial Assets

Financial assets are recognised in the statements of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument.

When financial assets are recognised initially, they are measured at fair value, plus, directly attributable transaction costs.

The Group and the Company determine the classification of their financial assets at initial recognition. Financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables classified as current asset. All financial assets of the Group and of the Company are classified as loans and receivables.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 Summary of Significant Accounting Policies (Cont'd)

(s) Financial Assets (Cont'd)

Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

Loans and receivables are classified as current assets, except for those having maturity dates later than 12 months after the reporting date which are classified as non-current.

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned. All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e., the date that the Group and the Company commit to purchase or sell the asset.

(t) Impairment of Financial Assets

The Group and the Company assess at each reporting date whether there is any objective evidence that a financial asset is impaired.

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group and the Company consider factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments. For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis based on similar risk characteristics. Objective evidence of impairment for a portfolio of receivables could include the Group's and the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period and observable changes in national or local economic conditions that correlate with default on receivables.

If any such evidence exists, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The impairment loss is recognised in profit or loss.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable becomes uncollectible, it is written off against the allowance account.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 Summary of Significant Accounting Policies (Cont'd)

(u) Financial Liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability.

Financial liabilities within the scope of FRS 139 Financial Instruments, are recognised in the statement of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument. Financial liabilities include Redeemable Convertible Loan Stocks ("RCLS") and other financial liabilities.

(i) Redeemable Convertible Loan Stocks ("RCLS")

The Redeemable Convertible Loan Stocks ("RCLS") issued by the Group is regarded as compound instruments, consisting of a liability component and an equity component. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for equivalent loan stocks and preference shares. The difference between the proceeds of issue of the RCLS and the fair value assigned to the liability component, representing the conversion option is included in equity. The liability component is subsequently stated at amortised cost using the effective interest rate method until extinguished on conversion or redemption whilst the value of the equity component is not adjusted in subsequent periods. Attributable transaction costs are apportioned and deducted directly from the liability and equity component based on their carrying amounts at the date of issue.

Under the effective interest rate method, the interest expense on the liability component is calculated by applying the prevailing market interest rate for equivalent loan stocks to the instrument at the date of issue. The difference between this amount and the interest paid is added to the carrying value of the RCLS.

(ii) Other Financial Liabilities

The Group's and the Company's other financial liabilities include trade payables, other payables and loans and borrowings.

Trade and other payables are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

Loans and borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method. Borrowings are classified as current liabilities, unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

A financial liability is derecognised when the obligation under the liability is extinguished. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Significant Accounting Estimate and Judgement

Key Sources of Estimation Uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(i) Income Tax

The Group and the Company are subject to income taxes in Malaysia and other countries. Significant judgement is required in determining the allowances and deductibility of certain expenses during the estimation of the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group and the Company recognise liabilities for anticipated tax matters based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which the determination is made. The Group's and Company's tax expense for the current financial year is RM37,269,000 (2011: RM33,428,000) and RM1,276,000 (2011: RM972,000) respectively, as disclosed in Note 10.

(ii) Deferred Tax Assets

Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The Group's deferred tax assets as at 31 March 2012 is RM4,739,000 (2011: RM4,244,000) as disclosed in Note 28.

(iii) Depreciation

The cost of storage tanks, pipelines and plant and machinery in respect of the manufacturing and bulking segments is depreciated on a straight-line basis over the assets' useful lives. Management estimates that the useful lives of storage tanks and pipelines to be 25 years whilst plant and machinery to be 3 to 25 years. These are common life expectancies applied in the industry.

In making the judgement on the assets' useful lives, the management's evaluation is based on past experience on the repair and maintenance exercise of those assets and by relying on useful lives of storage tanks, pipelines and plant and machinery that are still currently in use since they were acquired though their cost have been fully depreciated as disclosed in Note 13(c).

(iv) Employee Share Options

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions, sensitivity analysis and the carrying amounts are disclosed in Note 33.

3. REVENUE

Revenue of the Group and of the Company consists of the following:

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Manufacturing	193,688	203,403	-	-
Property investment	3,625	4,403	-	-
Bulking and logistic services	63,374	56,641	-	-
Sales of food products	90,111	63,084	-	-
Plantation	109,259	95,425	-	-
Trading	10,510	8,928	-	-
Trading of fish	-	-	24,425	15,184
Rental income	186	-	426	240
Dividend income	-	-	37,912	31,682
	470,753	431,884	62,763	47,106

4. COST OF SALES

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Manufacturing	121,327	116,857	-	-
Bulking and logistic services	12,846	11,154	-	-
Sales of food products	39,435	46,815	-	-
Plantation	45,398	46,311	-	-
Trading	33,594	7,690	-	-
Trading of fish	-	-	23,842	15,949
	252,600	228,827	23,842	15,949

5. OTHER INCOME

Included in other income are the following:

	Group		Company	
	2012	2011	2012	2011
	RM'000	RM'000	RM'000	RM'000
Bad debts recovered	395	-	90	-
Net gain on disposal of :				
- property, plant and equipment	754	391	35	-
- investment properties	1,427	704	1,427	704
Net gain on settlement with a minority shareholder	-	2,000	-	-
Over provision of utilities in prior year	-	1,160	-	-
Interest income	6,642	3,980	887	1,607
Management fees	-	-	453	407
Sales of scrap	925	232	-	-
Foreign exchange gain:				
- Realised	713	-	49	-
- Unrealised	1,359	-	-	-
Rental income	541	501	-	-

6. STAFF COSTS

	Group		Company	
	2012	2011	2012	2011
	RM'000	RM'000	RM'000	RM'000
Wages and salaries				
- Company's Executive Director (Note 7)	1,450	1,227	670	285
- Others	21,221	18,695	2,128	2,155
Social security costs	107	106	18	18
Pension costs - defined contribution plan	3,692	3,243	598	488
Pension costs - defined benefit plan (Note 27)	184	317	-	-
Share options granted under ESOS	8,584	-	2,528	-
Other staff related expenses	14,438	13,566	1,402	1,118
	49,676	37,154	7,344	4,064

7. DIRECTORS' REMUNERATION

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Directors of the Company				
Executive:				
Salaries and other emoluments	691	624	491	180
Bonus	549	410	105	60
Pension costs - defined contribution plan	210	193	74	45
Benefits-in-kind	42	48	-	-
	1,492	1,275	670	285
Non-Executive:				
Fees	252	240	240	240
Meeting allowance	137	124	130	124
	389	364	370	364
Analysis excluding benefits-in-kind:				
Total executive director's remuneration (Note 6)	1,450	1,227	670	285
Total non-executive directors' remuneration	389	364	370	364
Total directors' remuneration	1,839	1,591	1,040	649

The number of directors of the Company whose total remuneration during the financial year falls within the following bands is analysed below:

	Number of Directors	
	2012	2011
Executive Directors:		
RM1,450,000 - RM1,500,000	1	-
RM1,200,000 - RM1,250,000	-	1
Non-Executive Directors:		
RM50,001 - RM100,000	5	5

8. FINANCE COSTS

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Revolving credit	733	1,515	60	119
Redeemable convertible loan stocks	371	567	-	-
Term loan	107	132	-	-
Other finance costs	744	625	140	212
	1,955	2,839	200	331

9. PROFIT BEFORE TAXATION

Profit before taxation is stated after charging/(crediting):

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Statutory audit fees:				
- Auditors of the Company	343	277	60	50
- Others	97	83	-	-
Other non-audit fees:				
- Auditors of the Company	-	24	-	-
Depreciation				
- Property, plant and equipment (Note 13)	20,188	19,233	569	569
- Investment properties (Note 14)	1,555	1,725	122	160
Amortisation of				
- Biological assets (Note 15)	6,081	5,320	-	-
Impairment loss on:				
- Trade receivables (Note 20)	707	357	-	-
- Due from subsidiaries (Note 22)	-	-	-	2,404
- Other receivables	638	-	18	-
Write back of impairment loss of trade receivables (Note 20)	(395)	-	-	-
Write back of due from subsidiaries (Note 22)	-	-	(90)	-
Impairment of investment in subsidiary	-	-	-	433
Write down of inventories	453	344	-	-
Rental expense for land and buildings	4,888	6,717	269	377
Impairment of property, plant and equipment	-	1,524	-	-
Property, plant and equipment written off	17	154	-	-
Net foreign exchange (gain)/loss:				
- Realised	2,763	1,456	(49)	937
- Unrealised	(1,359)	-	-	-
Provision for retirement benefits (Note 27)	184	317	-	-
Write back of provision for retirement benefits (Note 27)	67	-	-	-
Bad debts recovered	(395)	-	(90)	-

10. INCOME TAX EXPENSE

	Group 2012 RM'000	Group 2011 RM'000	Company 2012 RM'000	Company 2011 RM'000
Current income tax:				
Malaysian income tax	38,637	35,418	1,826	1,437
Over provision in prior years:				
Malaysian income tax	(546)	(831)	(550)	(465)
	38,091	34,587	1,276	972
Deferred tax (Note 28):				
Relating to origination and reversal of temporary differences	(886)	(1,039)	-	-
Under/(over) provision in prior years	64	(120)	-	-
	(822)	(1,159)	-	-
Total income tax expenses	37,269	33,428	1,276	972

The Malaysian domestic current income tax is calculated at the statutory tax rate of 25% (2011: 25%) of the estimated assessable profit for the year.

Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions. During the current financial year, the income tax rate applicable to the subsidiaries in Indonesia and Papua New Guinea was 25% (2011: 25%) and 30% (2011: 30%), respectively.

A reconciliation of income tax expense applicable to profit before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Group and of the Company is as follows:

	Group 2012 RM'000	Group 2011 RM'000	Company 2012 RM'000	Company 2011 RM'000
Profit before tax	153,812	140,930	31,405	23,443
Taxation at statutory tax rate of 25% (2011: 25%)	38,453	35,233	7,851	5,861
Effect of income not subject to tax	(792)	(3,444)	(7,522)	(6,540)
Effect of tax rates in foreign jurisdiction	1,866	-	-	-
Effect of partial tax exemption	(384)	(302)	-	-
Effect of expenses not deductible for tax purposes	4,206	3,569	1,023	2,116
Effect of utilisation of previously unrecognised tax losses	(4,319)	(376)	-	-

10. INCOME TAX EXPENSE (CONT'D)

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Effect of share results of associates	(1,313)	(578)	-	-
Deferred tax assets not recognised in respect of current year's tax losses and unabsorbed capital allowances	34	277	474	-
Overprovision of income tax expense in prior years	(546)	(831)	(550)	(465)
Under/(over)provision of deferred tax in prior year	64	(120)	-	-
Tax expense for the year	37,269	33,428	1,276	972

Tax savings during the financial year arising from:

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Utilisation of previously unrecognised tax losses	4,319	376	-	-

11. EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing profit for the year, net of tax attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial year.

The following tables reflect the profit and share data used in the computation of basic and diluted earnings per share for the years ended 31 March:

	Group	
	2012 RM'000	2011 RM'000
Profit net of tax attributable to owners of the parent used in the computation of basic/diluted earnings per share	80,864	71,027

11. EARNINGS PER SHARE (CONT'D)

	Number of Shares	
	2012	2011
	000	000
Weighted average number of ordinary shares for basic earnings per share computation	263,379	263,160
Effects of dilution:		
- Share options under ESOS (From 18 November 2011 until 31 March 2012)	622	-
Weighted average number of ordinary shares for diluted earnings per share computation	264,001	263,160

	Group	
	2012	2011
	sen	sen
Basic earnings per share	30.70	26.99
Diluted earnings per share	30.63	26.99

12. DIVIDENDS

	Amount		Net Dividends per Share	
	2012	2011	2012	2011
	RM'000	RM'000	sen	sen
Recognised during the year:				
Final dividend for 2010: 5.0%, less 25% taxation, on 263,160,000 ordinary shares paid on 18 October 2010	-	9,869	-	3.75
Final dividend for 2011: 7.0%, less 25% taxation, on 263,160,000 ordinary shares paid on 21 October 2011	13,816	-	5.25	-

At the forthcoming Annual General Meeting, a final dividend in respect of financial year ended 31 March 2012, of 8.0% less 25% taxation amounting to a dividend payable of approximately RM15,904,200 (6.00 sen net dividend per ordinary share) will be proposed for shareholders' approval. The financial statements for the current year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained profits in the financial year ending 31 March 2013.

