



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

Condensed Consolidated Financial Statements
For the Second Quarter Ended 30 September 2023

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2023
(THE FIGURES HAVE NOT BEEN AUDITED)

	Note	Current quarter		6 months cumulative	
		Current year quarter 30-09-2023	Preceding year corresponding quarter 30-09-2022	Current year to date 30-09-2023	Preceding year corresponding period 30-09-2022
		RM'000	RM'000	RM'000	RM'000
Revenue	A9	150,305	163,484	274,086	343,407
Cost of sales		(77,036)	(104,427)	(155,248)	(213,453)
Gross profit		73,269	59,057	118,838	129,954
Other income		2,670	3,283	5,712	5,159
Other items of expense					
Administrative expenses		(26,997)	(19,480)	(47,247)	(39,175)
Selling and marketing expenses		(4,165)	(4,575)	(7,957)	(9,663)
Other operating expenses		(5,380)	(5,922)	(9,819)	(11,013)
		(36,542)	(29,977)	(65,023)	(59,851)
Finance costs		(3,700)	(2,853)	(7,430)	(5,734)
Share of results of associates		1,676	1,425	2,409	2,652
Profit before tax and zakat	A9/A10	37,373	30,935	54,506	72,180
Income tax expense and zakat	B5	(9,348)	(8,441)	(15,738)	(19,601)
Profit net of tax		28,025	22,494	38,768	52,579
Other comprehensive (expenses)/income					
Foreign exchange translation (loss)/gain		(2,020)	8,089	8,941	14,604
Total comprehensive income for the period		26,005	30,583	47,709	67,183
Profit attributable to :					
Equity holders of the Company		24,586	19,507	34,244	41,216
Non-controlling interests		3,439	2,987	4,524	11,363
Profit for the period		28,025	22,494	38,768	52,579
Total comprehensive income attributable to :					
Equity holders of the Company		23,053	26,904	42,393	54,618
Non-controlling interests		2,952	3,679	5,316	12,565
Total comprehensive income for the period		26,005	30,583	47,709	67,183
Earnings per share attributable to equity holders of the Company :					
Basic/diluted earnings per share (sen)	B12	8.93	7.06	12.43	14.93

(The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 March 2023 and the accompanying explanatory notes attached to the interim financial statements).

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2023

	As at 30-09-2023	As at 31-03-2023
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	533,248	468,338
Right-of-use assets	434,109	441,778
Investment properties	48,802	49,430
Investment in associates	43,317	40,908
Deferred tax assets	15,737	15,458
Goodwill on consolidation	12,710	12,710
	<u>1,087,923</u>	<u>1,028,622</u>
Current assets		
Inventories	91,591	78,868
Biological assets	7,990	6,787
Trade receivables	90,296	109,644
Other receivables	59,704	49,506
Financial investments	140,213	188,491
Cash and bank balances	161,521	157,929
	<u>551,315</u>	<u>591,225</u>
TOTAL ASSETS	<u>1,639,238</u>	<u>1,619,847</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	311,670	311,670
Treasury shares	(11,963)	(11,932)
Other reserves	72,295	64,146
Retained earnings	554,810	553,611
	<u>926,812</u>	<u>917,495</u>
Non-controlling interests	247,346	250,854
Total equity	<u>1,174,158</u>	<u>1,168,349</u>
Non-current liabilities		
Lease liabilities	212,521	212,820
Long term borrowings	38,911	19,196
Retirement benefit obligation	1,825	1,636
Deferred tax liabilities	63,991	61,833
	<u>317,248</u>	<u>295,485</u>
Current liabilities		
Lease liabilities	6,380	8,617
Short term borrowings	41,446	53,737
Trade and other payables	93,849	89,332
Provisions	1,083	1,657
Tax payable	5,074	2,670
	<u>147,832</u>	<u>156,013</u>
TOTAL LIABILITIES	<u>465,080</u>	<u>451,498</u>
TOTAL EQUITY AND LIABILITIES	<u>1,639,238</u>	<u>1,619,847</u>
Net assets per share (RM)	<u>3.28</u>	<u>3.25</u>

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 March 2023 and the accompanying explanatory notes attached to the interim financial statements).

