



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

Condensed Consolidated Financial Statements
For the Fourth Quarter and Financial Year Ended
31 March 2021

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 MARCH 2021
(THE FIGURES HAVE NOT BEEN AUDITED)**

	Note	Current quarter		12 months cumulative	
		Current year quarter 31-03-2021 RM'000	Preceding year corresponding quarter 31-03-2020 RM'000	Current year to date 31-03-2021 RM'000	Preceding year corresponding period 31-03-2020 RM'000
Revenue	A9	120,118	121,766	478,269	500,901
Cost of sales		(60,079)	(75,388)	(275,581)	(328,449)
Gross profit		60,039	46,378	202,688	172,452
Other income		4,519	2,671	12,088	11,798
Other items of expense					
Administrative expenses		(26,495)	(21,020)	(91,795)	(81,260)
Selling and marketing expenses		(5,711)	(6,350)	(10,669)	(12,724)
Other operating expenses		(2,768)	1,746	(19,000)	(18,121)
Impairment loss on property, plant and equipment and right-of-use assets		(1,762)	(17,791)	(1,762)	(17,791)
		(36,736)	(43,415)	(123,226)	(129,896)
Finance costs		(1,171)	(1,911)	(3,831)	(4,486)
Share of results of associates		795	371	4,126	1,963
Profit before tax	A9/A10	27,446	4,094	91,845	51,831
Income tax expense	B5	(15,509)	(9,055)	(30,133)	(24,363)
Profit net of tax		11,937	(4,961)	61,712	27,468
Other comprehensive income/(expense)					
Foreign exchange translation gain/(loss)		3,152	(7,282)	1,885	(5,446)
Remeasurement gain/(loss) on defined benefit obligations		179	(151)	179	(151)
Total comprehensive income/(expense) for the period/year		15,268	(12,394)	63,776	21,871
Profit attributable to :					
Equity holders of the Company		8,336	(124)	50,104	29,214
Non-controlling interests		3,601	(4,837)	11,608	(1,746)
Profit for the period/year		11,937	(4,961)	61,712	27,468
Total comprehensive income attributable to :					
Equity holders of the Company		11,519	(4,904)	51,014	25,746
Non-controlling interests		3,749	(7,490)	12,762	(3,875)
Total comprehensive income for the period/year		15,268	(12,394)	63,776	21,871
Earnings per share attributable to equity holders of the Company :					
Basic/diluted earnings per share (sen)	B12	2.99	(0.04)	17.96	10.40

(The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 March 2020 and the accompanying explanatory notes attached to the interim financial statements).

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2021

	As at 31-03-2021	As at 31-03-2020
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	374,966	366,672
Right-of-use assets	199,634	210,487
Investment properties	61,917	63,554
Investment in associates	37,363	33,237
Deferred tax assets	12,316	8,718
Goodwill on consolidation	12,710	12,710
	<u>698,906</u>	<u>695,378</u>
Current assets		
Inventories	67,845	75,473
Biological assets	5,965	6,865
Trade receivables	103,963	140,555
Other receivables	82,971	39,315
Short term cash investments	209,532	171,591
Cash and bank balances	116,497	124,329
	<u>586,773</u>	<u>558,128</u>
TOTAL ASSETS	<u>1,285,679</u>	<u>1,253,506</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	311,670	311,670
Treasury shares	(6,823)	(2,972)
Other reserves	56,483	55,716
Retained earnings	462,468	437,360
	<u>823,798</u>	<u>801,774</u>
Non-controlling interests	234,467	236,897
Total equity	<u>1,058,265</u>	<u>1,038,671</u>
Non-current liabilities		
Lease liabilities	41,822	48,648
Retirement benefit obligations	1,657	2,073
Deferred tax liabilities	53,004	43,251
	<u>96,483</u>	<u>93,972</u>
Current liabilities		
Lease liabilities	14,710	11,789
Short term borrowings	38,392	33,490
Trade and other payables	68,074	63,217
Provisions	3,802	8,765
Tax payable	5,953	3,602
	<u>130,931</u>	<u>120,863</u>
Total liabilities	<u>227,414</u>	<u>214,835</u>
TOTAL EQUITY AND LIABILITIES	<u>1,285,679</u>	<u>1,253,506</u>
Net assets per share (RM)	<u>2.92</u>	<u>2.84</u>

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 March 2020 and the accompanying explanatory notes attached to the interim financial statements).