13. PROPERTY, PLANT AND EQUIPMENT

Group	**At Valuation**		**At Cost**			
At 31 March 2011	**Land and Buildings** *[see note 13(1)(a), page 88]* **RM'000**	**Plant and Machinery** **RM'000**	**Land and Buildings** *[see note 13(2)(a), page 89]* **RM'000**	**Other Assets** *[see note 13(3)(a), pages 90&91]* **RM'000**	**Construction Work-in-Progress** **RM'000**	**Total** **RM'000**
At Valuation/Cost						
At 1 April 2011	108,476	30,256	35,799	260,036	16,625	451,192
Additions	8	832	49	9,322	3,921	14,132
Disposals	-	(206)	-	(1,457)	-	(1,663)
Transfer	493	-	-	253	(890)	(144)
Write off	-	-	-	(1,648)	-	(1,648)
Translation difference	2,149	5,720	3,814	(1,107)	(12)	10,564
At 31 March 2012	111,126	36,602	39,662	265,399	19,644	472,433
Accumulated Depreciation and Impairment Losses						
At 1 April 2011	2,533	15,752	19,347	191,095	-	228,727
Depreciation charge for the year	1,275	840	1,551	16,522	-	20,188
Disposals	-	(206)	-	(1,514)	-	(1,720)
Write off	-	-	-	(1,631)	-	(1,631)
Translation difference	324	3,483	865	2	-	4,674
At 31 March 2012	4,132	19,869	21,763	204,474	-	250,238
Net Carrying Amount						
At 31 March 2012	106,994	16,733	17,899	60,925	19,644	222,195

13. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Group	At Valuation		At Cost			
At 31 March 2011	Land and Buildings *[see note 13(1)(a), page 88]* RM'000	Plant and Machinery RM'000	Land and Buildings *[see note 13(2)(a), page 89]* RM'000	Other Assets *[see note 13(3)(a), pages 90&91]* RM'000	Construction Work-in-Progress RM'000	Total RM'000
At Valuation/Cost						
At 1 April 2010	68,455	22,998	35,326	256,444	18,327	401,550
Additions	-	6,381	743	12,170	59	19,353
Acquisition of subsidiary	40,154	-	-	-	-	40,154
Disposals	-	-	-	(2,789)	-	(2,789)
Transfer	196	1,497	-	(37)	(1,656)	-
Write off	-	-	(10)	(5,023)	-	(5,033)
Translation difference	(329)	(620)	(260)	(729)	(105)	(2,043)
At 31 March 2011	108,476	30,256	35,799	260,036	16,625	451,192
Accumulated Depreciation and Impairment Losses						
At 1 April 2010	1,883	15,113	18,482	180,946	-	216,424
Depreciation charge for the year	613	978	1,030	16,612	-	19,233
Impairment	-	-	-	1,524	-	1,524
Acquisition of subsidiary	69	-	-	-	-	69
Disposals	-	-	-	(2,742)	-	(2,742)
Transfer	-	-	-	45	-	45
Write off	-	-	(7)	(4,872)	-	(4,879)
Translation difference	(32)	(339)	(158)	(418)	-	(947)
At 31 March 2011	2,533	15,752	19,347	191,095	-	228,727
Net Carrying Amount						
At 31 March 2011	105,943	14,504	16,452	68,941	16,625	222,465

13. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Note 13(1)(a) - Land and Buildings

Group	Freehold Land RM'000	Leasehold Land RM'000	Buildings RM'000	Total RM'000
At 31 March 2012				
At Valuation				
At 1 April 2011	27,724	72,659	8,093	108,476
Additions	-	-	8	8
Transfer	-	-	493	493
Translation difference	-	446	1,703	2,149
At 31 March 2012	27,724	73,105	10,297	111,126
Accumulated Depreciation and Impairment Losses				
At 1 April 2011	-	904	1,629	2,533
Depreciation charge for the year	-	635	640	1,275
Translation difference	-	26	298	324
At 31 March 2012	-	1,565	2,567	4,132
Net Carrying Amount				
At 31 March 2012	27,724	71,540	7,730	106,994
At 31 March 2011				
At Valuation				
At 1 April 2010	27,724	32,509	8,222	68,455
Acquisition of subsidiary	-	40,154	-	40,154
Translation difference	-	(4)	(129)	(133)
At 31 March 2011	27,724	72,659	8,093	108,476
Accumulated Depreciation and Impairment Losses				
At 1 April 2010	-	398	1,485	1,883
Depreciation charge for the year	-	437	176	613
Acquisition of subsidiary	-	69	-	69
Translation difference	-	-	(32)	(32)
At 31 March 2011	-	904	1,629	2,533
Net Carrying Amount				
At 31 March 2011	27,724	71,755	6,464	105,943

13. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Note 13(2)(a) - Land and Buildings

Group	Freehold Land RM'000	Buildings, Extension and Renovation RM'000	Total RM'000
At 31 March 2012			
At Cost			
At 1 April 2011	170	35,629	35,799
Additions	-	49	49
Write off	-	-	-
Translation difference	-	3,814	3,814
At 31 March 2012	170	39,492	39,662
Accumulated Depreciation and Impairment Losses			
At 1 April 2011	-	19,347	19,347
Depreciation charge for the year	-	1,551	1,551
Write off	-	-	-
Translation difference	-	865	865
At 31 March 2012	-	21,763	21,763
Net Carrying Amount			
At 31 March 2012	170	17,729	17,899
At 31 March 2011			
At Cost			
At 1 April 2010	170	35,156	35,326
Additions	-	743	743
Write off	-	(10)	(10)
Translation difference	-	(260)	(260)
At 31 March 2011	170	35,629	35,799
Accumulated Depreciation and Impairment Losses			
At 1 April 2010	-	18,482	18,482
Depreciation charge for the year	-	1,030	1,030
Write off	-	(7)	(7)
Translation difference	-	(158)	(158)
At 31 March 2011	-	19,347	19,347
Net Carrying Amount			
At 31 March 2011	170	16,282	16,452

13. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Note 13(3)(a) - Other Assets

Group

	Plant and Machinery RM'000	Warehouses, Storage Tanks and Pipes RM'000
At 31 March 2012		
At Cost		
At 1 April 2011	100,089	100,685
Additions	4,966	409
Disposals	(679)	-
Transfer	397	-
Write-off	(1,146)	-
Translation difference	(334)	-
At 31 March 2012	103,293	101,094
Accumulated Depreciation and Impairment Losses		
At 1 April 2011	75,025	78,255
Depreciation charge for the year	7,808	2,320
Disposals	(679)	-
Write-off	(1,129)	-
Translation difference	(18)	-
At 31 March 2012	81,007	80,575
Net Carrying Amount		
At 31 March 2012	22,286	20,519
At 31 March 2011		
At Cost		
At 1 April 2010	98,614	100,891
Additions	7,218	-
Disposals	(1,591)	-
Transfer	-	-
Write-off	(3,767)	(206)
Translation difference	(385)	-
At 31 March 2011	100,089	100,685
Accumulated Depreciation and Impairment Losses		
At 1 April 2010	73,093	75,932
Depreciation charge for the year	7,310	2,530
Impairment	-	-
Disposals	(1,591)	-
Transfer	-	-
Write-off	(3,767)	(207)
Translation difference	(20)	-
At 31 March 2011	75,025	78,255
Net Carrying Amount		
At 31 March 2011	25,064	22,430

	Motor Vehicles RM'000	Office Equipment, Furniture and Fittings RM'000	Renovations RM'000	Tools, Accessories and Computer Equipment RM'000	Total RM'000
	9,590	24,137	24,252	1,283	260,036
	1,247	2,481	156	63	9,322
	(771)	(7)	-	-	(1,457)
	-	(144)	-	-	253
	(257)	(152)	(93)	-	(1,648)
	342	(341)	(774)	-	(1,107)
	10,151	25,974	23,541	1,346	265,399
	7,574	18,655	10,319	1,267	191,095
	812	3,262	2,289	31	16,522
	(685)	(150)	-	-	(1,514)
	(257)	(152)	(93)	-	(1,631)
	368	-	(348)	-	2
	7,812	21,615	12,167	1,298	204,474
	2,339	4,359	11,374	48	60,925
	9,357	21,553	24,232	1,797	256,444
	678	4,211	20	43	12,170
	(426)	(772)	-	-	(2,789)
	99	(136)	-	-	(37)
	(5)	(488)	-	(557)	(5,023)
	(113)	(231)	-	-	(729)
	9,590	24,137	24,252	1,283	260,036
	7,053	14,624	8,514	1,730	180,946
	887	3,246	2,567	72	16,612
	-	1,524	-	-	1,524
	(372)	(69)	(698)	(12)	(2,742)
	45	(45)	45	-	45
	-	(375)	-	(523)	(4,872)
	(39)	(250)	(109)	-	(418)
	7,574	18,655	10,319	1,267	191,095
	2,016	5,482	13,933	16	68,941

13. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Company

	At Valuation		At Cost	
	Land and Buildings RM'000	Leasehold Land and Buildings RM'000	Motor Vehicles, Machinery and Equipment *[see note 13(4)(a), page 93]* RM'000	Total RM'000
At 31 March 2012				
At Valuation/Cost				
At 1 April 2011	9,857	28,851	3,125	41,833
Additions	-	-	473	473
Disposal	-	-	(258)	(258)
At 31 March 2012	9,857	28,851	3,340	42,048
Accumulated Depreciation and Impairment Losses				
At 1 April 2011	157	437	2,810	3,404
Depreciation charge for the year	-	434	135	569
Disposals	-	-	(170)	(170)
At 31 March 2012	157	871	2,775	3,803
Net Carrying Amount				
At 31 March 2012	9,700	27,980	565	38,245
At 31 March 2011				
At Valuation/Cost				
At 1 April 2010-restated	9,857	28,851	2,950	41,658
Additions	-	-	179	179
Disposal	-	-	(4)	(4)
At 31 March 2011	9,857	28,851	3,125	41,833
Accumulated Depreciation and Impairment Losses				
At 1 April 2010 - restated	157	1	2,681	2,839
Depreciation charge for the year	-	436	133	569
Disposals	-	-	(4)	(4)
At 31 March 2011	157	437	2,810	3,404
Net Carrying Amount				
At 31 March 2011	9,700	28,414	315	38,429

13. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Note 13(4)(a) - Motor Vehicles, Machinery and Equipment

Company

	Motor Vehicles RM'000	Furniture, Fittings and Equipment RM'000	Total RM'000
At 31 March 2012			
At Cost			
At 1 April 2011	731	2,394	3,125
Additions	328	145	473
Disposals	(251)	(7)	(258)
At 31 March 2012	808	2,532	3,340
Accumulated Depreciation			
At 1 April 2011	562	2,248	2,810
Depreciation charge for the year	62	73	135
Disposals	(164)	(6)	(170)
At 31 March 2012	460	2,315	2,775
Net Carrying Amount			
At 31 March 2012	348	217	565
At 31 March 2011			
At Cost			
At 1 April 2010	639	2,311	2,950
Additions	92	87	179
Disposals	-	(4)	(4)
At 31 March 2011	731	2,394	3,125
Accumulated Depreciation			
At 1 April 2010	491	2,190	2,681
Depreciation charge for the year	71	62	133
Disposals	-	(4)	(4)
At 31 March 2011	562	2,248	2,810
Net Carrying Amount			
At 31 March 2011	169	146	315

13. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

During the financial year, the Group acquired property, plant and equipment amounting to RM14,132,000 (2011: RM19,353,000).

(a) Buildings, plant and machinery, storage tanks and pipelines of the subsidiaries carrying out bulking activities with a net book value of approximately RM37,287,000 (2011: RM37,169,000) are situated on land which are leased from Lembaga Pelabuhan Kelang ("LPK") by the subsidiaries. The lease will expire in 2022.

(b) A building of a subsidiary, Fima Palmbulk Services Sdn. Bhd., with a net book value of RM1 (2011: RM1) was constructed on land leased from Penang Port Commission. The lease expired on 30 June 2002, and the Company had obtained an approval in principle from the lessor to enter into a new lease for a term of 21 years commencing 1 July 2002 at rates which have yet to be determined.

(c) Included in the property, plant and equipment of the Group and of the Company are cost of fully depreciated assets which are still in use amounting to approximately RM129,987,000 (2011: RM115,192,000) and RM2,346,000 (2011: RM2,424,000) respectively.

(d) Details of the independent professional valuation of the Group's and Company's freehold, leasehold land and building are as follows:

Date of Valuation	Description of Property	Valuation Amount RM'000	Valuation Increase/ (Decrease) RM'000	Basis of Valuation
Group				
5 December 2009	Freehold land and building at Port Dickson, Negeri Sembilan	1,700	1,530	Comparison Approach
2 December 2009	Land at Pontian, Johor	20,845	513	Comparison Approach
21 December 2009	Land at Raub, Pahang	1,600	221	Comparison Approach
	Total	24,145	2,264	
Company				
2 December 2009	Freehold building, at Ayer Baloi, Pontian, Johor	9,700	(157)	Comparison Approach
2 December 2009	Leasehold land,at Kota Tinggi, Johor	28,850	1,867	Comparison Approach
	Total	38,550	1,710	

13. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(d) Details of the independent professional valuation of the Group's and Company's freehold, leasehold land and building are as follows: (Contd.)