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2023**

Group	← Attributable to equity holders of the Company →									
	← Non-distributable			→ Distributable						
	Share capital	Treasury shares	Other reserves	Capital reserve	Capital reserve arising from bonus issue in subsidiary	Foreign exchange reserve	Retained earnings	Total	Non-controlling interests	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 April 2023	311,670	(11,932)	64,146	437	66,459	(2,750)	553,611	917,495	250,854	1,168,349
Profit for the period	-	-	-	-	-	-	34,244	34,244	4,524	38,768
Other comprehensive income for the period	-	-	8,149	-	-	8,149	-	8,149	792	8,941
Total comprehensive income for the period	-	-	8,149	-	-	8,149	34,244	42,393	5,316	47,709
Transactions with equity holders										
Dividend	-	-	-	-	-	-	(33,045)	(33,045)	-	(33,045)
Dividend paid to minority shareholders of subsidiaries	-	-	-	-	-	-	-	-	(8,738)	(8,738)
Purchase of treasury shares	-	(31)	-	-	-	-	-	(31)	(86)	(117)
Total transactions with equity holders	-	(31)	-	-	-	-	(33,045)	(33,076)	(8,824)	(41,900)
At 30 September 2023	311,670	(11,963)	72,295	437	66,459	5,399	554,810	926,812	247,346	1,174,158
At 1 April 2022	311,670	(10,431)	59,025	437	66,459	(7,871)	531,842	892,106	255,128	1,147,234
Profit for the period	-	-	-	-	-	-	41,216	41,216	11,363	52,579
Other comprehensive income for the period	-	-	13,402	-	-	13,402	-	13,402	1,202	14,604
Total comprehensive income for the period	-	-	13,402	-	-	13,402	41,216	54,618	12,565	67,183
Transaction with equity holders										
Dividend	-	-	-	-	-	-	(41,414)	(41,414)	-	(41,414)
Dividend paid to minority shareholders of subsidiaries	-	-	-	-	-	-	-	-	(13,467)	(13,467)
Purchase of treasury shares	-	(293)	-	-	-	-	-	(293)	(114)	(407)
Total transaction with equity holders	-	(293)	-	-	-	-	(41,414)	(41,707)	(13,581)	(55,288)
At 30 September 2022	311,670	(10,724)	72,427	437	66,459	5,531	531,644	905,017	254,112	1,159,129

(The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 March 2023 and the accompanying explanatory notes attached to the interim financial statements).