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021**

	← 12 months ended →	
	31-03-2021	31-03-2020
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	91,845	51,831
Adjustments for:		
Depreciation of investment properties	1,637	1,637
Depreciation for property, plant and equipment	20,500	22,858
Depreciation of right-of-use assets	16,150	15,990
Fair value changes on biological assets	1,178	(2,705)
Impairment loss on property, plant and equipment	1,762	8,940
Impairment loss on right-of-use asset	-	8,851
Net provision for/(writeback of) impairment on trade and other receivables	206	(124)
Interest expense	3,831	4,486
Profit income	(1,447)	(1,030)
Interest income	(73)	(1,247)
Distribution from short term cash investment	(4,056)	(5,710)
Net (reversal of)/provision for retirement benefit obligations	(180)	273
Net reversal of provision for warranty	(4,963)	(1,114)
Net unrealised forex loss/(gain)	3,181	(4,655)
Net gain on disposal of property, plant and equipment	(44)	(95)
Share of results of associates	(4,126)	(1,963)
Write (back)/down of inventories	(1,760)	1,959
Reversal of provision for compensation claim	-	(2,120)
Operating profit before working capital changes	<u>123,641</u>	<u>96,062</u>
Decrease in inventories	9,388	27,237
Decrease/(increase) in receivables	30,798	(11,217)
Increase/(decrease) in payables	6,213	(456)
Cash generated from operations	<u>170,040</u>	<u>111,626</u>
Interest paid	(1,168)	(1,734)
Taxes paid	(20,655)	(27,616)
Retirement benefits paid	(183)	(77)
Net cash generated from operating activities	<u>148,034</u>	<u>82,199</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	140	2,698
Purchase of property, plant and equipment	(31,606)	(32,599)
Acquisition of treasury shares	(3,851)	(1,829)
Profit income received	1,447	1,030
Interest income received	73	1,247
Distribution received from short term cash investment	4,056	5,710
Deposit paid for acquisition of land	(38,163)	-
Net placement of short term cash investments	<u>(37,941)</u>	<u>(23,469)</u>
Net cash used in investing activities	<u>(105,845)</u>	<u>(47,212)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Net drawdown/(repayment) of borrowings	4,902	(1,016)
Repayment of lease liabilities	(13,072)	(12,520)
Dividend paid	(25,139)	(25,295)
Dividend paid by a subsidiary to non-controlling interests	(13,328)	(11,560)
Net cash used in financing activities	<u>(46,637)</u>	<u>(50,391)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(4,448)	(15,404)
EFFECT ON FOREIGN EXCHANGE RATE CHANGES IN CASH AND CASH EQUIVALENTS	(3,384)	(2,463)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	124,329	142,196
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>116,497</u>	<u>124,329</u>
CASH AND CASH EQUIVALENTS COMPRISE:		
Cash and bank balances	79,136	94,409
Fixed deposits with financial institutions	37,361	29,920
	<u>116,497</u>	<u>124,329</u>

(The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 March 2020 and the accompanying explanatory notes attached to the interim financial statements).

PART A - Explanatory notes pursuant to MFRS 134
A1. Accounting policies and basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of the Bursa Securities.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 March 2020. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 31 March 2020.

A2. Changes in accounting policies
(a) Adoption of MFRSs, amendments to MFRSs and IC Interpretation

The significant accounting policies adopted are consistent with those of the statutory financial statements for the financial year ended 31 March 2020 except for the adoption of the following new and revised Malaysian Financial Reporting Standards ("MFRSs"), Amendments to MFRSs and IC Interpretations.

On 1 April 2020, the Group adopted the following new and amended MFRSs and IC Interpretation:

- Amendments to MFRS 3: Definition of a Business
- Amendments to MFRS 9, MFRS 139 and MFRS 7: Interest Rate Benchmark Reform
- Amendments to MFRS 101: Definition of Material
- Amendments to MFRS 108: Definition of Material

The adoption of the above standards and interpretation did not have a significant impact on the financial statements in the period of initial application.