Had the revalued property, plant and equipment been carried at historical cost less accumulated depreciation, the net book value of each class of property, plant and equipment that would have been included in the financial statements of the Group and of the Company as at 31 March 2012 would be as follows:

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Freehold land and buildings	2,410	3,685	624	746

(e) The factory extension of the Group with a net book value of RM670,000 (2011: RM835,000) was constructed on a piece of land leased from the lessor. The lease will expire on 30 April 2020.

14. INVESTMENT PROPERTIES

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Cost				
At 1 April 2011/2010 - restated	104,628	106,836	13,601	15,809
Disposals	(4,384)	(2,208)	(4,384)	(2,208)
At 31 March	100,244	104,628	9,217	13,601
Accumulated Depreciation				
At 1 April 2011/2010 - restated	18,163	16,483	275	160
Charge for the year	1,555	1,725	122	160
Disposal	(118)	(45)	(118)	(45)
At 31 March	19,600	18,163	279	275
Net Carrying Amount	80,644	86,465	8,938	13,326
Fair Value	87,741	94,944	9,566	14,199

(a) The land titles of a freehold land and building of the Group with a net book value of approximately RM55,507,000 (2011: RM56,656,000) is pledged as securities for borrowings of the Group (Note 26 (c)(ii)).

(b) The land title of a building of the Group with a net book value of approximately RM919,000 (2011: RM937,000) is in the process of being transferred.

(c) Factory buildings of a subsidiary, Percetakan Keselamatan Nasional Sdn. Bhd. with a net book value of RM7,012,000 (2011: RM7,271,000) are situated on a piece of leasehold land which will expire on 29 September 2086.

15. BIOLOGICAL ASSETS

	Group 2012 RM'000	Group 2011 RM'000
At Cost		
At 1 April 2011/2010	112,079	110,044
Additions	12,302	4,680
Exchange differences	(2,749)	(2,645)
At 31 March	121,632	112,079
Accumulated Amortisation		
At 1 April 2011/2010	32,567	27,247
Amortisation for the year	6,081	5,320
At 31 March	38,648	32,567
Net Carrying Amount		
At 31 March	82,984	79,512

16. INVESTMENTS IN SUBSIDIARIES

	Company 2012 RM'000	Company 2011 RM'000
Unquoted ordinary shares, at cost:		
In Malaysia	159,755	153,699
Outside Malaysia	44,395	44,395
	204,150	198,094
Less: Accumulated impairment losses		
In Malaysia	(48,534)	(48,534)
Outside Malaysia	(42,919)	(42,919)
	112,697	106,641

Details of the subsidiaries are described in Note 38.

Shares in subsidiaries, Fima Metal Box Holdings Sdn. Bhd., Pineapple Cannery of Malaysia Sdn. Bhd. and Fima-TLP Feedlot Sdn. Bhd. costing approximately RM48,366,000 (2011: RM48,366,000) have been pledged to a financial institution for a revolving credit facility granted to the Company as referred to in Note 26(c)(i).

17. INVESTMENTS IN ASSOCIATES

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Unquoted shares, at cost	12,252	17,252	2,251	2,251
Share of post acquisition results	23,161	24,304	-	-
	35,413	41,556	2,251	2,251

Details of the associates are described in Note 39.

During the year, 10% equity interest in associate company, Giesecke & Devrient Malaysia Sdn. Bhd. ("G&D") was disposed off for a cash consideration of RM11.8 million, resulting in RM Nil and RM6.8 million gain on disposal for the Group and the subsidiary respectively.

The financial statements of the associates are coterminous with those of the Group, except for G&D which has a financial year end of 31 December to conform with its holding company's financial year end. For the purpose of applying the equity method of accounting, the financial statements of G&D for the year ended 31 December 2011 have been used and appropriate adjustments have been made for the effects of significant transactions between 31 December 2011 and 31 March 2012.

The summarised financial statements of the associates are as follows:

	2012 RM'000	2011 RM'000
Gross assets and liabilities		
Current assets	84,636	100,941
Non-current assets	115,100	80,098
Total assets	199,736	181,039
Current liabilities	37,000	33,906
Non-current liabilities	2,664	6,018
Total liabilities	39,664	39,924
Results		
Revenue	122,896	123,846
Profit for the year	28,697	11,871

18. GOODWILL ON CONSOLIDATION

	Group 2012 RM'000	Group 2011 RM'000
Goodwill on consolidation		
At 1 April/31 March	13,055	13,055

(a) Impairment Tests for Goodwill

Goodwill has been allocated to the Group's cash generating units identified according to business segment as follows:

Allocation of Goodwill

	Bulking RM'000	Plantation RM'000	Total RM'000
As at 1 April 2011/31 March 2012	12,545	510	13,055

(b) Key Assumptions used in Value-In-Use Calculations

The following describes each key assumption on which management has based its cash flow projections to undertake the impairment testing of goodwill:

(i) Budgeted Gross Margin

The basis used to determine the value assigned to the budgeted gross margins is the average gross margins achieved in the year immediately before the budgeted year increased for expected efficiency improvements.

(ii) Growth Rates

The weighted average growth rates used for bulking and plantation are consistent with the long-term average growth rate for the industry.

(iii) Discount Rates

The discount rates used are pre-tax and reflect specific risks relating to the relevant segments.

(c) Sensitivity to Changes in Assumptions

In assessing value-in-use and fair value, management believes that no reasonably possible change in any of the above key assumptions would cause the carrying values of the units to materially exceed their recoverable amounts.

19. INVENTORIES

	Group 2012 RM'000	Group 2011 RM'000
At cost:		
Raw materials	21,618	8,671
Work-in-progress	43,814	26,487
Finished goods	13,686	3,138
Consumables	352	9,938
	79,470	48,234
At net realisable value:		
Raw materials	18,030	12,353
	97,500	60,587

20. TRADE RECEIVABLES

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Current				
Trade receivables				
Third Parties	80,818	99,981	10	10
Less: Allowance for impairment	(3,606)	(3,369)	(10)	(10)
Trade receivables, net	77,212	96,612	-	-

The Group's normal trade credit term ranges from 30 to 90 days (2011: 30 to 90 days). Other credit terms are assessed and approved on a case-by-case basis.

The Group has no significant concentration of credit risk that may arise from exposures to a single debtor or to group of debtors except with certain Government agencies amounting to RM39,783,000 (2011: RM67,542,000), representing 49.2% (2011: 69.9%) of the Group's total gross trade receivables.

20. TRADE RECEIVABLES (CONT'D)

Ageing analysis of trade receivables

The ageing analysis of the Group's trade receivables is as follows:

	Group 2012 RM'000	Group 2011 RM'000
Neither past due nor impaired	33,977	32,144
1 to 60 days past due but not impaired	38,132	38,091
61 to 120 days past due but not impaired	1,255	22,793
More than 121 days past due but not impaired	3,848	3,584
	43,235	64,468
Impaired	3,606	3,369
	80,818	99,981

Trade receivables that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Group.

None of the Group's trade receivables that are neither past due nor impaired have been renegotiated during the financial year.

Trade receivables that are past due but not impaired

The Group has trade receivables amounting to RM43,235,000 (2011: RM64,468,000) that are past due at the reporting date but not impaired.

No allowance for impairment is made as in the opinion of the directors, the outstanding debts are expected to be collected in full within the next twelve months.

Receivables that are impaired

The Group's trade receivables that are impaired at the reporting date and the movement of the allowance accounts used to record the impairment are as follows:

	Group Individually impaired 2012 RM'000	Group Individually impaired 2011 RM'000
Trade receivables - nominal amount	3,606	3,369
Less: Allowance for impairment	(3,606)	(3,369)
	-	-

20. TRADE RECEIVABLES (CONT'D)

Movement in allowance accounts:

	Group 2012 RM'000	Group 2011 RM'000
At 1 April	3,369	4,010
Charge for the year (Note 9)	707	357
Bad debt recovered (Note 5)	(395)	-
Written off	(75)	(998)
At 31 March	3,606	3,369

Trade receivables that are individually determined to be impaired at the reporting date relate to debtors that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

21. OTHER RECEIVABLES

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Tax recoverable	2,500	2,639	1,107	1,083
Deposits	1,504	1,172	300	240
Prepayments	10,152	2,553	104	124
Sundry receivables	8,076	2,718	84	111
	22,232	9,082	1,595	1,558

The Group and the Company have no significant concentration of credit risk that may arise from exposures to a single debtor or to group of debtors.

22. DUE FROM/(TO) SUBSIDIARIES

	Company 2012 RM'000	Company 2011 RM'000
Due from subsidiaries	46,769	34,859
Less: Allowance for impairment	(7,542)	(7,632)
	39,227	27,227
Due to subsidiaries	(9,732)	(10,788)

All the amounts due from/(to) subsidiaries are unsecured, interest free and repayable on demand except for the amount due from a subsidiary, Fima-TLP Feedlot Sdn. Bhd. and Victoria Square Plantation Sdn Bhd. Amount due from Fima-TLP Feedlot Sdn Bhd is RM1,850,000 (2011: RM1,992,000) which bears interest at 8.60% (2011: 7.55%) per annum. For Victoria Square Plantation Sdn Bhd, the outstanding amount as at 31 March 2012 is RM10,000,000 (2011:RMNil) with interest of 5.5% per annum.

22. DUE FROM/(TO) SUBSIDIARIES (CONT'D)

	Company	
	2012	2011
	RM'000	RM'000
The movement in allowance accounts is as follows:		
At 1 April	7,632	5,228
Charge for the year (Note 9)	-	2,404
Written back	(90)	-
At 31 March	7,542	7,632

23. CASH AND CASH EQUIVALENTS

	Group		Company	
	2012	2011	2012	2011
	RM'000	RM'000	RM'000	RM'000
Cash in hand and at bank	20,345	32,030	3,220	4,192
Fixed deposits with licensed banks	250,228	185,904	4,000	3,500
	270,573	217,934	7,220	7,692

Deposits for the Group of approximately RM163,000 (2011: RM3,176,000) are held on lien for banking facilities granted to a subsidiary.

The weighted average effective interest rates per annum of deposits at the reporting date were as follows:

	Group		Company	
	2012	2011	2012	2011
	%	%	%	%
Licensed banks	2.84	2.91	2.90	2.39

The average maturity of deposits at the reporting date were as follows:

	Group		Company	
	2012	2011	2012	2011
	Days	Days	Days	Days
Licensed banks	28	185	14	15

24. SHARE CAPITAL AND SHARE PREMIUM

	Group and Company			
	Number of ordinary shares of RM1.00 each	Amount		
	Share capital (Issued and fully paid) 000	Share capital (Issued and fully paid) RM'000	Share premium RM'000	Total share capital and share premium RM'000
At 1 April 2010/31 March 2011	263,160	263,160	12,161	275,321
Exercised of employee share option	1,909	1,909	1,699	3,608
At 31 March 2012	265,069	265,069	13,860	278,929

	Number of Ordinary Shares of RM1.00 Each		Amount	
	2012 '000	2011 '000	2012 RM'000	2011 RM'000
Authorised:				
At 1 April/31 March	300,000	300,000	300,000	300,000

(a) Share capital

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

The share capital issued by the Company during the year are pursuant to the exercise of share options under the Employee Share Scheme as disclosed in Note 33.

25. OTHER RESERVES

Group	Capital Reserve RM'000	Asset revaluation reserve RM'000	Foreign currency translation reserve RM'000	Employee share option reserve RM'000	Capital reserve arising from bonus issue in subsidiary RM'000	Total RM'000
2012						
At 1 April 2011	437	43,313	7,817	-	26,758	78,325
Foreign currency translation	-	-	8,256	-	-	8,256
Grant of equity-settled share options	-	-	-	8,584	-	8,584
Share options exercised	-	-	-	(782)	-	(782)
	-	-	-	7,802	-	7,802
At 31 March 2012	437	43,313	16,073	7,802	26,758	94,383
2011						
At 1 April 2010	437	43,313	9,552	-	26,758	80,060
Foreign currency translation	-	-	(1,735)	-	-	(1,735)
At 31 March 2011	437	43,313	7,817	-	26,758	78,325
Company						
2012						
At 1 April 2011	-	15,162	-	-	-	15,162
Grant of equity-settled share options	-	-	-	8,584	-	8,584
Share options exercised	-	-	-	(782)	-	(782)
	-	-	-	7,802	-	7,802
At 31 March 2012	-	15,162	-	7,802	-	22,964
2011						
At 1 April 2010/31 March 2011	-	15,162	-	-	-	15,162

25. OTHER RESERVES (CONT'D)

The nature and purpose of each category of reserve are as follows:

(a) Asset revaluation reserve

The asset revaluation reserve is used to record increases in the fair value of freehold land and buildings and decreases to the extent that such decreases relates to an increase on the same asset previously recognised in equity.