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2023**

	← 6 months ended →	
	30-09-2023	30-09-2022
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	54,506	72,180
Adjustments for:		
Depreciation of investment properties	655	825
Depreciation for property, plant and equipment	13,171	11,535
Depreciation of right-of-use assets	7,866	8,171
Fair value changes on biological assets	(1,119)	951
Net provision for impairment on trade and other receivables	934	834
Interest expense	7,430	5,734
Profit income	(961)	(918)
Interest income	(215)	(104)
Distribution from financial investments	(3,090)	(1,664)
Net provision for retirement benefit obligation	147	13
Net (reversal of provision)/provision for warranty	(574)	149
Net unrealised forex gain	(2,727)	(6,142)
Net gain on disposal of property, plant and equipment	(13)	(44)
Share of results of associates	(2,409)	(2,652)
Inventories written down	(138)	(36)
Operating profit before working capital changes	<u>73,463</u>	<u>88,832</u>
Increase in inventories	(12,585)	(4,463)
Decrease/(increase) in receivables	8,635	(31,355)
Increase in payables	4,517	12,067
Cash generated from operations	<u>74,030</u>	<u>65,081</u>
Interest paid	(1,624)	(826)
Taxes paid	(9,024)	(25,746)
Retirement benefits paid	-	(49)
Net cash generated from operating activities	<u>63,382</u>	<u>38,460</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	13	1,262
Purchase of property, plant and equipment	(73,548)	(37,283)
Purchase of investment property	(27)	-
Payment for acquisition of land	-	(33,030)
Acquisition of treasury shares	(31)	(293)
Profit income received	961	918
Interest income received	215	104
Distribution received from financial investments	3,090	1,664
Placement of deposit with maturity period more than 3 months	(3,146)	(10,000)
Net placement of financial investments	48,278	54,837
Net cash used in investing activities	<u>(24,195)</u>	<u>(21,821)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Net drawdown of borrowings	7,424	7,244
Repayment of lease liabilities	(8,520)	(8,526)
Dividend paid	(33,045)	(41,414)
Dividend paid by subsidiaries to non-controlling interests	(8,738)	(13,467)
Net cash used in financing activities	<u>(42,879)</u>	<u>(56,163)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	<u>(3,692)</u>	<u>(39,524)</u>
EFFECT ON FOREIGN EXCHANGE RATE CHANGES IN CASH AND CASH EQUIVALENTS	4,138	10,519
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	<u>139,311</u>	<u>170,573</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>139,757</u>	<u>141,568</u>
CASH AND CASH EQUIVALENTS COMPRISE:		
Cash and bank balances	87,365	97,652
Fixed deposits with financial institutions	<u>74,156</u>	<u>53,916</u>
	161,521	151,568
Less: Fixed deposits with financial institutions with maturity of more than three months	<u>(21,764)</u>	<u>(10,000)</u>
Cash and cash equivalents at end of period	<u>139,757</u>	<u>141,568</u>

(The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 March 2023 and the accompanying explanatory notes attached to the interim financial statements).

PART A - Explanatory notes pursuant to MFRS 134

A1. Basis of preparation

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

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 March 2023. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 31 March 2023.

A2. Changes in accounting policies

The significant accounting policies adopted are consistent with those of the statutory financial statements for the financial year ended 31 March 2023 except for the adoption of the following new and revised MFRSs, Amendments to MFRSs and IC Interpretations.

(a) Adoption of MFRSs, amendments to MFRSs and IC Interpretation

On 1 April 2023, the Group adopted the following new and amended MFRSs and IC Interpretation:

- MFRS 17: Insurance Contracts
- Amendments to MFRS 17: Initial Application of MFRS 17 and MFRS 9 - Comparative Information
- Amendments to MFRS 17: Insurance Contracts
- Amendments to MFRS 101: Classification of Liabilities as Current or Non-current
- Amendments to MFRS 101: Disclosure of Accounting Policies
- Amendments to MFRS 108: Definition of Accounting Estimates
- Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- Amendments to MFRS 112: International Tax Reform - Pillar Two Model Rules

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

(b) Standards and Interpretations issued but not yet effective

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

Description	Effective for financial period beginning on or after
Amendments to MFRS 16: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101: Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025
Amendments to MFRS 10 and MFRS 128: Sales or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

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

A3. Auditors' report on preceding annual financial statements

The financial statements of the Group for the financial year ended 31 March 2023 were not subject to any audit qualification.

A4. Seasonal and cyclical factors

The operations of the Group are not affected by any seasonal or cyclical factors. However, plantation segment is affected by fluctuations in commodity prices.

A5. Unusual items affecting the financial statements

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

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

A6. Changes in estimates

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

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

There were no issuances, cancellations, repurchases, resale and repayments of debts and equity securities for the current quarter.

A8. Dividend paid

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

		6 months cumulative	
		30-09-2023	30-09-2022
		RM'000	RM'000
Interim dividend			
2022	Single-tier interim dividend of 9.0 sen (Paid on 22 August 2022)	-	24,848
2023	Single-tier interim dividend of 9.0 sen (Paid on 18 August 2023)	24,784	-
Special dividend			
2022	Single-tier special dividend of 6.0 sen (Paid on 22 August 2022)	-	16,566
2023	Single-tier special dividend of 3.0 sen (Paid on 18 August 2023)	8,261	-

