

FIMA CORPORATION BERHAD
(Company No: 21185-P)

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1. **RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

1.1 **Introduction**

The Board of Directors Fima Corporation Berhad (“FimaCorp” or “the Company”) wishes to announce that pursuant to Chapter 10.09 of the Bursa Malaysia Securities Main Market Listing Requirements, a subsidiary of the Company, PT Nunukan Jaya Lestari “(PT NJL)” have entered into Recurrent Related Party Transactions (“RRPT”) with a company connected with a Director/major shareholder of PT NJL.

1.2 **Details of the RRPT**

The principal activities of FimaCorp are investment holding and property management. The subsidiaries and associated companies of FimaCorp and their respective principal activities are as follows:-

Name of Company	Country of Incorporation	Equity Interest Held		Principal activities
		2013	2012	
Security Printers (M) Sdn Bhd	Malaysia	% 100	% 100	Trading of security and confidential documents.
Percetakan Keselamatan Nasional Sdn Bhd	Malaysia	100	100	Production of security and confidential documents.
FCB Property Management Sdn Bhd	Malaysia	100	100	Property management.
FCB Plantation Holdings Sdn Bhd	Malaysia	100	100	Investment holding.
Cendana Laksana Sdn Bhd	Malaysia	100	-	Oil palm plantation.
PT Nunukan Jaya Lestari	Indonesia	80	80	Oil palm production and processing.
Giesecke & Devrient Malaysia Sdn Bhd	Malaysia	20	20	Production and sale of bank notes.
Kadkash Sdn Bhd	Malaysia	40	40	Dormant.

Nature of transaction : Purchase of fresh fruit bunches (“FFB”)
 Transacted party : PT Nunukan Jaya Lestari (“PT NJL”)
 Related party : PT Pohon Emas Lestari (“PT PEL”)
 Interested Director/major shareholder : Bapak Muhammad Ramli
 of PT NJL

Amount transacted:

<u>Financial Year</u>	<u>Period</u>	<u>Amount</u> RM	<u>Remarks</u>
2011/2012	1 April 2011 – 30 November 2011	3,851,000	1.01% ratio
	1 December 2011 – 31 March 2013	1,757,000	
	Total	<u>5,608,000</u>	
2012/2013	1 April 2012 – 30 November 2012	4,704,000	1.08% ratio
	1 December 2011 – 31 March 2013	2,278,000	
	Total	<u>6,982,000</u>	

The related party, PT PEL is deemed connected by virtue of common Director/major shareholder, Bapak Muhammad Ramli.

1.3 Background information of PT PEL

PT PEL, a limited liability company organized and existing under the Law of Republic of Indonesia, has its domicile in Nunukan, Kalimantan Timur, Indonesia. Its principal activity is oil palm plantation.

1.4 Rationale

The RRPT is beneficial to the day-to-day operations of the Group. The RRPT are entered into in the ordinary course of business at arm’s length basis and on normal commercial terms which are not more favourable to the related party than those generally available to the public and are not detrimental to the Company and its minority shareholders. FFB price paid to PT PEL for the purchase of FFB is based on the monthly FFB price released by “Dinas Perkebunan Provinsi Kalimantan Timur”.

1.5 Directors and major shareholders' interest

As at 29 March 2013, save as disclosed below, none of the other Directors and/or major shareholders of FimaCorp and persons connected with them have any interest, direct or indirect, in the RRPT.

	Direct		Indirect	
	No. of Shares held	%	No. of Shares held	%
Directors				
<i>Roslan bin Hamir</i>	205,600	0.25	-	-
<i>Roshayati binti Basir</i>	-	-	50,127,886 ⁽³⁾	60.82
Substantial Shareholders				
<i>Fima Metal Box Holdings Sdn Bhd</i>	49,081,786	59.55	-	-
Persons Connected				
<i>Kumpulan Fima Berhad</i>	-	-	49,081,786 ⁽¹⁾	59.55
<i>BHR Enterprise Sdn Bhd</i>	440,500	0.53	49,081,786 ⁽²⁾	59.55
<i>Hamidah binti Abdul Rahman</i>	605,600	0.73	49,081,786 ⁽⁴⁾	59.55
<i>Rozilawati binti Basir</i>	-	-	49,081,786 ⁽⁴⁾	59.55
<i>Rozana Zeti binti Basir</i>	-	-	49,081,786 ⁽⁴⁾	59.55

Notes:

1. Deemed interest by virtue of its interest in Fima Metal Box Holdings Sdn Bhd, a substantial shareholder of FimaCorp.
2. Deemed interest by virtue of its interest in Kumpulan Fima Berhad which in turn owns Fima Metal Box Holdings Sdn Bhd, a substantial shareholder of FimaCorp.
3. Deemed interest by virtue of her mother, Puan Sri Datin Hamidah binti Abdul Rahman's direct shareholding in the Company and her direct shareholding in BHR Enterprise Sdn Bhd, which owns Kumpulan Fima Berhad, which in turn owns Fima Metal Box Holdings Sdn Bhd, a substantial shareholder of FimaCorp.
4. Deemed interest by virtue of their substantial direct shareholding in BHR Enterprise Sdn Bhd, which owns Kumpulan Fima Berhad, which in turn owns Fima Metal Box Holdings Sdn Bhd, a substantial shareholder of FimaCorp.

1.6 Statement by Audit Committee

The Audit Committee having considered the rationale for the RRPT and all aspects of the RRPT, was of the view that the RRPT are on normal commercial terms and is beneficial for the Company.

1.7 Statement by the Board of Directors

Having considered the rationale for the RRPT, the Board is of the opinion that the RRPT is beneficial for the Company.

2. PROPOSED SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

The Board will seek the approval of the shareholders for the shareholders' mandate for PT NJL to continue to enter into recurrent arrangements or transactions referred to above in the ordinary course of business as these transactions are made at arm's length and on normal commercial terms which are not more favourable to the related party than those generally available to the public.

A circular setting out the details of the RRPT will be distributed to the shareholders together with the Annual Report of the Company for the financial year ended 31 March 2013.

3. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF THE COMPANY

The Board of Directors of Fima Corp also wishes to announce that the Company intends to seek approval from its shareholders at the forthcoming AGM of the Company for the proposed amendments to the Articles of Association of the Company ("Proposed Amendments").

The Proposed Amendments are to be in line with the amendments of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The details of the Proposed Amendments will be set out in the Annual Report of the Company for the financial year ended 31 March 2013 to be dispatched in due course.

This announcement is dated 24 June 2013.