(b) Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency. It is also used to record the exchange differences arising from monetary items which form part of the Group's net investment in foreign operations, where the monetary item is denominated in either the functional currency of the reporting entity or the foreign operation.

(c) Employee share option reserve

Employee share option reserve represents the equity-settled share options granted to employees and directors (Note 33). The reserve is made up of the cumulative value of services received from employees recorded over the vesting period commencing from the grant date of equity-settled share options and is reduced by the expiry or exercise of the share options.

26. BORROWINGS

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Short Term Borrowings				
Secured:				
Bankers' acceptances	10,559	10,127	10,559	10,127
Term loans	-	501	-	-
Revolving credit facilities	-	35,000	-	-
	10,559	45,628	10,559	10,127
Long Term Borrowings				
Secured:				
Term loans	2,556	2,555	-	-
Revolving credit facilities	-	14,000	-	14,000
Unsecured:				
Redeemable Convertible Loan Stock ("RCLS")	2,037	4,577	-	-
	4,593	21,132	-	14,000

26. BORROWINGS (CONT'D)

		Group		Company	
		2012	2011	2012	2011
		RM'000	RM'000	RM'000	RM'000
Total Borrowings					
Bankers' acceptances	(a)	10,559	10,127	10,559	10,127
Term loans	(b)	2,556	3,056	-	-
Revolving credit facilities	(c)	-	49,000	-	14,000
Redeemable Convertible Loan Stock ("RCLS")	(d)	2,037	4,577	-	-
		15,152	66,760	10,559	24,127
Maturity of borrowings (excluding hire purchase payable):					
Within one year		11,081	45,628	10,559	10,127
More than 1 year and less than 2 years		540	521	-	-
More than 2 years and less than 5 years		1,494	15,684	-	14,000
5 years or more		2,037	4,927	-	-
		15,152	66,760	10,559	24,127

(a) Included in the bankers' acceptances is the following:

A banker's acceptance of the Company amounting to RM10,559,000 (2011: RM10,127,000) secured by a standby letter of credit of an off-shore bank. The standby letter of credit is secured by a first legal charge on lands, a first fixed and floating charge on all assets of the Company and pledge of shares of certain subsidiaries as disclosed in Note 16. The weighted average effective interest rate of the facility during the financial year was 4.22% (2011: 4.00%).

(b) Included in the term loans is the following:

These include secured term loan of a subsidiary, Ladang Fima Sdn Bhd, amounting to approximately RM2,556,000 (2011: RM3,056,000), respectively are secured by way of a corporate guarantee from the Company as disclosed in note 32(a) and debenture incorporating fixed and floating charges over all assets of the borrower both present and future. The weighted average effective interest rate of the loan during the financial year was 3.75% (2011: 3.75%).

(c) Included in the revolving credits are the following:

(i) A revolving credit facility of the Company amounting to RMNil (2011: RM14,000,000) is secured by a standby letter of credit of an off-shore bank. The standby letter of credit is secured by a first fixed and floating charge on all assets of the Company and pledge of shares of certain subsidiaries as disclosed in Note 16. The weighted average effective interest rate of the facility during the financial year was 3.07% (2011: 3.70%).

(ii) A revolving credit facilities of a subsidiary, Fima Corporation Bhd amounting to approximately RMNil (2011: RM35,000,000) are secured by a first legal charge over a freehold land and building of the subsidiary with a net book value of approximately RM55,507,000 (2011: RM56,656,000) as disclosed in Note 14(a). The weighted average effective interest rate of the facilities during the financial year was 3.89% (2011: 3.89%).

26. BORROWINGS (CONT'D)

(d) On 9 April 2007, the non-controlling interests subscribed 405,000 of Redeemable Convertible Loan Stocks ("RCLS") issued by the foreign subsidiary in Indonesia at a nominal amount of Rp100,000 each for working capital purposes. The terms of the RCLS are as follows:

(i) Conversion rights - the registered holders of the RCLS will have the option at any time during the conversion period to convert the RCLS at the conversion rate into new ordinary shares of Rp100,000 each in the Indonesian subsidiary.

(ii) Conversion rate - on the basis of Rp100,000 nominal amount of RCLS for 1 new ordinary share of Rp100,000 in the Indonesian subsidiary.

(iii) Redemption - the RCLS may be redeemed at par by the Indonesian subsidiary subject to the consent of the RCLS holders.

(iv) The RCLS bear interest at 8% per annum payable semi-annually, where payment had been made on the date of issue and subsequently on every consecutive six months thereafter.

(v) The RCLS holders do not carry any right to vote at any meeting of the Indonesian subsidiary.

Based on the above terms, the RCLS is regarded as a compound instrument, consisting a liability and an equity component.

27. RETIREMENT BENEFIT OBLIGATIONS

	Group	
	2012	**2011**
	RM'000	**RM'000**
At 1 April 2011/2010	1,291	1,028
Recognised in profit or loss (Note 6)	184	317
Contributions paid	(236)	(40)
Write back of provision	(67)	-
Exchange differences	(26)	(14)
At 31 March	1,146	1,291

The foreign subsidiary in Indonesia operate an unfunded defined benefit plan for its eligible employees. The obligations under the retirement benefit scheme are calculated using the projected unit credit method, is determined by a qualified independent actuary, considering the estimated future cash outflows using market yields at the reporting date of high quality corporate bonds. The latest actuarial valuation was carried out using the employee data as at 31 March 2012.

27. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

The amounts recognised in the statement of financial position are determined as follows:

	Group	
	2012 RM'000	2011 RM'000
Present value of unfunded defined benefits obligations	1,146	1,035
Analysed as:		
Non-current:		
Later than 1 year but not later than 5 years	1,146	1,035

The amounts recognised in the profit or loss are as follows:

	Group	
	2012 RM'000	2011 RM'000
Current service cost	133	174
Interest cost	51	143
Total, included in employee benefits expense (Note 6)	184	317

The principal assumptions used by the foreign subsidiary in Indonesia in determining employee benefits liability as of 31 March 2012 and 2011 are as follows:

	2012	2011
Discount rate	6.5%	8.5%
Annual salary increase	8%	8%
Retirement age	55	55

28. DEFERRED TAX

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
At 1 April 2011/2010	12,143	13,490	5,706	5,706
Recognised in profit or loss (Note 10)	(822)	(1,159)	-	-
Exchange differences	420	(188)	-	-
At 31 March	11,741	12,143	5,706	5,706
Presented after appropriate offsetting as follows:				
Deferred tax assets	(4,739)	(4,244)	-	-
Deferred tax liabilities	16,480	16,387	5,706	5,706
	11,741	12,143	5,706	5,706

28. DEFERRED TAX (CONT'D)

The components and movements of deferred tax assets and liabilities during the financial year prior to offsetting are as follows:

Deferred Tax Assets of the Group:

	Retirement Benefit Obligations RM'000	Other Payables RM'000	Tax Losses and Unabsorbed Capital Allowances RM'000	Total RM'000
At 1 April 2010	(257)	(2,257)	(843)	(3,357)
Recognised in profit or loss	(66)	(832)	57	(841)
At 31 March 2011	(323)	(3,089)	(786)	(4,198)
Recognised in profit or loss	(28)	(488)	487	(29)
At 31 March 2012	(351)	(3,577)	(299)	(4,227)

Deferred Tax Liabilities of the Group:

	Accelerated Capital Allowances RM'000	Revaluation on Land and Building RM'000	Total RM'000
At 1 April 2010	7,420	9,427	16,847
Recognised in profit or loss	(502)	(4)	(506)
At 31 March 2011	6,918	9,423	16,341
Recognised in profit or loss	(364)	(9)	(373)
At 31 March 2012	6,554	9,414	15,968

Deferred Tax Liabilities of the Company:

	Accelerated Capital Allowances RM'000	Revaluation on Land and Building RM'000	Total RM'000
At 1 April 2010	261	5,445	5,706
Recognised in profit or loss	-	-	-
At 31 March 2011/31 March 2012	261	5,445	5,706

28. DEFERRED TAX (CONT'D)

Deferred tax assets have not been recognised in respect of the following items:

	Group	
	2012 RM'000	2011 RM'000
Unutilised tax losses	33,804	30,788
Unabsorbed capital allowances	3,796	4,266
Unabsorbed reinvestment allowances	1,527	183
	39,127	35,237

The unutilised tax losses and unabsorbed capital allowances of the Group are available indefinitely against future taxable profit of the respective entities within the Group subject to no substantial changes in shareholdings of those entities under the Income Tax Act, 1967 and guidelines issued by the tax authority. Deferred tax assets have not been recognised in respect of these items as they may not be used to offset taxable profit of other entities in the Group and they have arisen in entities that have a recent history of losses.

29. TRADE PAYABLES

The normal trade credit terms granted to the Group and to the Company ranges from 14 to 90 days (2011: 14 to 90 days) and 14 to 30 days (2011: 14 to 30 days), respectively.

30. OTHER PAYABLES

		Group		Company	
	Note	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Accruals		35,003	28,616	301	296
Deposits		1,599	1,167	357	58
Interest payables		-	34	-	34
Provision for compensation claim	(a)	2,120	2,120	-	-
Sundry payables	(b)	14,484	16,724	33	86
		53,206	48,661	691	474

30. OTHER PAYABLES (CONT'D)

Included in other payables are the following:

(a) Provision for compensation claim

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.

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 made full provision for the compensation claim during the financial year ended 2009.

On 27 September 2011, the Court of Appeal had allowed the Company's appeal against the decision handed down by the High Court and directed that the matter be remitted back to the High Court for a full trial.

(b) Others

Included in sundry payables is a provision of RM11,654,405 (2011:RM11,061,905) made in respect of return of certain goods for which the actual amount is subject to the agreement of several parties.

31. COMMITMENTS

	Group	
	2012 RM'000	2011 RM'000
Capital expenditure:		
Approved and contracted for:		
Property, plant and equipment	1,649	1,491
Approved but not contracted for:		
Property, plant and equipment	26,829	15,456
Share of capital commitments of associated companies:		
Approved and contracted for:		
Property, plant and equipment	12,560	2,971

32. CONTINGENT LIABILITIES

	Company 2012 RM'000	Company 2011 RM'000
(a) Guarantees provided in respect of borrowings by subsidiaries (Note 26(b))	2,556	3,056

33. EMPLOYEE BENEFITS

Employees' Share Scheme ("ESS")

The ESS comprises the following:

(i) **Employee Share Option Scheme ("ESOS");** whereby eligible employees are granted the right to subscribe for a number of the Company shares at the prescribed subscription price subject to the terms and conditions of the Bye-Laws. No performance targets are required to be met before the options may be granted under the ESOS.

(ii) **Restricted Share Grant Scheme ("RSGS");** whereby the employees having a designation of general manager and above will be granted the right to have a number of Company shares vested in them, subject to the terms and conditions of the Bye-Laws. The RSGS requires performance targets to be met prior to the vesting of the Company shares.

In implementing the RSGS, the Company has established a trust for the purposes of subscribing for the new shares and transferring such new shares to the entitled employees as the Options Committee shall direct.

The eligibility criteria of the ESS are as follows:

(i) Full time employment in the Company or other company within the Group for more than one (1) year;

(ii) A resident who is a citizen of Malaysia, non-citizen with permanent resident status or non-citizen who holds a valid work permit in Malaysia and has entered into a full time or fixed term employment with any Company within the Group, having the designation of Manager or above;

(iii) If the employee is working under a fixed-term contract basis, the term of contract is must not be less than two (2) years and renewal of contract must take place six (6) months before expiration; and

(iv) Fullfills such other criteria as determined by the Options Committee from time to time.

The ESS is for a period of 5 years and the Options Committee has the discretion to extend the duration of the ESS for up to another 5 years provided that the scheme does not exceed 10 years in its entirety.

33. EMPLOYEE BENEFITS (CONT'D)

Employees' Share Scheme ("ESS") (Cont'd)

Movement of share options under the ESOS during the financial year

The following table illustrates the number of share options ("No.") and weighted average exercise prices ("WAEP") of, and movements during the financial year:

	Group 2012	
	No.	**WAEP (RM)**
Outstanding at 1 April	-	-
- Granted	19,680,000	1.48
- Forfeited	(117,000)	1.48
- Exercised	(1,908,700)	1.48
Outstanding at 31 March	17,654,300	1.48
Exerciseable at 31 March	7,862,300	1.48

- The weighted average fair value of options granted during the financial year was RM0.41.