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

	Quarter ended		6 months cumulative	
	30-09-2023	30-09-2022	30-09-2023	30-09-2022
Revenue	RM'000	RM'000	RM'000	RM'000
Manufacturing*	12,948	35,169	36,878	64,957
Plantation	46,375	41,908	78,523	101,162
Bulking	41,327	34,362	79,079	77,421
Food	48,697	50,922	77,568	97,644
Others	5,937	8,995	11,934	14,400
	155,284	171,356	283,982	355,584
Eliminations	(4,979)	(7,872)	(9,896)	(12,177)
	150,305	163,484	274,086	343,407
Profit before tax				
Manufacturing*	(1,146)	4,199	151	7,151
Plantation	9,557	5,987	12,353	27,381
Bulking	20,005	16,491	37,197	31,792
Food	9,032	6,534	6,395	10,096
Others	(1,751)	(3,701)	(3,999)	(6,892)
	35,697	29,510	52,097	69,528
Associated companies	1,676	1,425	2,409	2,652
	37,373	30,935	54,506	72,180

* Production and trading of security documents.

(ii) Geographical segments

	Quarter ended		6 months cumulative	
	30-09-2023	30-09-2022	30-09-2023	30-09-2022
Revenue	RM'000	RM'000	RM'000	RM'000
Malaysia	78,272	95,319	158,848	197,080
Indonesia	29,523	26,421	49,968	63,315
Papua New Guinea	47,489	49,616	75,166	95,189
	155,284	171,356	283,982	355,584
Eliminations	(4,979)	(7,872)	(9,896)	(12,177)
	150,305	163,484	274,086	343,407
Profit before tax				
Malaysia	16,669	17,251	27,423	39,379
Indonesia	10,064	6,215	18,585	20,802
Papua New Guinea	8,964	6,044	6,089	9,347
	35,697	29,510	52,097	69,528
Associated companies	1,676	1,425	2,409	2,652
	37,373	30,935	54,506	72,180

← 6 months cumulative →

	Current year to date		Preceding year corresponding period	
	30-09-2023		30-09-2022	
Assets and liabilities	Assets	Liabilities	Assets	Liabilities
	RM'000	RM'000	RM'000	RM'000
Malaysia	1,789,758	393,454	1,759,853	356,157
Indonesia	104,489	6,621	85,782	13,971
Papua New Guinea	222,797	103,832	241,045	122,298
	2,117,044	503,907	2,086,680	492,426
Eliminations	(477,806)	(38,827)	(486,161)	(51,036)
	1,639,238	465,080	1,600,519	441,390

A10. Profit before tax and zakat

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

	Quarter ended		6 months cumulative	
	30-09-2023	30-09-2022	30-09-2023	30-09-2022
	RM'000	RM'000	RM'000	RM'000
Other income				
Profit income	538	471	961	918
Interest income	122	104	215	104
Distribution from financial investments	1,533	921	3,090	1,664
Operating expenses				
Depreciation	10,412	10,008	21,692	20,531
Interest expense on:				
- Borrowings	804	408	1,624	826
- Lease liabilities	2,896	2,445	5,806	4,908
Unrealised foreign exchange gain	(156)	(3,190)	(2,727)	(6,142)
Realised forex exchange loss/(gain)	1,530	(431)	333	38
Net provision for impairment on trade and other receivables	1,639	264	934	834
Net gain on disposal of property, plant and equipment	(13)	(14)	(13)	(44)
Fair value changes on biological assets	(1,571)	252	(1,119)	951
Net provision for retirement benefit obligation	141	32	147	13
Net (reversal of provision)/provision for warranty	(621)	84	(574)	149
Inventories written back	(467)	(292)	(138)	(36)

A11. Subsequent events

There were no material events subsequent to the end of the current quarter.