(b) Standards and Interpretations issued but not yet effective

The Group has not early adopted the following new and amended MFRSs and IC Interpretations that are not yet effective:

Description	Effective for financial period beginning on or after
Amendments to MFRS 16: Covid-19-Related Rent Concessions	1 June 2020
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16: Interest Rate Benchmark Reform - Phase 2	1 January 2021
Amendments to MFRS 16: Covid-19-Related Rent Concessions beyond 30 June 2021	1 April 2021
Amendments to MFRS 3: Reference to Conceptual Framework	1 January 2022
Amendments to MFRS 116: Property, Plant and Equipment - Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137: Onerous Contracts - Cost of Fulfilling a Contract	1 January 2022
Annual improvements to MFRS 2018 - 2020	1 January 2022
MFRS 17: Insurance Contracts	1 January 2023
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to MFRS 101: Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108: Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 10 and MFRS 128: Sales or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The directors expect that the adoption of the above standards and interpretations will have no material impact on the financial statements in the period of initial application.

A3. Auditors' report on preceding annual financial statements

The financial statements of the Group for the financial year ended 31 March 2020 were not subject to any audit qualification.

A4. Seasonal and cyclical factors

The operations of the Group are not affected by any seasonal or cyclical factors other than the manufacturing segment which is affected by cyclical changes in volumes of certain products whilst the plantation segment is affected by seasonal crop production, weather conditions and fluctuating commodity prices.

A5. Unusual items affecting the financial statements

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence other than as disclosed in Note B10(2).

A6. Changes in estimates

There were no changes in estimates that have a material effect on the current quarter's results.

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

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

During the current quarter, the Company repurchased 665,800 of its issued ordinary shares from open market at an average price of RM1.86. The total transaction paid for the repurchase including transaction costs was RM1,253,000. Of the total 282,231,600 issued ordinary shares, 4,334,400 shares are held as treasury shares by the Company.

A8. Dividend paid

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

		12 months cumulative	
		31-03-2021	31-03-2020
		RM'000	RM'000
Final dividend			
2019	Single-tier final dividend of 9.0 sen (Paid on 7 October 2019)	-	25,295
Interim dividend			
2020	Single-tier interim dividend of 9.0 sen (Paid on 14 September 2020)	25,139	-

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

	Quarter ended		12 months cumulative	
	31-03-2021	31-03-2020	31-03-2021	31-03-2020
	RM'000	RM'000	RM'000	RM'000
Revenue				
Manufacturing*	20,637	34,332	101,934	134,004
Plantation	36,916	40,567	138,942	123,382
Bulking	25,624	24,403	92,303	106,664
Food	37,654	21,168	140,525	131,691
Others	4,123	5,155	19,097	16,837
	124,954	125,625	492,801	512,578
Eliminations	(4,836)	(3,859)	(14,532)	(11,677)
	120,118	121,766	478,269	500,901

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

	Quarter ended		12 months cumulative	
	31-03-2021	31-03-2020	31-03-2021	31-03-2020
	RM'000	RM'000	RM'000	RM'000
Profit before tax				
Manufacturing*	2,512	8,609	14,596	25,988
Plantation	11,475	(15,819)	23,421	(20,554)
Bulking	10,098	7,393	42,659	35,294
Food	3,611	2,932	12,842	14,915
Others	(1,045)	608	(5,799)	(5,775)
	26,651	3,723	87,719	49,868
Associated companies	795	371	4,126	1,963
	27,446	4,094	91,845	51,831

* Production and trading of security documents.

(ii) Geographical segments

	Quarter ended		12 months cumulative	
	31-03-2021	31-03-2020	31-03-2021	31-03-2020
	RM'000	RM'000	RM'000	RM'000
Revenue				
Malaysia	63,264	71,861	259,427	286,551
Indonesia	24,634	33,803	95,490	99,857
Papua New Guinea	37,056	19,961	137,884	126,170
	124,954	125,625	492,801	512,578
Eliminations	(4,836)	(3,859)	(14,532)	(11,677)
	120,118	121,766	478,269	500,901
Profit before tax				
Malaysia	10,806	11,526	50,151	39,791
Indonesia	12,410	(11,083)	24,726	(4,824)
Papua New Guinea	3,435	3,280	12,842	14,901
	26,651	3,723	87,719	49,868
Associated companies	795	371	4,126	1,963
	27,446	4,094	91,845	51,831

← 12 months cumulative →

	Current year to date		Preceding year	
	31-03-2021	31-03-2020	31-03-2020	31-03-2020
	Assets	Liabilities	Assets	Liabilities
	RM'000	RM'000	RM'000	RM'000
Assets and liabilities				
Malaysia	1,412,428	212,822	1,408,439	226,962
Indonesia	122,831	17,146	102,224	12,576
Papua New Guinea	155,900	68,321	151,655	68,305
	1,691,159	298,289	1,662,318	307,843
Eliminations	(405,480)	(70,875)	(408,812)	(93,008)
	1,285,679	227,414	1,253,506	214,835