- The weighted average share price at the date of exercise of the options exercised during the financial year was RM1.97.

- The exercise price for options outstanding at the end of the year was RM1.48. The weighted average remaining contractual life for these options is 4.89 years.

Fair value of share options granted

The fair value of the share options granted is estimated at the grant date using a binomial option pricing model, taking into account the terms and conditions upon which the instruments were granted.

The following table lists the inputs to the pricing models for the year ended 31 March 2012:

	Binomial option pricing model 2012
Dividend Yield (%)	3.50
Expected volatility (%)	40.11
Risk-free interest rate (% p.a.)	3.34
Balance expected life of option (years)	4.89
Weighted average share price (RM)	1.74

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

34. RELATED PARTY DISCLOSURES

(a) Significant related party transactions

In addition to the transactions detailed elsewhere in the financial statements, the Group and the Company had the following transactions with related parties during the financial year.

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Fima Corporation Berhad, a subsidiary				
- Rental expense	-	-	436	375
Dividend income from associated companies				
- Marushin Canneries (Malaysia) Sdn. Bhd.	(1,824)	(1,140)	(1,824)	(1,140)
Advisory services rendered by corporate shareholder, BHR Enterprise Sdn. Bhd.	120	120	120	120
Purchases made from related parties*				
- Nationwide Express Courier Services Berhad	114	135	1	1
- Nationwide Express Freight Forwarders Sdn. Bhd.	53	233	-	-

* Nationwide Express Courier Services Berhad and Nationwide Express Freight Forwarders Sdn. Bhd are related parties by virtue of common shareholders.

(b) Compensation of key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities, directly or indirectly, including any director (whether executive or otherwise).

The key management personnel compensation are as follows:

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Short-term employee benefits	4,618	3,624	1,864	1,084
Post-employment benefits:				
Defined contribution plan	760	577	338	195
	5,378	4,201	2,202	1,279

34. RELATED PARTY DISCLOSURES (CONT'D)

Included in the total key management personnel are:

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Directors' remuneration (Note 7)	1,839	1,591	1,040	649

35. SEGMENTAL INFORMATION

(a) Business Segments

The Group is principally engaged in the following activities:

(i) Manufacturing - Production and trading of security and confidential documents;

(ii) Bulking - Providing bulk handling and storage of liquid products and cargoes, warehousing and transportation and customs forwarding services;

(iii) Plantation - Oil palm and pineapple estate operations.

(iv) Food - Fish processing, canning and distribution.

(v) Others - Investment holding, rental and management of commercial properties and trading.

35. SEGMENTAL INFORMATION (CONT'D)

(a) Business Segments (Cont'd)

	Manufacturing		Plantation		Food	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Revenue						
External sales	193,688	203,403	109,259	95,425	90,111	63,084
Inter-segment sales	71	-	-	-	-	-
Total revenue	193,759	203,403	109,259	95,425	90,111	63,084
Results						
Segment results	54,900	71,534	47,457	36,709	14,989	9,127
Profit from operations	-	-	-	-	-	-
Finance costs, net	-	-	-	-	-	-
Share of profit of associates	5,250	2,313	-	-	1,789	1,581
Taxation	-	-	-	-	-	-
Profit after taxation	-	-	-	-	-	-
Non-controlling interests	-	-	-	-	-	-
Profit attributable to owners of the parent						
Assets						
Segment assets	248,763	218,326	231,876	202,888	99,923	62,821
Consolidated total assets						
Liabilities						
Segment liabilities	74,594	73,942	33,419	43,544	32,875	21,178
Consolidated total liabilities						
Other Information						
Capital expenditure	4,548	6,335	6,296	5,287	1,051	6,525
Depreciation of:						
Property, plant and equipment	6,322	5,527	5,871	6,027	2,003	1,675
Investment property	344	259	-	-	-	-
Amortisation of:						
Biological assets	-	-	6,081	5,310	-	-

Bulking		Others		Eliminations		Consolidated	
2012	2011	2012	2011	2012	2011	2012	2011
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
63,374	56,641	14,321	13,331	-	-	470,753	431,884
14,025	13,775	95,291	60,275	(109,387)	(74,050)	-	-
77,399	70,416	109,612	73,606	(109,387)	(74,050)	470,753	431,884
20,719	41,877	95,403	36,883	(84,740)	(56,255)	148,728	139,875
-	-	-	-	-	-	148,728	139,875
-	-	-	-	-	-	(1,955)	(2,839)
-	-	-	-	-	-	7,039	3,894
-	-	-	-	-	-	(37,269)	(33,428)
-	-	-	-	-	-	116,543	107,502
-	-	-	-	35,679	36,475	(35,679)	(36,475)
						80,864	71,027
115,535	140,934	504,747	564,947	(294,297)	(358,404)	906,547	831,512
						906,547	831,512
11,675	28,484	84,312	142,415	(83,137)	(123,322)	153,738	186,241
						153,738	186,241
1,643	830	594	375	-	-	14,132	19,352
4,573	5,010	1,419	994	-	-	20,188	19,233
-	-	1,211	1,380	-	-	1,555	1,639
-	-	-	-	-	-	6,081	5,310

35. SEGMENTAL INFORMATION (CONT'D)

(a) Business Segments (Cont'd)

The directors are of the opinion that all inter-segment transactions have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

(b) Geographical Segments

	Total Revenue from External Customers RM'000	Segment Assets RM'000	Capital Expenditure RM'000
31 March 2012			
Malaysia	387,465	895,651	7,158
Papua New Guinea	90,111	99,923	1,051
Indonesia	102,564	205,270	5,923
Eliminations	(109,387)	(294,297)	-
Consolidated	470,753	906,547	14,132
31 March 2011			
Malaysia	352,627	972,339	8,124
Papua New Guinea	63,084	62,821	6,525
Indonesia	90,223	154,756	4,703
Eliminations	(74,050)	(358,404)	-
Consolidated	431,884	831,512	19,352

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's businesses whilst managing its interest rate, liquidity/funding and credit risks. The Group operates within clearly defined guidelines that are approved by the Board and the Group's policy is not to engage in speculative transactions.

(a) Interest Rate Risk

A portion of the Group's income and operating cash flows are affected by changes in market interest rates. Interest rate exposure arises from the Group's deposits with licensed banks.

The Group actively manages its interest rate risk by maintaining a portfolio of financial instruments guided by its investment guidelines and policies, regular reviews of interest rates and market expectations.

There is no significant interest rate risk exposure to the Group and the Company.

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(b) Liquidity/Funding Risk

The Group defines liquidity/funding risk as the risk that funds will not be available to meet liabilities as they fall due.

The Group actively manages its operating cash flows and the availability of funding so as to ensure that all funding needs are met. As part of its overall prudent liquidity management, the Group maintains sufficient levels of cash or cash convertible instruments to meet its working capital requirements. To ensure availability of funds, the Group closely monitors its cash flow position on a regular basis.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Company's liabilities at the reporting date based on contractual undiscounted repayment obligations.

	2012 Contractual Cashflow		
	On demand or within one year RM'000	One to five years RM'000	Total RM'000
Group			
Financial liabilities:			
Trade and other payables	109,777	-	109,777
Borrowings	11,081	2,034	13,115
Total undiscounted financial liabilities	120,858	2,034	122,892
Company			
Financial liabilities:			
Trade and other payables	704	-	704
Due to subsidiaries	9,732	-	9,732
Borrowings	10,559	-	10,559
Total undiscounted financial liabilities	20,995	-	20,995

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(b) Liquidity/Funding Risk (Cont'd)

	2012 Contractual Cashflow		
	On demand or within one year RM'000	One to five years RM'000	Total RM'000
Group			
Financial liabilities:			
Trade and other payables	90,102	-	90,102
Borrowings	45,628	22,410	68,038
Total undiscounted financial liabilities	135,730	22,410	158,140
Company			
Financial liabilities:			
Trade and other payables	754	-	754
Due to subsidiaries	10,788	-	10,788
Borrowings	10,127	14,569	24,696
Total undiscounted financial liabilities	21,669	14,569	36,238

(c) Foreign Currency Risk

The Group is exposed to transactional currency risk primarily through sales and purchases that are denominated in a currency other than the functional currency of the operations to which they relate. The currencies giving rise to this risk are primarily Indonesian Rupiah and Papua New Guinea Kina. The Group does not practice any fund hedge for its purchases and sales transaction.

The net unhedged financial assets and financial liabilities of the Group that are not denominated in the functional currency of the Company are as follows:

	Indonesian Rupiah RM	Papua New Guinea Kina RM	Total RM
At 31 March 2012:			
Receivables	11,095,443	22,163,402	33,258,845
Payables	6,727,848	17,098,735	23,826,583
At 31 March 2011:			
Receivables	4,416,395	11,930,488	16,346,883
Payables	9,246,375	9,766,745	19,013,120

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(c) Foreign Currency Risk (Cont'd)

Sensitivity analysis

The following table demonstrates the sensitivity of the Group's profit net of tax to a reasonably possible change in the Indonesian Rupiah ("IDR") and Papua New Guinea Kina ("PNGK") exchange rates against the functional currency of the affected group companies ("RM") with all other variables held constant.

	Group	
	2012 Effect on profit net of tax RM'000	2011 Effect on profit net of tax RM'000
IDR - strengthens 4% (2011: 3%)	40	130
IDR - weakens 4% (2011: 3%)	(40)	(130)
PNGK - strengthens 4% (2011: 1%)	203	11
PNGK - weakens 4% (2011: 1%)	(203)	(11)

(d) Credit Risk

Credit risk, or the risk of counterparties defaulting, is controlled by the application of credit approvals, limits and monitoring procedures. Credit risk is minimised and monitored via strictly limiting the Group's associations to business partners with high creditworthiness. Trade receivables are monitored on an ongoing basis via Group management reporting procedures.

The Group does not have any significant exposure to any individual customer or counterparty except with the Government of Malaysia as disclosed on Note 20. The Group does not have any major concentration of credit risk related to any financial instruments.

(e) Fair Values

The fair values of all other financial assets and liabilities of the Group and Company as at 31 March 2012 are not materially different from their carrying values except for the following:

		Group		Company	
	Note	Carrying Amount RM'000	Fair Value RM'000	Carrying Amount RM'000	Fair Value RM'000
31 March 2012					
Financial Liabilities					
Term loans	26	2,556	2,785	-	-
Revolving credit facility	26	-	-	-	-
Redeemable Convertible Loan Stock ("RCLS")	26	2,037	2,412	-	-

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(e) Fair Values (Cont'd)

	Note	Group Carrying Amount RM'000	Group Fair Value RM'000	Company Carrying Amount RM'000	Company Fair Value RM'000
31 March 2011					
Financial Liabilities					
Term loans	26	3,056	3,171	-	-
Revolving credit facility	26	49,000	49,569	14,000	14,569
Redeemable Convertible Loan Stock ("RCLS")	26	4,577	5,171	-	-

The fair values of the financial liabilities are estimated by discounting expected future cash flows at market incremental lending rate for similar types of lending or borrowing at the reporting date.

<u>Financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value</u>

The carrying amounts of other financial assets and liabilities are reasonable approximation of fair values, due to their short-term nature.

The carrying amounts of the current portion of loans and borrowings are reasonable approximations of fair values due to the insignificant impact of discounting.

The financial instruments of the Group and of the Company as at the reporting date are categorised into the following classes:

	Group 2012 RM'000	Group 2011 RM'000	Company 2012 RM'000	Company 2011 RM'000
Loans and receivables				
Trade receivables (Note 20)	77,212	96,612	-	-
Other receivables (Note 21)	22,232	9,082	1,595	1,558
Less: Prepayments (Note 21)	(10,152)	(2,553)	(104)	(124)
Tax recoverable (Note 21)	(2,500)	(2,639)	(1,107)	(1,083)
	9,580	3,890	384	351
Due from subsidiaries (Note 22)	-	-	39,227	27,227
Total trade and other receivables	86,792	100,502	39,611	27,578
Add: Cash and bank balances (Note 23)	270,573	217,934	7,220	7,692
Total loans and receivables	357,365	318,436	46,831	35,270

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(e) Fair Values (Cont'd)

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Financial liabilities measured at amortised cost				
Trade payables (Note 29)	58,692	43,561	13	280
Other payables (Note 30)	53,206	48,661	691	474
Due to subsidiaries (Note 22)	-	-	9,732	10,788
Borrowings (Note 26)	15,152	66,760	10,559	24,127
Total financial liabilities measured at amortised cost	127,050	158,982	20,995	35,669

37. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains an optimal capital structure in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders. The Group's approach in managing capital based on defined guidelines that are approved by the Board.