A12. Inventories

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

A13. Changes in the composition of the Group

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

A14. Changes in contingent liabilities

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

A15. Significant acquisition of property, plant and equipment

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

	Current year to date
	RM'000
Plant and machinery	34,419
Land and buildings	1,625
Equipment, furniture and fittings and motor vehicles	6,321
Bearer plants and infrastructure	9,603
Work in progress	21,580
	73,548

A16. Capital commitments

The amount of commitments not provided for in the financial statements as at 30 September 2023 were as follows:

	Current year to date
	RM'000
Property, plant and equipment	
- Approved and contracted for	51,259

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	452
- Fima Corporation Berhad - Management fees receivable	505
- Fima Corporation Berhad - Services payable	142
- Pineapple Cannery of Malaysia Sendirian Berhad - Rental income	169
- International Food Corporation - Sales of fish	9,637
- International Food Corporation - Interest receivable	951
Transactions with related parties*	
- BHR Enterprise Sdn. Bhd. - Services payable	60
- PT Pohon Emas Lestari - Purchase of fresh fruit bunch	4,129
- TD Technologies Sdn. Bhd. - Services payable	120
- First Zanzibar Sdn. Bhd. - Service payable	80

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

NOTES TO THE QUARTERLY ANNOUNCEMENT FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2023
PART B - Bursa Securities Listing Requirements
B1. Review of performance
Group Performance

(RM Million)	<u>Current YTD</u>	<u>Previous YTD</u>	Variance	%
Revenue	274.09	343.41	(69.32)	(20.2)
Profit before tax	54.51	72.18	(17.67)	(24.5)

Group revenue for the period ended 30 September 2023 declined by 20.2% to RM274.09 million as compared to RM343.41 million recorded last year. Lower revenue by RM69.32 million was attributed by the decrease in revenue generated by manufacturing, plantation and food division.

In line with lower revenue posted, the Group profit before tax ("PBT") has decreased by 24.5% to RM54.51 million as compared to the last financial year, attributable to lower PBT recorded by manufacturing, plantation and food division.

The performance of each business division is as follows:

Manufacturing Division

(RM Million)	<u>Current YTD</u>	<u>Previous YTD</u>	Variance	%
Revenue	36.88	64.96	(28.08)	(43.2)
Profit before tax	0.15	7.15	(7.00)	(97.9)

Revenue from **Manufacturing Division** decreased by 43.2% or RM28.08 million to RM36.88 million from RM64.96 million recorded last year, attributed by lower sales volume for most of the products. On the back of lower revenue coupled with higher relocation costs, the division PBT decreased by RM7.00 million to RM0.15 million as compared to last year.

Plantation Division

(RM Million)	<u>Current YTD</u>	<u>Previous YTD</u>	Variance	%
Revenue				
<u>Indonesia</u>				
- Crude palm oil (CPO)	44.71	56.68	(11.97)	(21.1)
- Crude palm kernel oil (CPKO)	5.25	6.64	(1.39)	(20.9)
<u>Malaysia</u>				
- Fresh fruit bunch (FFB)	28.10	36.91	(8.81)	(23.9)
- Pineapple	0.46	0.93	(0.47)	(50.5)
Total	<u>78.52</u>	<u>101.16</u>	<u>(22.64)</u>	<u>(22.4)</u>
Profit before tax	12.35	27.38	(15.03)	(54.9)
FFB produced (mt)	43,213	39,375	3,838	9.7
Production (mt)				
- CPO	16,336	17,961	(1,625)	(9.0)
- CPKO	1,570	1,626	(56)	(3.4)
Sales Quantity (mt)				
- CPO	13,561	16,638	(3,077)	(18.5)
- CPKO	1,497	1,498	(1)	(0.1)

NOTES TO THE QUARTERLY ANNOUNCEMENT FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2023
B1. Review of performance (cont'd.)
Plantation Division (cont'd.)

Plantation Division recorded a decrease in revenue by RM22.64 million or 22.4% to RM78.52 million as compared to last year, mainly attributable to lower sales price of CPO and CPKO, as well as lower sales volume of CPO. On the back of lower revenue, coupled with increase in operational cost, the division PBT has declined by 54.9% or RM15.03 million to RM12.35 million as compared to last year.