A10. Profit before tax

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

	Quarter ended		12 months cumulative	
	31-03-2021	31-03-2020	31-03-2021	31-03-2020
	RM'000	RM'000	RM'000	RM'000
Other income				
Profit income	542	282	1,447	1,030
Interest income	29	462	73	1,247
Distribution from short term cash investment	766	1,484	4,056	5,710
Operating expenses				
Depreciation	8,303	11,838	38,287	40,485
Interest expense	1,171	1,911	3,831	4,486
Unrealised foreign exchange (gain)/loss	(4,305)	(4,499)	3,181	(4,655)
Realised forex exchange loss/(gain)	5,698	(354)	6,044	(256)
Net (writeback of)/provision for impairment on trade and other receivables	(503)	(756)	206	(124)
Net gain on disposal of property, plant and equipment	(17)	(39)	(44)	(95)
Fair value changes on biological assets	2,225	(2,211)	1,178	(2,705)
Net (writeback of)/provision for retirement benefit obligations	(284)	223	(180)	273
Net (reversal of)/ provision for warranty	(3,845)	365	(4,963)	(1,114)
Inventories written (back)/down	(1,698)	1,163	(1,760)	1,959
Reversal of provision for compensation claim	-	(2,120)	-	(2,120)
Provision for impairment loss on property, plant and equipment	1,762	8,940	1,762	8,940
Provision for impairment loss on right-of-use assets	-	8,851	-	8,851

A11. Subsequent events

On 3 May 2021, a subsidiary, Fima Corporation Berhad ("FimaCorp") has announced that the proposed acquisition of plantation land between FimaCorp and PMBK Sawit Sdn Bhd has been completed.

A12. Inventories

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

A13. Changes in the composition of the Group

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

A14. Changes in contingent liabilities

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

A15. Significant acquisition of property, plant and equipment

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

	Current year to date
	RM'000
Plant and machinery	17,852
Vehicles	1,513
Land and buildings	248
Equipment, furniture and fittings and motor vehicles	1,717
Bearer plants and infrastructure	7,752
Work in progress	2,524
	31,606

A16. Capital commitments

The amount of commitments not provided for in the interim financial statements as at 31 March 2021 were as follows:

	Current year to date
	RM'000
Property, plant and equipment	
- Approved and contracted for	12,767

A17. Related party transactions

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

	Current year to date
	RM'000
Transactions with subsidiaries	
- Fima Corporation Berhad - Rental expenses payable	861
- Fima Corporation Berhad - Management fees receivable	1266
- Fima Corporation Berhad - Services payable	131
- Pineapple Cannery of Malaysia Sendirian Berhad - Rental income	338
- International Food Corporation - Sales of fish	14,014
- International Food Corporation - Interest receivable	1,813
Transactions with related parties*	
- BHR Enterprise Sdn. Bhd. - Services payable	120
- PT Pohon Emas Lestari - Purchase of fresh fruit bunch	5,859
- TD Technologies Sdn. Bhd. - Services payable	161
- Nationwide Express Courier Services Berhad - Delivery services	52
- Nationwide Express Courier Services Berhad - Rental income	78

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

PART B - Bursa Securities Listing Requirements

B1. Review of performance

Group Performance

(RM Million)	Current YTD	Previous YTD	Variance	%
Revenue	478.27	500.90	(22.63)	(4.5)
Profit before tax	91.85	51.83	40.02	77.2
Profit before tax and impairment	91.85	69.62*	22.23	31.9

* The amount excludes significant impairment loss on property, plant and equipment and right-of-use assets pursuant to Mahkamah Agung's decision as disclosed in Note A10 and B10(2).

Group revenue for the fourth quarter ended 31 March 2021 decreased by 4.5% to RM478.27 million as compared to RM500.90 million recorded in the corresponding period last year. Lower revenue by RM22.63 million was mainly attributed to the decrease in revenue generated by manufacturing and bulking division.

Despite of lower revenue, Group profit before tax ("PBT") has improved by 77.2% to RM91.85 million as compared to the same period last year.