There were no changes in the Group's approach to capital management during the year.

38. SUBSIDIARIES AND ACTIVITIES

Set out below is a list of the subsidiaries of the Company as at 31 March 2012, all of which are incorporated in Malaysia, unless otherwise indicated:

Name of Company	Effective Interest 2012 %	Effective Interest 2011 %	Principal Activities
Manufacturing			
Security Printers (M) Sdn. Bhd. (34025-W)	60.9	60.9	Trading of security and confidential documents
Percetakan Keselamatan Nasional Sdn. Bhd. (166151-T)	60.9	60.9	Production of security and confidential documents

38. SUBSIDIARIES AND ACTIVITIES (CONT'D)

Name of Company	Effective Interest 2012 %	2011 %	Principal Activities
Property Investment			
Fima Metal Box Holdings Sdn. Bhd. (70926-X)	100.0	100.0	Investment holding
Fima Corporation Berhad (21185-P)	60.9	60.9	Investment holding and property management
FCB Property Management Sdn. Bhd. (264746-K)	60.9	60.9	Property management
FCB Plantation Holdings Sdn. Bhd. (270659-U)	60.9	60.9	Investment holding
Bulking			
Fima Bulking Services Berhad (53110-X)	100.0	100.0	Providing bulk handling storage of liquid and semi-liquid products and investment holding
Fimachem Sdn. Bhd. (151893-X)	100.0	100.0	Providing bulk storage of liquid and semi-liquid of hazardous products
Fima Liquid Bulking Sdn. Bhd. (182904-W)	100.0	100.0	Providing bulk storage of latex and palm oleo based products
Fima Palmbulk Services Sdn. Bhd. (61459-M)	100.0	100.0	Bulk handling of liquid and semi-liquid products
Fima Freight Forwarders Sdn. Bhd. (223850-P)	100.0	100.0	Provision of warehousing, transportation and forwarding services
Boustead Oil Bulking Sdn. Bhd. (81508-K)	100.0	100.0	Bulk handling of palm oil and edible oils
Fima Logistics Sdn. Bhd. (288891-A)	100.0	100.0	Inactive
Biodiesel			
Fima Biodiesel Sdn. Bhd. (715822-K)	100.0	100.0	Manufacturing of biodiesel and trading of its related products
Fima Contracts Sdn. Bhd. (240960-H)	100.0	100.0	Inactive

38. SUBSIDIARIES AND ACTIVITIES (CONT'D)

Name of Company	Effective Interest 2012 %	2011 %	Principal Activities
Plantation			
Ladang Fima Sdn. Bhd. (12652-H)	100.0	100.0	Palm oil cultivation and sales of local fruits
PT Nunukan Jaya Lestari^^* (NPWP 02.033.898.4-723.000)	48.7	48.7	Oil palm production and processing
Fima-TLP Feedlot Sdn. Bhd. (31385-U)	85.0	85.0	Inactive
Victoria Square Plantation Sdn. Bhd (733298-K)	80.0	80.0	Investment holding
Amgreen Gain Sdn. Bhd. (655236-V)	52.0	52.0	Oil palm cultivation
Food			
International Food Corporation Limited (C.1-19260) *+	95.6	95.6	Fish processing, canning and distribution
IFC Marketing and Distribution Limited (C.1-19261) *+	95.6	95.6	Inactive
Trading			
Malaysian Transnational Trading (MATTRA) Corporation Berhad (84962-V)	100.0	100.0	International trading house and investment holding
Mattra Premier Sdn. Bhd. (288892-P)	100.0	100.0	General trading
Pineapple Cannery of Malaysia Sdn. Bhd. (5367-U)	100.0	100.0	Inactive
Fima Instanco Sdn. Bhd. (19196-T)	100.0	100.0	Packaging of food products
Fima-Mr. Juicy Sdn. Bhd. (22947-D)	100.0	100.0	Inactive

38. SUBSIDIARIES AND ACTIVITIES (CONT'D)

Name of Company	Effective Interest 2012 %	2011 %	Principal Activities
Others			
Fima Fraser's Hill Sdn. Bhd. (26087-U)	60.0	60.0	Inactive
Fima Overseas Holdings Sdn. Bhd. (36334-P)	100.0	100.0	Inactive
Endell Pte. Ltd. (199206825E) *#	80.0	80.0	Inactive

* Subsidiaries audited by firms of chartered accountants other than Hanafiah Raslan & Mohamad
+ Incorporated in Papua New Guinea
# Incorporated in Singapore
^^ Incorporated in Indonesia

39. ASSOCIATES AND ACTIVITIES

(i) Details of associates are as follows:

Name of Company	Effective Interest 2012 %	2011 %	Principal Activities
Marushin Canneries (Malaysia) Sdn. Bhd. (162963-U)*	38.0	38.0	Manufacturer and sale of canned fish
Giesecke & Devrient (Malaysia) Sdn. Bhd. (573030-M)*	11.9	17.9	Printing and production of bank notes

(ii) Details of associates not equity accounted are as follows:

The results of associates have not been equity accounted as the directors are of the opinion that the overall contribution from these companies are not significant to the Group's results and that to adopt equity accounting would involve undue expense and delay.

Name of Company	Effective Interest 2012 %	2011 %	Principal Activities
Kadkash Sdn. Bhd. (374691-H)	23.9	23.9	Inactive

* Associates audited by firms of chartered accountants other than Hanafiah Raslan & Mohamad.

40. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the year ended 31 March 2012 were authorised for issue in accordance with resolution of the directors on 28 June 2012.

41. SUPPLEMENTARY INFORMATION

The following analysis of realised and unrealised retained earnings of the Group and the Company is prepared in accordance with Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits and Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad (“Bursa Malaysia”) Listing Requirements as issued by the Malaysian Institute of Accountants and presented in accordance with the directive issued by Bursa Malaysia.

	Group		Company	
	2012 RM’000	2011 RM’000	2012 RM’000	2011 RM’000
Total retained profits of the Company and its subsidiaries				
Realised	193,529	115,240	(112,740)	(128,796)
Unrealised	(19,052)	(22,101)	(5,681)	(5,938)
	174,477	93,139	(118,421)	(134,734)
Total share of retained earnings from associated companies				
Realised	29,650	32,736	-	-
Unrealised	(3,693)	(7,006)	-	-
	25,957	25,730	-	-
Add : Consolidation adjustments	(24,574)	(10,057)	-	-
Retained profits as per financial statements	175,860	108,812	(118,421)	(134,734)

The disclosure of realised and unrealised retained profits above is solely for compliance with the directive issued by the Bursa Malaysia and should not be used for any other purpose.

Properties of the Group

NO.	LOCATION	DESCRIPTION/ EXISTING USE	LATEST VALUATION/ ACQUISITION DATE	TENURE EXPIRY DATE	LAND AREA (ACRE)	BUILT-UP AREA (SQ.FT)	NBV AS AT 31/03/2012 (RM)	APPROXIMATE AGE OF BUILDINGS (YEARS)
KUMPULAN FIMA BERHAD								
1	HS(D) 1396, PTD 257 Mukim Ulu Sg. Sedili Besar Daerah Kota Tinggi Johor Darul Takzim	Agriculture / Oil Palm Plantation	02/12/2009	Leasehold expiring 17/02/2077	1,010.27	N/A	26,243,151	N/A
2	HS(D) 1397, PTD 258 Mukim Ulu Sg. Sedili Besar Daerah Kota Tinggi Johor Darul Takzim	Agriculture / Oil Palm Plantation	02/12/2009	Leasehold expiring 17/02/2077	47.88	N/A	1,243,736	N/A
3	HS(D) 1398, PTD 331 Mukim Kota Tinggi Daerah Kota Tinggi Johor Darul Takzim	Agriculture / Oil Palm Plantation	02/12/2009	Leasehold expiring 17/02/2077	18.82	N/A	488,871	N/A
4	HS(D) 2426, PTD 5230 Mukim Ayer Baloi Daerah Pontian Johor Darul Takzim	Agriculture / Oil Palm Plantation	02/12/2009	Freehold	6.50	N/A	35,812	N/A
5	HS(D) 2427, PTD 5233 Mukim Ayer Baloi Daerah Pontian Johor Darul Takzim	Agriculture / Pineapple Plantation	02/12/2009	Freehold	518.76	N/A	2,858,000	N/A
6	HS(D) 2428, PTD 5871 Mukim Ayer Baloi Daerah Pontian Johor Darul Takzim	Agriculture / Oil Palm Plantation	02/12/2009	Freehold	136.00	N/A	749,292	N/A
7	HS(D) 2429, PTD 5228 Mukim Ayer Baloi Daerah Pontian Johor Darul Takzim	Agriculture / Oil Palm Plantation	02/12/2009	Freehold	172.00	N/A	947,635	N/A
8	HS(D) 2430, PTD 5231 Mukim Ayer Baloi Daerah Pontian Johor Darul Takzim	Agriculture / Pineapple Plantation	02/12/2009	Freehold	230.12	N/A	1,267,847	N/A
9	HS(D) 2431, PTD 5229 Mukim Ayer Baloi Daerah Pontian Johor Darul Takzim	Agriculture / Oil Palm Plantation	02/12/2009	Freehold	327.14	N/A	1,802,434	N/A
10	HS(D) 2432, PTD 5232 Mukim Ayer Baloi Daerah Pontian Johor Darul Takzim	Agriculture / Pineapple Plantation	02/12/2009	Freehold	370.38	N/A	2,040,610	N/A
11	PJ Trade Centre (8 units) Menara Bata No.8, Jalan PJU 8/8A, Bandar Damansara Perdana, 47820 Petaling Jaya, Selangor *(Please see note i)*	Office Units	29/12/2009	Leasehold	N/A	23,940	8,937,600	3
	Sub Total				**2,837.87**	**23,940**	**46,614,988**	
AMGREEN GAIN SDN BHD								
1	Lot 1204, Puyut Land District, Sg Karap and Sg Kulak, Baram Miri, Sarawak	Mixed Zone Land/Oil Palm Plantation	18/02/2011	Provisional Lease of State Land 60 years expiring 08/12/2069	12,355.00	N/A	40,012,139	N/A
	Sub Total				**12,355.00**		**40,012,139**	

NO.	LOCATION	DESCRIPTION/ EXISTING USE	LATEST VALUATION/ ACQUISITION DATE	TENURE EXPIRY DATE	LAND AREA (ACRE)	BUILT-UP AREA (SQ.FT)	NBV AS AT 31/03/2012 (RM)	APPROXIMATE AGE OF BUILDINGS (YEARS)
FIMA CORPORATION BERHAD								
1	Lot 3767 & 3768 (GN 24531 & GN 24532) Mukim Jeram Batu Daerah Pontian Johor Darul Takzim	Industrial	02/12/2009	Freehold	2.71	66,608	918,801	44
2	Lot 1176 Mukim Pasir Panjang Port Dickson Negeri Sembilan Darul Khusus	Bungalow	05/12/2009	Freehold	0.82	3,114	1,673,332	63
3	Lot 52068, GRN 50064 Mukim of Kuala Lumpur Wilayah Persekutuan	Office Building	21/04/2009	Freehold	1.45	270,372	55,507,460	14
	Sub total				**4.98**	**340,094**	**58,099,593**	
PERCETAKAN KESELAMATAN NASIONAL SDN BHD								
1	Lot 27306, Section 13 Mukim Kajang Daerah Hulu Langat Selangor	Industrial Land/ Building	20/01/2010	Leasehold expiring 29/09/2086	8.30	250,560	13,293,482	25
	Sub total				**8.30**	**250,560**	**13,293,482**	
PT NUNUKAN JAYA LESTARI								
1	Hak Guna Usaha (HGU) No. 1 and Hak Guna Bangunan (HGB) No.50 Kelurahan Nunukan Barat Kabupaten & Kecamatan Nunukan Propinsi Kalimantan Timur Indonesia	Agriculture/ Oil Palm Plantation and Palm Oil Mill	09/04/2007	Leasehold expiring 12/05/2038 (HGU) 17/03/2035 (HGB)	49,199.22	112,375	9,069,342	7
	Sub total				**49,199.22**	**112,375**	**9,069,342**	
PINEAPPLE CANNERY OF MALAYSIA SDN BHD								
1	HS(D) 62211, PTD 5525 Mukim Machap, Daerah Kluang Johor Darul Takzim	Agriculture / Pineapple	02/12/2009	Leasehold expiring 16/10/2038	209.89	N/A	2,100,000	N/A
2	Lot 1790, GM 1721 Mukim Jeram Batu Daerah Pontian Johor Darul Takzim	Agriculture / Rubber Plantation	02/12/2009	Freehold	4.39	N/A	282,547	N/A
3	Lot 4552, GM 280 Mukim Jeram Batu Daerah Pontian Johor Darul Takzim	Agriculture / Effluent Pond	02/12/2009	Freehold	2.63	N/A	166,697	N/A
4	Lot 4554, GM 278 Mukim Jeram Batu Daerah Pontian Johor Darul Takzim	Agriculture / Effluent Pond	02/12/2009	Freehold	2.40	N/A	155,755	N/A
5	Lot 1681, GM 4287 Mukim Jeram Batu Daerah Pontian Johor Darul Takzim	Agriculture / Dumping Ground	02/12/2009	Freehold	2.43	N/A	205,000	N/A
6	Lot 3767, GN 24531 Lot 3768, GN 24532 Lot 3769, GN 24533 Mukim Jeram Batu Daerah Pontian Johor Darul Takzim	Industrial Land / Factory & Office Buildings / Residential / Single Storey House	02/12/2009	Freehold	25.24	235,160	8,487,970	44