Plantation estates in Malaysia which are presently in the development phase and partially mature registered a total pre-tax losses of RM5.21 million as compared to RM1.64 million pre-tax losses recorded in the corresponding period last year.

Bulking Division

(RM Million)	Current YTD	Previous YTD	Variance	%
Revenue				
Liquid bulking and logistic	78.89	63.95	14.94	23.4
Biodiesel	0.19	13.47	(13.28)	(98.6)
	<u>79.08</u>	<u>77.42</u>	<u>1.66</u>	<u>2.1</u>
Profit before tax	37.20	31.79	5.41	17.0

Revenue from **Bulking Division** of RM79.08 million has improved by 2.1% or RM1.66 million as compared to last year. Its liquid bulking and logistic operation has shown an improvement in revenue by 23.4% or RM14.94 million to RM78.89 million, mainly driven by higher contribution from technical fats, molasses, used cooking oil ("UCO"), base oil and miscellaneous non-core products. Its biodiesel operation has recorded lower revenue by 98.6% to RM0.19 million, contributed mainly by decrease in sales of palm methyl ester ("PME") and glycerine. The stronger performance from liquid bulking and logistic operation has contributed to the Division PBT of RM37.20 million, an improvement by 17.0% or RM5.41 million as compared to RM31.79 million in the corresponding period last year.

Food Division

(RM Million)	Current YTD	Previous YTD	Variance	%
Revenue				
Papua New Guinea (PNG)	75.17	95.19	(20.02)	(21.0)
Malaysia	2.40	2.45	(0.05)	(2.0)
	<u>77.57</u>	<u>97.64</u>	<u>(20.07)</u>	<u>(20.6)</u>
Profit before tax	6.40	10.10	(3.70)	(36.6)

Food Division's revenue has experienced a deficit of RM20.07 million or 20.6% to RM77.57 million, as compared to RM97.64 million recorded in the previous financial year, mainly attributable to a lower sales volume of mackerel and tuna products. On the back of lower revenue coupled with lower net gain on forex of RM1.11 million, the division PBT has declined by RM3.70 million or 36.6% to RM6.40 million, as compared to RM10.10 million in the last financial year.

NOTES TO THE QUARTERLY ANNOUNCEMENT FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2023
B2. Comparison with preceding quarter's results
Group Performance

(RM Million)	QTR 2 FY 2024	QTR 1 FY 2024	Variance	%
Revenue	150.31	123.78	26.53	21.4
Profit before tax	37.38	17.13	20.25	118.2

The Group revenue has improved by RM26.53 million or 21.4% to RM150.31 million as compared to the preceding quarter, attributable to higher revenue contribution by bulking, plantation and food division.

Inline with higher revenue posted, the Group PBT has increased by 118.2% to RM37.38 million as compared to RM17.13 million recorded in the preceding quarter.

The performance of each business division is as follows:

Manufacturing Division

(RM Million)	QTR 2 FY 2024	QTR 1 FY 2024	Variance	%
Revenue	12.95	23.93	(10.98)	(45.9)
(Loss)/profit before tax	(1.15)	1.30	(2.45)	(188.5)

Manufacturing Division's revenue recorded lower by RM10.98 million or 45.9% to RM12.95 million in the current quarter, primarily attributable to decrease in sales volume most of its products. On the back of lower revenue and unfavourable sales mix, the division PBT has declined by RM2.45 million and registered a pre-tax losses of RM1.15 million as compared to the last quarter.

Plantation Division

(RM Million)	QTR 2 FY 2024	QTR 1 FY 2024	Variance	%
Revenue				
<u>Indonesia</u>				
- CPO	26.16	18.55	7.61	41.0
- CPKO	3.36	1.89	1.47	77.8
<u>Malaysia</u>				
- Fresh fruit bunch	16.64	11.46	5.18	45.2
- Pineapple	0.21	0.25	(0.04)	(16.0)
Total	46.37	32.15	14.22	44.2
Profit before tax	9.55	2.80	6.75	241.1

FFB produced (mt)	25,028	18,185	6,843	37.6
Production (mt)				
- CPO	8,506	7,830	676	8.6
- CPKO	869	701	168	24.0
Sales Quantity (mt)				
- CPO	8,043	5,518	2,525	45.8
- CPKO	996	501	495	98.8

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

Plantation Division revenue has improved in the current quarter by RM14.22 million or 44.2% to RM46.37 million, as compared to RM32.15 million in the preceding quarter mainly attributable to higher sales volume of CPO and CPKO. In line with higher revenue, the Division PBT has increased by RM6.75 million to RM9.55 million in the current quarter.