The performance of each business division is as follows:

Manufacturing Division

(RM Million)	Current YTD	Previous YTD	Variance	%
Revenue	101.93	134.00	(32.07)	(23.9)
Profit before tax	14.60	25.99	(11.39)	(43.8)

Revenue from **Manufacturing Division** recorded a decrease by 23.9% or RM32.07 million to RM101.93 million from RM134.00 million last year, mainly contributed by lower sales volume for travelling and confidential documents due to COVID-19 pandemic. On the back of lower revenue, the division's PBT decreased by RM11.39 million or 43.8% to RM14.60 million as compared to the same corresponding period last year.

Plantation Division

(RM Million)	Current YTD	Previous YTD	Variance	%
Revenue				
<u>Indonesia</u>				
- Crude palm oil (CPO)	81.89	91.26	(9.37)	(10.3)
- Crude palm kernel oil (CPKO)	13.61	3.46	10.15	293.4
- Palm kernel (PK)	-	5.12	(5.12)	(100.0)
<u>Malaysia</u>				
- Fresh fruit bunch (FFB)	41.34	20.55	20.79	101.2
- Pineapple	2.10	2.99	(0.89)	(29.8)
Total	138.94	123.38	15.56	12.6
Profit/(Loss) before tax	23.42	(20.55)	43.97	214.0
Profit/(Loss) before tax and impairment	23.42	(2.76)*	26.18	948.9

* The amount excludes significant impairment loss on property, plant and equipment and right-of-use assets pursuant to Mahkamah Agung's decision as disclosed in Note A10 and B10(2).

FFB produced (mt)	205,859	198,334	7,525	3.8
CPO produced (mt)	35,424	40,934	(5,510)	(13.5)

B1. Review of performance (cont'd.)
Plantation Division (cont'd.)

	Current YTD	Previous YTD	Variance	%
Sales Quantity (mt)				
- CPO	35,177	44,022	(8,845)	(20.1)
- CPKO	3,692	1,067	2,625	246.0
- PK	-	6,013	(6,013)	(100.0)

Total Group's Hectarage
Palm profiles (ha)

- Mature	12,391.3	12,535.8
- Immature	1,499.7	2,037.1
Total planted area	<u>13,891.0</u>	<u>14,572.9</u>

Revenue from **Plantation Division** recorded an improvement by RM15.56 million to RM138.94 million as compared to the same period last year, mainly contributed by higher CPO price and higher FFB produced by plantation estates in Malaysia for the current period. On the back of higher revenue, the division has recorded a pre-tax profit of RM23.42 million during the period.

Plantation estates in Malaysia which are presently in the development phase and partially mature registered a total pre-tax loss of RM4.86 million as compared to RM14.54 million pre-tax loss recorded in the corresponding period last year.

Bulking Division

(RM Million)	Current YTD	Previous YTD	Variance	%
Revenue	92.30	106.66	(14.36)	(13.5)
Profit before tax	42.66	35.29	7.37	20.9

Bulking Division had recorded lower revenue of RM14.36 million to RM92.30 million as compared to last year, mainly attributable to lower sales of palm methyl ester ("PME") from biodiesel operation. Despite this, PBT has recorded an improvement of RM7.37 million to RM42.66 million as compared to the same period last year, as a result of stronger contribution from edible oil products as well as lower pre-tax losses recorded by its biodiesel segment.

Food Division

(RM Million)	Current YTD	Previous YTD	Variance	%
Revenue				
Papua New Guinea (PNG)	137.88	126.17	11.71	9.3
Malaysia	2.65	5.52	(2.87)	(52.0)
	<u>140.53</u>	<u>131.69</u>	<u>8.84</u>	<u>6.7</u>
Profit before tax	12.84	14.92	(2.08)	(13.9)

Food Division's revenue increased by RM8.84 million (or 6.7%) to RM140.53 million, as compared to RM131.69 million recorded in the previous financial year. The increase in revenue was mainly attributable to the higher sales of mackerel, tuna loin and local canned tuna products. However, revenue for its Malaysian operation has slipped by RM2.87 million due to decrease in demand as a result of COVID-19 pandemic. The Division PBT has declined by 13.9% to RM12.84 million mainly contributed by net forex loss of RM4.83 million (FY2020: net forex gain of RM1.79 million) as well as lower contribution from its Malaysian operation during the period.

B2. Comparison with preceding quarter's results
Group Performance

(RM Million)	QTR 4 FY 2021	QTR 3 FY 2021	Variance	%
Revenue	120.12	124.83	(4.71)	(3.8)
Profit before tax	27.45	23.01	4.44	19.3

The Group revenue decreased by RM4.71 million to RM120.12 million as compared to the preceding quarter, as a result of lower revenue contribution by manufacturing and plantation division.