NO.	LOCATION	DESCRIPTION/ EXISTING USE	LATEST VALUATION/ ACQUISITION DATE	TENURE EXPIRY DATE	LAND AREA (ACRE)	BUILT-UP AREA (SQ.FT)	NBV AS AT 31/03/2012 (RM)	APPROXIMATE AGE OF BUILDINGS (YEARS)
PINEAPPLE CANNERY OF MALAYSIA SDN BHD (CONT'D)								
7	Lot 3886, GN 96493 Mukim Jeram Batu Daerah Pontian Johor Darul Takzim	Agriculture / Orchard	02/12/2009	Freehold	10.00	N/A	2,119,032	N/A
8	Lot 3887, GN 96495 Mukim Jeram Batu Daerah Pontian Johor Darul Takzim	Agriculture / Orchard	02/12/2009	Freehold	10.00	N/A	2,114,576	N/A
9	Lot 3890, GN 96497 Mukim Jeram Batu Daerah Pontian Johor Darul Takzim	Agriculture / Orchard	02/12/2009	Freehold	6.46	N/A	1,388,178	N/A
10	Lot 3891, GN 96499 Mukim Jeram Batu Daerah Pontian Johor Darul Takzim	Agriculture / Orchard	02/12/2009	Freehold	10.00	N/A	2,228,215	N/A
11	Lot 1789, GM 1720 Mukim Jeram Batu Daerah Pontian Johor Darul Takzim	Agriculture / Rubber Plantation	02/12/2009	Freehold	4.06	16,000	885,000	44
12	Lot 180, GM 136 Mukim Api-Api Daerah Pontian Johor Darul Takzim	Agriculture / Single Storey Factory Building	02/12/2009	Freehold	7.22	42,782	441,227	39
13	Lot 181, GM 137 Mukim Api-Api Daerah Pontian Johor Darul Takzim	Agriculture / Single Storey Factory Building	02/12/2009	Freehold	6.78	40,175	414,338	39
14	Lot 182, HS(D) 1976 Mukim Api-Api Daerah Pontian Johor Darul Takzim	Industrial Land / Single Storey Factory Building	02/12/2009	Leasehold expiring 03/01/2079	1.59	9,422	46,169	39
15	Lot 183, GM 135 Mukim Api-Api Daerah Pontian Johor Darul Takzim	Agriculture / Single Storey Factory Building	02/12/2009	Freehold	3.80	22,517	232,225	39
16	Lot 184, GM 134 Mukim Api-Api Daerah Pontian Johor Darul Takzim	Agriculture / Single Storey Factory Building	02/12/2009	Freehold	2.73	16,532	170,502	39
17	Lot 185, GM 85 Mukim Api-Api Daerah Pontian Johor Darul Takzim	Agriculture	02/12/2009	Freehold	3.19	N/A	92,813	N/A
18	Lot 560, GM 132 Mukim Api-Api Daerah Pontian Johor Darul Takzim	Agriculture / Single Storey Residential Buildings & One Hostel Block	02/12/2009	Freehold	3.34	16,310	194,800	39
19	Lot 561, GM 133 Mukim Api-Api Daerah Pontian Johor Darul Takzim	Agriculture / Two Single Storey Hostel Blocks	02/12/2009	Freehold	2.16	4,800	125,979	39
20	Lot 2945, GM 138 Mukim Api-Api Daerah Pontian Johor Darul Takzim	Agriculture / Single Storey Factory Building	02/12/2009	Freehold	2.31	13,984	141,168	39
Sub total					**320.62**	**417,682**	**21,992,191**	

Properties of the Group (cont'd)

NO.	LOCATION	DESCRIPTION/ EXISTING USE	LATEST VALUATION/ ACQUISITION DATE	TENURE EXPIRY DATE	LAND AREA (ACRE)	BUILT-UP AREA (SQ.FT)	NBV AS AT 31/03/2012 (RM)	APPROXIMATE AGE OF BUILDINGS (YEARS)
LADANG FIMA SDN BHD								
1	HS(D) 1396, PTD 257 & HS(D) 1397, PTD 258 Mukim Ulu Sg. Sedili Besar & Mukim Kota Tinggi Daerah Kota Tinggi Johor Darul Takzim	Office & Staff/ Workers Quarters	02/12/2009	Land owned by KFima	N/A	12,376	66,936	34
Sub total						**12,376**	**66,936**	
BULKING GROUP OF COMPANIES								
1	Part of HS(D) 24616 PT 11689, Mukim Kapar Daerah Klang Selangor Darul Ehsan	Office Building	28/12/2009	Leasehold expiring 14/07/2022	12.41	38,438	151,735	30
2	Part of HS(D) 24616 PT 11689, Mukim Kapar Daerah Klang Selangor Darul Ehsan	Office Building	28/12/2009	Leasehold expiring 14/07/2022	14.02	14,560	5,499	23
3	Part of HS(D) 24616 PT 11689, Mukim Kapar Daerah Klang Selangor Darul Ehsan	Office Building	28/12/2009	Leasehold expiring 14/07/2022	3.80	15,752	38,887	20
4	Plot 'A' HS(D) HBM.1 Town of Butterworth- Seksyen 4, Daerah Seberang Perai Utara Pulau Pinang	Office Building	11/01/2010	Leasehold expiring 30/06/2023	5.17	27,238	-	28
Sub total					**35.40**	**95,988**	**196,121**	
INTERNATIONAL FOOD CORPORATION LIMITED								
1	Portion 361 Malahang, Lae Papua New Guinea	Industrial Land / Office Building, Amenities Building & 2 Factory Buildings	21/03/2001	State Lease expiring 19/10/2093	35.65	204,999	22,410,796	17
Sub total					**35.65**	**204,999**	**22,410,796**	
FIMA FRASER'S HILL SDN BHD								
1	Lot 4509, PN 4503 Mukim Teras, Daerah Raub Pahang Darul Makmur	Agriculture	21/12/2009	Leasehold expiring 01/01/2036	130.17	N/A	1,440,680	N/A
Sub total					**130.17**		**1,440,680**	
GRAND TOTAL					**15,727.99**	**1,458,014**	**213,196,268**	

NOTES:

i. *During the financial year ended 31 March 2012, the company had completed the disposal of 4 units of office space.*

Analysis of Shareholdings
As At 1 August 2012

LIST OF THIRTY (30) LARGEST SHAREHOLDERS

	NAME	NO. OF SHARE	%
1.	BHR ENTERPRISE SDN BHD	146,202,300	54.89
2.	SUBUR RAHMAT SDN BHD	9,711,500	3.65
3.	M & A NOMINEE (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SUBUR RAHMAT SDN BHD (M&A)	6,278,500	2.36
4.	HSBC NOMINEES (ASING) SDN BHD EXEMPT AN FOR CREDIT SUISSE (SG BR-TST-ASING)	3,514,100	1.32
5.	MOHD NOOR BIN ISMAIL	2,500,000	0.94
6.	HSBC NOMINEES (TEMPATAN) SDN BHD HSBC (M) TRUSTEE BHD FOR OSK-UOB EQUITY TRUST (3175)	2,200,000	0.83
7.	HSBC NOMINEES (TEMPATAN) SDN BHD HSBC (M) TRUSTEE BHD FOR OSK-UOB GROWTH AND INCOME FOCUS TRUST (4892)	2,200,000	0.83
8.	CITIGROUP NOMINEES (ASING) SDN BHD CBNY FOR DIMENSIONAL EMERGING MARKETS VALUE FUND	2,178,600	0.82
9.	VOON CHONG KIAN	1,900,000	0.71
10.	NEOH CHOO EE & COMPANY SDN. BERHAD	1,833,100	0.69
11.	HSBC NOMINEES (TEMPATAN) SDN BHD HSBC (M) TRUSTEE BHD FOR OSK-UOB SMALL CAP OPPORTUNITY UNIT TRUST (3548)	1,620,000	0.61
12.	HSBC NOMINEES (ASING) SDN BHD EXEMPT AN FOR THE BANK OF NEW YORK MELLON (MELLON ACCT)	1,541,500	0.58
13.	CHAN KUANG	1,460,500	0.55
14.	CHOY WEE CHIAP	1,423,000	0.53
15.	UOBM NOMINEES (TEMPATAN) SDN BHD UOB-OSK ASSET MANAGEMENT SDN BHD FOR UNI. ASIA LIFE ASSURANCEBERHAD (PAR FUND)	1,315,800	0.49
16.	HSBC NOMINEES (TEMPATAN) SDN BHD HSBC (M) TRUSTEE BHD FOR OSK-UOB SMART TREASURE FUND (4694-002)	1,217,500	0.46
17.	ECML NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LOW KHIAN BENG (003)	1,031,300	0.39
18.	K. B. LOH SDN BHD	926,500	0.35
19.	MAYBANK NOMINEES (TEMPATAN) SDN BHD JINCAN SDN BHD	900,000	0.34
20.	MAYBANK NOMINEES (TEMPATAN) SDN BHD MALAYSIAN TRUSTEES BERHAD FOR AMB SMALLCAP TRUST FUND (240165)	891,400	0.33
21.	CARTABAN NOMINEES (ASING) SDN BHD SSBT FUND SD4N FOR GOVERNMENT OF THE PROVINCE OF ALBERTA	885,300	0.33
22.	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGE SECURITIES ACCOUNT FOR GAN TEE JIN	800,000	0.30
23.	CARTABAN NOMINEES (TEMPATAN) SDN BHD AXA AFFIN GENERAL INSURANCE BERHAD	765,000	0.29
24.	HSBC NOMINEES (ASING) SDN BHD EXEMPT AN FOR JPMORGAN CHASE BANK, NATIONAL ASSOCIATION (STICH SHELL PEN)	741,800	0.28
25.	HSBC NOMINEES (ASING) SDN BHD TNTC FOR LSV EMERGING MARKETS SMALL CAP EQUITY FUND, LP	690,100	0.26
26.	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN TIAN SANG @ TAN TIAN SONG (E-PPG)	670,000	0.25
27.	UOBM NOMINEES (TEMPATAN) SDN BHD UOB-OSK ASSET MANAGEMENT SDN BHD FOR UNI AGGRESSIVE FUND	660,000	0.25
28.	CITIGROUP NOMINEES (ASING) SDN BHD CBNY FOR EMERGING MARKET CORE EQUITY PORTFOLIO DFA INVESTMENT DIMENSIONS GROUP INC	640,200	0.24
29.	HSBC NOMINEES (TEMPATAN) SDN BHD HSBC (M) TRUSTEE BHD FOR PERTUBUHAN KESELAMATAN SOSIAL (UOB-OSK6939-406)	616,200	0.23
30.	HSBC NOMINEES (TEMPATAN) SDN BHD HSBC (M) TRUSTEE BHD FOR OSK-UOB EMERGING OPPORTUNITY UNIT TRUST (4611)	600,000	0.23

LIST OF SUBSTANTIAL SHAREHOLDERS (5 % AND ABOVE)

		Direct Interest		Indirect Interest	
	Name	No. of Shares	%	No. of Shares	%
1.	BHR ENTERPRISE SDN BHD	146,202,300	54.89	460,000 (1)	0.17
2.	SUBUR RAHMAT SDN BHD	9,711,500	3.65	6,533,500 (2)	2.45

Notes:

(1) Puan Sri Datin Hamidah binti Abdul Rahman, Roshayati binti Basir, Rozana Zeti binti Basir and Rozilawati binti Haji Basir's direct and indirect shareholdings, respectively, in Kumpulan Fima Berhad ("KFima" or "Company"). Deemed interested by virtue of their shareholdings in BHR Enterprise Sdn Bhd ("BHR") of more than 15%. Puan Sri Datin Hamidah binti Abdul Rahman is the mother of Roshayati binti Basir, Rozilawati binti Haji Basir and Rozana Zeti binti Basir. Deemed interested by virtue of her shareholding of preference shares in BHR which carry veto rights in all the decisions in BHR.