Bulking Division

(RM Million)	QTR 2 FY 2024	QTR 1 FY 2024	Variance	%
Revenue				
Liquid bulking and logistic	41.32	37.57	3.75	10.0
Biodiesel	0.01	0.18	(0.17)	(94.4)
	<u>41.33</u>	<u>37.75</u>	<u>3.58</u>	<u>9.5</u>
Profit before tax	20.01	17.19	2.82	16.4

Revenue from **Bulking Division** has improved by 9.5% or RM3.58 million to RM41.33 million as compared to the preceding quarter, primarily attributable to higher sales of base oil and UCO. As a result of higher revenue, the division PBT also improved by RM2.82 million or 16.4% to RM20.01 million in the current quarter.

Food Division

(RM Million)	QTR 2 FY 2024	QTR 1 FY 2024	Variance	%
Revenue				
PNG	47.49	27.68	19.81	71.6
Malaysia	1.21	1.19	0.02	1.7
	<u>48.70</u>	<u>28.87</u>	<u>19.83</u>	<u>68.7</u>
Profit/(loss) before tax	9.04	(2.64)	11.68	442.4

Food Division has recorded an increase in revenue of RM19.83 million or 68.7% to RM48.70 million in the current quarter, driven primarily by higher sales volume for tuna and mackerel products. In line with the higher revenue posted, the division's PBT has increased by RM11.68 million to RM9.04 million compared to the preceding quarter.

B3. Prospects

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

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

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

NOTES TO THE QUARTERLY ANNOUNCEMENT FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2023
B3. Prospects (cont'd.)

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

We expect the challenging environment to remain in the current financial year. Fluctuations in exchange rates and commodity prices will influence the Group's financial performance and position.

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

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

B5. Income tax expense and zakat

	Current quarter 30-09-2023 RM'000	Current year to date 30-09-2023 RM'000
Tax expense	9,348	15,738

The effective tax rate on the Group's profit to date is higher than the statutory tax rate mainly due to certain expenses disallowed for taxation purposes and recognition of deferred tax liabilities by certain subsidiaries.

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

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

B7. Purchase or disposal of quoted securities

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

B8. Corporate proposals
(a) Status of corporate proposal

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

(b) Utilisation of proceeds raised from any corporate proposal

Not applicable.

B9. Borrowings and debt securities

	As at 30-09-2023 RM'000	As at 31-03-2023 RM'000
Non-current		
Term loan	38,911	19,196
Current		
Term loan	7,619	4,704
Bankers' acceptance	6,179	3,912
Short term revolving credit	27,648	45,121
	<u>41,446</u>	<u>53,737</u>
	<u>80,357</u>	<u>72,933</u>

NOTES TO THE QUARTERLY ANNOUNCEMENT FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2023

B10. Changes in material litigations

As at 30 September 2023, there is no material litigation involving the Group.

B11. Dividend

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

B12. Earnings per share

The basic earnings per share are calculated as follows:

	Quarter ended		6 months cumulative	
	30-09-2023	30-09-2022	30-09-2023	30-09-2022
Profit net of tax attributable to equity holders of the Company used in the computation of earnings per share (RM'000)	24,586	19,507	34,244	41,216
Weighted average number of ordinary shares in issues ('000)	275,386	276,119	275,386	276,119
Basic/diluted earnings per share (sen)	8.93	7.06	12.43	14.93

By order of the Board

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

Company Secretaries

Kuala Lumpur

Dated : 29 November 2023