Despite this, the Group PBT has increased by RM4.44 million to RM27.45 million as compared to RM23.01 million recorded in the preceding quarter.

The performance of each business division is as follows:

Manufacturing Division

(RM Million)	QTR 4 FY 2021	QTR 3 FY 2021	Variance	%
Revenue	20.64	28.34	(7.70)	(27.2)
Profit before tax	2.51	3.26	(0.75)	(23.0)

Manufacturing Division's revenue decreased by RM7.70 million to RM20.64 million in the current quarter, mainly due to lower sales volume for travelling documents. In line with lower revenue, PBT has slightly decreased by RM0.75 million to RM2.51 million in the current quarter as compared to the preceding quarter.

Plantation Division

(RM Million)	QTR 4 FY 2021	QTR 3 FY 2021	Variance	%
Revenue				
<u>Indonesia</u>				
- CPO	19.59	21.21	(1.62)	(7.6)
- CPKO	5.06	3.56	1.50	42.1
<u>Malaysia</u>				
- Fresh fruit bunch	11.79	11.83	(0.04)	(0.3)
- Pineapple	0.47	0.50	(0.03)	(6.0)
Total	36.91	37.10	(0.19)	(0.5)
Profit before tax	11.48	5.43	6.05	111.4
CPO produced (mt)	8,329	8,655	(326)	(3.8)
Sales Quantity (mt)				
- CPO	7,841	8,019	(178)	(2.2)
- CPKO	953	1,006	(53)	(5.3)

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

Plantation Division's revenue for the current quarter of RM36.91 million was consistent as compared to the preceding quarter. However, the Division has posted an improvement on PBT by 111.4% to RM11.48 million due to higher margin resulted from higher selling price of oil palm products in the current quarter.

Bulking Division

(RM Million)	QTR 4 FY 2021	QTR 3 FY 2021	Variance	%
Revenue	25.62	21.26	4.36	20.5
Profit before tax	10.10	10.59	(0.49)	(4.6)

Revenue from **Bulking Division** of RM25.62 million has improved by 20.5% or RM4.36 million as compared to the preceding quarter, mainly contributed by sales of PME product from its biodiesel operation. The Division posted a PBT of RM10.10 million, which was consistent with the preceding quarter.

Food Division

(RM Million)	QTR 4 FY 2021	QTR 3 FY 2021	Variance	%
Revenue				
PNG	37.06	35.01	2.05	5.9
Malaysia	0.59	0.62	(0.03)	(4.8)
	<u>37.65</u>	<u>35.63</u>	<u>2.02</u>	<u>5.7</u>
Profit before tax	3.61	3.55	0.06	1.7

Revenue from **Food Division** increased by 5.7% or RM2.02 million to RM37.65 million as compared to the preceding quarter, mainly attributable to higher sales volume of tuna products. The Division PBT of RM3.61 million was consistent as compared to the preceding quarter, with a marginal increase by 1.7%.

B3. Prospects

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

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

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

NOTES TO THE QUARTERLY ANNOUNCEMENT FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 MARCH 2021

B3. Prospects (cont'd.)

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

We expect the challenging environment to remain in the current financial year due to world outbreak of COVID-19 pandemic. Certain division is expecting lesser demand in its products and disruption on supply chain. In addition, fluctuations in exchange rates and commodity prices will influence the Group's financial performance and position.

B4. Explanatory notes on variances with profit forecasts or profit guarantees

The Group did not issue any profit forecast and/or profit guarantee to the public.

B5. Income tax expense

	Current year quarter 31-03-2021	Current year to date 31-03-2021
	RM'000	RM'000
Current taxation	15,509	30,133

The effective tax rate on the Group's profit to date is higher than the statutory tax rate mainly due to certain expenses disallowed for tax purposes and deferred tax asset not recognised for losses incurred by certain subsidiaries.

B6. Profits/(losses) on sale of unquoted investments and/or properties

There were no sale of unquoted investments and/or properties during the current quarter.

B7. Purchase or disposal of quoted securities

There were no purchase or disposal of quoted securities during the current quarter.

B8. Corporate proposals

(a) Status of corporate proposal

There are no corporate proposals announced but not completed at the date of this report.

(b) Utilisation of proceeds raised from any corporate proposal

Not applicable.