(2) Subur Rahmat Sdn Bhd's ("SRSB") indirect shareholding in the Company is held under M & A Nominee (Tempatan) Sdn Bhd of 6,278,500 (or 2.36%) and Zailini binti Zainal Abidin of 255,000 (or 0.10%). Zailini binti Zainal Abidin is deemed interested by virtue of her shareholding in SRSB pursuant to Section 6A of the Act.

ANALYSIS BY SIZE OF SHAREHOLDINGS

Holdings	No. of Holders	%	Total Holdings	%
less than 100	51	0.62	1,153	0.00
100 to 1,000	3,547	42.98	3,476,107	1.30
1,001 to 10,000	3,749	45.43	15,853,240	5.95
10,001 to 100,000	758	9.18	23,413,850	8.79
100,001 to less than 5% of issued shares	146	1.77	61,414,250	23.06
5% and above of issued shares	2	0.02	162,192,300	60.90
TOTAL	**8,253**	**100.00**	**266,350,900**	**100.00**

ANALYSIS OF OWNERSHIP OF SHAREHOLDINGS

Type of Ownership	Shareholders	%	Shareholdings	%
1. Government Agencies	1	0.01	10	0.00
2. Bumiputra				
a. Individuals	1,051	12.74	5,864,300	2.20
b. Companies	33	0.40	156,202,900	58.65
c. Nominees Company	425	5.15	9,410,250	3.53
3. Non-Bumiputra				
a. Individuals	6,170	74.76	42,770,806	16.06
b. Companies	63	0.76	6,066,100	2.28
c. Nominees Company	340	4.12	25,924,490	9.73
Malaysian Total	**8,083**	**97.94**	**246,238,856**	**92.45**
4. Foreign				
a. Individuals	71	0.86	1,052,944	0.40
b. Companies	2	0.02	5,000	0.00
c. Nominees Company	97	1.18	19,054,100	7.15
Foreign Total	**170**	**2.06**	**20,112,044**	**7.55**
GRAND TOTAL	**8,253**	**100.00**	**266,350,900**	**100.00**

DIRECTORS' SHAREHOLDINGS

	Directors	Nationality	Direct Holdings No. of Shares	Direct Holdings %	Indirect Holdings No. of Shares	Indirect Holdings %
1.	Tan Sri Dato' Ir. Muhammad Radzi Bin Haji Mansor	Malaysian	50,000	0.02	-	-
2.	Roslan Bin Hamir	Malaysian	171,000	0.06	-	-
3.	Azizan Bin Mohd Noor	Malaysian	-	-	-	-
4.	Rozana Zeti Binti Basir	Malaysian	50,000	0.02	162,857,300 (1)	61.14
5.	Dato' Rosman Bin Abdullah	Malaysian	-	-	-	-
6.	Rozilawati Binti Haji Basir	Malaysian	-	-	162,907,300 (2)	61.16

Notes:

(1) Deemed interested by virtue of her shareholding in BHR of more than 15% and the direct and indirect shareholdings of her family members namely, Puan Sri Datin Hamidah binti Abdul Rahman, Roshayati binti Basir, Rozilawati binti Haji Basir and Ahmad Riza bin Basir, respectively, in the Company.

(2) Deemed interested by virtue of her indirect interest of 10,000 shares in the Company which is held under M & A (Tempatan) Sdn Bhd and the direct and indirect shareholdings of her family members namely, Puan Sri Datin Hamidah binti Abdul Rahman, Roshayati binti Basir, Rozana Zeti binti Basir and Ahmad Riza bin Basir, respectively, in the Company.

Directory of Group Operation

MANUFACTURING DIVISION

1. **Percetakan Keselamatan Nasional Sdn. Bhd.**
   No.1, Jalan Chan Sow Lin
   55200 Kuala Lumpur
   Telephone : +603-9222 2511
   Facsimile : +603-9222 4401

2. **Security Printers (M) Sdn. Bhd.**
   No.1, Jalan Chan Sow Lin
   55200 Kuala Lumpur
   Telephone : +603-9222 2511
   Facsimile : +603-9222 4401

BULKING DIVISION

Website: www.fimabulking.com

1. **Fima Bulking Services Berhad**
   Jalan Parang
   2nd Extension, North Port
   42000 Pelabuhan Klang, Selangor
   Telephone : +603-3176 7211
   Facsimile : +603-3176 5641

2. **Fimachem Sdn. Bhd.**
   Lot 6579, Jalan Parang
   2nd Extension, North Port
   42000 Pelabuhan Klang, Selangor
   Telephone : +603-3176 6514
   Facsimile : +603-3176 6799

3. **Fima Liquid Bulking Sdn. Bhd.**
   Lot 11689, Jalan Siakap
   2nd Extension, North Port
   42000 Pelabuhan Klang, Selangor
   Telephone : +603-3176 7561
   Facsimile : +603-3176 6739

4. **Fima Freight Forwarders Sdn. Bhd.**
   Lot 33835, Lingkaran Sultan Mohammad 1
   Kawasan Perindustrian Bandar
   Sultan Sulaiman
   Selat Kelang Utara
   42000 Pelabuhan Klang, Selangor
   Telephone : +603-3176 2681
   Facsimile : +603-3176 2679

5. **Fima Palmbulk Services Sdn. Bhd.**
   PPSB Deep Water Wharves
   P.O. Box 243
   12720 Butterworth, Pulau Pinang
   Telephone : +604-332 7019
   Facsimile : +604-331 1685

6. **Boustead Oil Bulking Sdn. Bhd.**
   PPSB Deep Water Wharves
   P.O. Box 243
   12720 Butterworth, Pulau Pinang
   Telephone : +604-332 7019
   Facsimile : +604-331 1685

PLANTATION DIVISION

1. **Ladang Fima Sdn. Bhd.:**

Ladang Kota Tinggi
Batu 6, Jalan Mawai
81900 Kota Tinggi, Johor
Telephone : +607-883 1413
Facsimile : +607-883 1413

Ladang Ayer Baloi
Jalan Parit Panjang
82100 Ayer Baloi
Pontian, Johor
Telephone : +019-612 5754
Facsimile : +019-358 5754

2. **Victoria Square Plantation Sdn. Bhd.**
Lot 1204, Puyut Land District
Miri, Sarawak
Telephone : +603-2092 1211
Facsimile : +603-2095 9302

3. **Amgreen Gain Sdn. Bhd.**
Lot 1204, Puyut Land District
Miri, Sarawak
Telephone : +603-2092 1211
Facsimile : +603-2095 9302

4. **PT Nunukan Jaya Lestari**
Sei Menggaris, Desa Tabur Lestari RT 011
Kabupaten Nunukan 77482
Kalimantan Timur
Indonesia
Telephone : 006 2 55624551
Facsimile : 006 2 55624551

FOOD DIVISION

1. **International Food Corporation Limited**
Portion 361, Busu Road
Malahang, P.O. Box 1334
Lae, Papua New Guinea
Telephone : 00 675 4720 655
Facsimile : 00 675 4720 607

PROPERTY DIVISION

Website: www.fimacorp.com

1. **Fima Corporation Berhad**
Suite 4.1, Level 4
Block C, Plaza Damansara
No.45, Jalan Medan Setia 1
Bukit Damansara
50490 Kuala Lumpur
Telephone : +603-2092 1211
Facsimile : +603-2094 5996

2. **FCB Property Management Sdn. Bhd.**
Suite 4.1, Level 4
Block C, Plaza Damansara
No.45, Jalan Medan Setia 1
Bukit Damansara
50490 Kuala Lumpur
Telephone : +603-2092 1211
Facsimile : +603-2094 5996

TRADING DIVISION

1. **Malaysian Transnational Trading (MATTRA) Corporation Berhad**
   Suite 4.1, Level 4
   Block C, Plaza Damansara
   No.45, Jalan Medan Setia 1
   Bukit Damansara
   50490 Kuala Lumpur
   Telephone : +603-2092 1211
   Facsimile : +603-2093 0041

2. **Fima Instanco Sdn. Bhd.**
   17, Jalan Opera D U2/D
   TTDI Jaya
   40000 Shah Alam, Selangor
   Telephone : +603-7847 6311
   Facsimile : +603-7847 6696

ASSOCIATED COMPANIES

1. **Marushin Canneries (Malaysia) Sdn. Bhd.**
   PLO 213, Jalan Timah Satu
   Pasir Gudang Industrial Estate
   81700 Johor Bahru, Johor
   Telephone : +607-251 4802
   Facsimile : +607-251 4798

2. **Giesecke & Devrient Malaysia Sdn. Bhd.**
   Lot 6, Off Jalan Delima 1/1
   Batu 3, 40150 Shah Alam, Selangor
   Telephone : +603-5629 2929
   Facsimile : +603-5629 2820

This page has been deliberately left blank

Proxy Form

I/We ____
(Full Name in Capital Letters)

of ____
(Full Address)

being a Member of **KUMPULAN FIMA BERHAD** ("the Company"), do hereby appoint

____
(Full Name in Capital Letters)

of ____
(Full Address)

or failing him/her ____
(Full Name in Capital Letters)

of ____
(Full Address)

as my/our* proxy to vote for me/us* and on my/our* behalf at the Fortieth (40th) Annual General Meeting of the Company to be held at the Dewan Berjaya, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on Tuesday, 25 September 2012 at 3.00 p.m.

Please indicate the manner in which you wish your votes should be cast with an "X" in the appropriate spaces below. Unless voting instructions are specified herein, the proxy will vote or abstain from voting as he/she thinks fit.

	RESOLUTIONS	FOR	AGAINST
1.	To receive the Audited Financial Statements of the Company for the financial year ended 31 March 2012 and the Directors' and Auditors' Reports thereon. **- Ordinary Resolution 1**		
2.	To declare a final dividend of 8% less 25% income tax in respect of the financial year ended 31 March 2012 as recommended by the Directors. **- Ordinary Resolution 2**		
3.	To re-appoint Tan Sri Dato' Ir. Muhammad Radzi bin Haji Mansor as a Director of the Company and to hold office until the conclusion of the next Annual General Meeting pursuant to Section 129(6) of the Companies Act, 1965. **- Ordinary Resolution 3**		
4.	To re-appoint Encik Azizan bin Mohd Noor as a Director of the Company and to hold office until the conclusion of the next Annual General Meeting pursuant to Section 129(6) of the Companies Act, 1965. **- Ordinary Resolution 4**		
5.	To re-elect Dato' Rosman bin Abdullah pursuant to Article 114 of the Company's Articles of Association. **- Ordinary Resolution 5**		
6.	To re-elect Cik Rozilawati binti Haji Basir pursuant to Article 114 of the Company's Articles of Association. **- Ordinary Resolution 6**		
7.	To approve the payment of Directors' fees for the ensuing financial year. **- Ordinary Resolution 7**		
8.	To re-appoint Messrs Hanafiah Raslan & Mohamad as Auditors of the Company, until the conclusion of the next Annual General Meeting of the Company and to authorise the Directors to fix their remuneration. **- Ordinary Resolution 8**		
AS SPECIAL BUSINESS:			
9.	Proposed shareholders' mandate for recurrent related party transactions of a revenue or trading nature. **- Ordinary Resolution 9**		

** Strike out whichever not applicable.*

No. of Shares held

____
Signature *(If Shareholder is a Corporation, this part should be executed under seal)*

Dated this ____________________ day of ____________________ 2012

Note :

1. *A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy may not be a Member of the Company and a Member may appoint more than two (2) proxies by specifying the proportion of his shareholding to be represented by each proxy. The instrument appointing a proxy must be completed and deposited at the registered office of the Company not less than forty-eight (48) hours before the time of holding the Meeting or any adjournment thereof.*
2. *Only members registered in the General Meeting Record of Depositors as at 19 September 2012 shall be eligible to attend the Annual General Meeting or appoint proxy(ies) to attend and/or vote on their behalf.*

Fold Here

Postage Stamp

The Company Secretaries
KUMPULAN FIMA BERHAD
(Company No. : 11817-V)
Suite 4.1, Level 4, Block C
Plaza Damansara
No. 45, Jalan Medan Setia 1, Bukit Damansara
50490 Kuala Lumpur

Fold Here

KUMPULAN FIMA BERHAD
(11817-V)

Suite 4.1, Level 4, Block C, Plaza Damansara,
No. 45, Jalan Medan Setia 1, Bukit Damansara,
50490 Kuala Lumpur.
Tel: +603-2092 1211
Fax: +603-2092 5923
Website: www.fima.com.my
Email: enquiry@fima.com.my