B9. Borrowings and debt securities

	As at 31-03-2021 RM'000	As at 31-03-2020 RM'000
Secured:		
Current		
Bankers' acceptance	4,717	3,490
Short term revolving credit	33,675	30,000
	38,392	33,490

B10. Changes in material litigations

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

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

The claim is for a sum of RM24,975,000.00 (excluding interest and cost) ("Outstanding Amount"), being the amount due and owing by the Defendant to the Plaintiff for 1.5 million Malaysian passport booklets which were supplied by the Plaintiff to the Defendant.

At the request of the Defendant during the case management on 3 October 2018, the Plaintiff agreed to attempt mediation with the aim of arriving at an amicable resolution. The mediation took place on 17 October 2018 and 19 October 2018. However, the parties could not reach a resolution.

On 19 April 2019, FimaCorp announced that the settlement negotiation between the parties have failed. Accordingly, the High Court Judge has fixed the matter for case management on 13 May 2019 (for compliance with pre-trial directions) and trial on 12 July 2019, 9 August 2019, 8 January 2020 and 9 January 2020.

During the case management on 31 May 2019, the High Court Judge has directed the parties to appear before her on 12 July 2019 as a final attempt to explore settlement as requested by DTSB. However, the settlement negotiation and mediation between the parties have failed. The trial dates have been fixed for 9 and 10 November 2020. The next case management has been fixed on 9 October 2020.

On 7 August 2020, the Company announced that the High Court Judge has dismissed PKN's amendment application with costs. Further, the High Court Judge has directed the parties to comply with pre-trial directions.

The High Court has vacated the trial date on 9 November 2020 in light that the Conditional Movement Control Order had been extended up to the said date. The trial date on 10 November 2020 is maintained. The High Court has subsequently vacated the trial date on 10 November 2020 and the said date has been converted to case management instead.

During the case management on 26 February 2021, the High Court has fixed the new trial dates for this matter on 23, 24 and 25 August 2021.

This civil suit is not expected to have any material impact on the financial and operational position of the Company.

2. (a) On 13 May 2003, the National Land Body of Indonesia ("NLB") issued a certificate, Hak Guna Usaha No.1/ Nunukan Barat ("HGU") providing PT Nunukan Jaya Lestari ("PTNJL") a right to use a land covering a total size of 19,974 hectares ("Total Parcel") for the purposes of plantation. The HGU is set to expire on 12 May 2038.

Notwithstanding the HGU, the Minister of Agrarian Affairs and Spatial Planning ("Minister") vide letter dated 25 July 2016 ("Revocation Letter") informed PTNJL among others, of the following:

- there were administrative irregularities performed by officer(s) of the Regional Land Body of East Kalimantan at the time of the issuance of the HGU in 2003, resulting in parts of the area within the HGU to overlap with forestry area measuring approximately 17,165 hectares ("Irregular Parcel").
- a third party situated adjacent to the Total Parcel ("Third Party") has requested to revise/amend the HGU as there are overlaps between the Total Parcel with the Third Party's interests on the land pursuant to their operating permits (approximately 3,500 hectares) ("Overlapping Parcel").

B10. Changes in material litigations (cont'd.)

Following the above, the Minister vide the Revocation Letter has provided the following decisions:

- the HGU is revoked effectively immediately (“Revocation”);
- PTNJL to apply for a new HGU certificate for the remaining 2,809 hectares of land located at Land Allocated for Other Purposes (“APL”); and
- the Irregular Parcel is to be surrendered to the Minister of Environmental Affairs and Forestry of Republic of Indonesia.

On 21 October 2016, PTNJL initiated an action in the State Administrative Court in Jakarta, Indonesia against the Minister seeking an order to annul the Revocation Letter and also sought an order to postpone the enforcement of the Revocation Letter pending full and final determination of the matter by the Indonesian courts (“Lawsuit”).

PTNJL’s basis for the Lawsuit are inter alia as follows:

- (i) the status of the Total Parcel is State Land, aligned with the condition imposed by prevailing laws and regulations in Indonesia; and
- (ii) the revocation of the HGU certificate is contrary to the prevailing laws and regulations in Indonesia.

On 13 June 2017, the State Administrative Court dismissed the Lawsuit (“State Administrative Court’s Decision”) resulting in an appeal filed by PTNJL in the High Administrative Court (“High Court”) of Jakarta, Indonesia, on 24 July 2017 (“Appeal”).

Vide written decision dated 11 December 2017 (which was received by PTNJL’s solicitors on 2 January 2018 and subsequently forwarded to PTNJL on 3 January 2018), the High Court partly allowed the Appeal with costs and ordered that (i) the Revocation to be void and the Revocation Letter be annulled, save for the Overlapping Parcel measuring 5,138 hectares. (“High Court Decision”).

On 10 January 2018, PTNJL has filed an appeal to the Supreme Court of Indonesia (“Supreme Court”) against the High Court Decision. On 21 August 2018, the Supreme Court allowed PTNJL’s appeal and similarly ordered that the Revocation Letter be annulled (“Decision of the Supreme Court”). The Supreme Court also ordered the Minister to simultaneously:

- (i) issue an order cancelling PTNJL’s HGU rights over the Overlapping Parcel measuring 3,500 hectares; and
- (ii) ensure the issuance of a new HGU certificate in favour of PTNJL to use the remaining area measuring 16,474.13 hectares, (which is 19,974.13 hectares less the 3,500 hectares referred to in paragraph (i) above).

On 8 February 2019, the Minister filed an application in the Supreme Court to review the Decision of the Supreme Court (“JR Application”).

On 27 November 2019 the Supreme Court overturned the Decision of the Supreme Court in favor of the Minister upholding the legitimacy and the validity of the Revocation (“JR Decision”).

On 23 January 2020, PTNJL subsequently filed a further application for judicial review to Jakarta State Administrative Court against the JR Decision (“2nd JR Application”) on the grounds that the JR Decision contradicts some aspects of other established cases and the discovery of new material evidences that were not previously available. As at today, the Supreme Court has not issued any decision in respect of the 2nd JR Application.

- (b) On 28 November 2019, PTNJL has filed a civil suit in the Pengadilan Negeri Jakarta Selatan against the Defendant and PT Adindo Hutani Lestari (“AHL”) (collectively, “Defendants”). The President Republik Indonesia and Menteri Lingkungan Hidup dan Kehutanan Republik Indonesia (“Menteri Kehutanan”) have been named as co-defendants in the said suit.

B10. Changes in material litigations (cont'd.)

- (b) PTNJL is seeking legal recognition of its rights over HGU; an injunction to:
- (i) order Badan Pertahanan Nasional and Menteri Kehutanan to issue permit, recommendation, or approval for PTNJL to undertake its plantation activities;
 - (ii) bar AHL from preventing PTNJL from undertaking its plantation activities within the HGU areas which overlap with AHL's operating permits/interests; and
 - (iii) restrain Menteri Kehutanan from issuing any new licences permits or approvals to any parties on or within the HGU.

PTNJL is also seeking an order from the court to stay the enforcement of the Ministerial Order dated 25 July 2016 pending full and final determination of the matter by the Indonesian courts.

On 6 May 2020, the mediation held between PTNJL, Defendants and Co-defendants has failed. Accordingly, all parties have filed their respective cause papers to the court. The Defendants in their defence are challenging the jurisdiction and competency of the district court to examine the case. The Third Party has inter alia submitted a claim to seize PTNJL's assets within the overlapping area and other loss.

On 15 September 2020, Pengadilan Negeri Jakarta Selatan had delivered an oral judgement and dismissed the civil suit filed by the PTNJL against the Defendant on the basis that the Court has no competency to hear the matter notwithstanding the civil nature of the claim.

PTNJL has filed its notice of appeal and memorandum of appeal on 28 September 2020 and 21 April 2021 respectively to the Pengadilan Tinggi DKI Jakarta (through the Pengadilan Negeri Jakarta Selatan) in respect of the decision of the Pengadilan Negeri Jakarta Selatan dated 15 September 2020.

B11. Dividend

The Board of Directors declared a single-tier interim and special dividend of 9.0 sen and 3.0 per share respectively, payable for the year ended 31 March 2021 (FY2020: 9.0 sen and Nil, respectively). The dividend payment will be approximately RM33.33 million (FY2020: RM 25.14 million).

B12. Earnings per share

The basic earnings per share are calculated as follows:

	Quarter ended		12 months cumulative	
	31-03-2021	31-03-2020	31-03-2021	31-03-2020
Profit net of tax attributable to equity holders of the Company used in the computation of earnings per share (RM'000)	8,336	(124)	50,104	29,214
Weighted average number of ordinary shares in issues ('000)	279,022	280,971	279,022	280,971
Basic/diluted earnings per share (sen)	2.99	(0.04)	17.96	10.40

By order of the Board

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

Kuala Lumpur
Dated : 30 June 2021