



General Announcement

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Company Information

Main Market Company

New Announcement

Submitting Investment Bank/Advisor (if applicable)

Submitting Secretarial Firm (if applicable)

* Company name	FIMA CORPORATION BERHAD
* Stock name	FIMACOR
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Type * Announcement

Subject *: TRANSACTIONS (CHAPTER 10 OF LISTING REQUIREMENTS)
 NON RELATED PARTY TRANSACTIONS

Description *:-

(Note : Please enter the announcement description in this field and the announcement details in the Announcement Details/Table Section or attach the full announcement details as an attachment)

Acquisition by FCB Plantation Holdings Sdn Bhd ("FCBPH" or "Purchaser") of 89% of total issued and paid-up capital of Next Oasis Sdn Bhd ("Next Oasis") from Mohamed Fathil bin Kassim ("the Vendor") ("Acquisition")

Announcement Details/Table Section :-

(This field is for the details of the announcement, if applicable)

The Board of Directors of Fima Corporation Berhad ("FIMACORP") is pleased to announce that FCB Plantation Holdings Sdn Bhd, FIMACORP's wholly-owned subsidiary had on 17 March 2015 entered into a Sale and Purchase Agreement with Mohamed Fathil bin Kassim to acquire 890 ordinary shares of RM1.00 each or 89% the total issued and paid-up capital of Next Oasis Sdn Bhd for a purchase consideration of Ringgit Malaysia Eight Hundred Ninety (RM890.00) ("Acquisition").

Further details of the Acquisition are set out in the attachment.
 This announcement is dated 17 March 2015.

Attachment(s) :- (please attach the attachments here)

[Announcement Acquisition FCBPH - Mohamed Fathil Kassim \(170315\).pdf](#)



FIMA CORPORATION BERHAD
(Company No: 21185-P)

ACQUISITION BY FCB PLANTATION HOLDINGS SDN BHD ("FCBPH" OR "PURCHASER") OF 89% OF TOTAL ISSUED AND PAID-UP CAPITAL OF NEXT OASIS SDN BHD ("NEXT OASIS") FROM MOHAMED FATHIL BIN KASSIM ("THE VENDOR") ("ACQUISITION")

1.0 INTRODUCTION

The Board of Directors of Fima Corporation Berhad ("FIMACORP") is pleased to announce that FCBPH, FIMACORP's wholly-owned subsidiary had on 17 March 2015 entered into a Sale and Purchase Agreement ("SPA") with the Vendor to acquire 890 ordinary shares of RM1.00 each or 89% the total issued and paid-up capital of Next Oasis ("Sale Shares") for a purchase consideration of Ringgit Malaysia Eight Hundred Ninety (RM890.00) ("Consideration").

2.0 INFORMATION ON THE VENDOR & NEXT OASIS

2.1 The Vendor

Mohamed Fathil bin Kassim aged 61, is a Malaysian citizen. He was appointed to the Board of Next Oasis on 25 November 2015.

He is currently a consultant and a director of several private companies that are related to the palm oil sector. Mr. Fathil was previously an investment banker with a leading investment bank in Malaysia.

2.2 NEXT OASIS

Next Oasis was incorporated on 18 September 2014 with authorised capital of RM400,000 comprising 400,000 ordinary shares of which RM1,000 have been issued and fully paid up. Its principal activity is investment holding.

Next Oasis will become an 89%-owned subsidiary of FIMACORP upon completion of the Acquisition, while the remaining 11% equity interest in Next Oasis will be held by London Nusantara Plantations PLC ("London Nusantara"), a company incorporated in the Isle of Man and listed on the ISDX Growth Market, London.

As at the date hereof, the directors of Next Oasis are as follows:

Board of Directors

Mohamed Fathil bin Kassim
Manichelvam A/L Subramaniam

On 26 November 2014, Next Oasis has entered into a conditional Sale and Purchase Agreement with MWE Holdings Berhad ("MWE"), a public company listed on the Main Market of Bursa Malaysia, to acquire the entire equity interest of Taka Worldwide Trading Sdn Bhd ("TWSB") and Etika Gangsa Sdn Bhd ("EGSB") from MWE. EGSB and TWSB have been granted sub-leases over 2 parcels of land measuring approximately 404.6 hectares (1,000 acres), deemed suitable for oil palm cultivation, situated in Mukim Relai, Daerah Jajahan Gua Musang, Kelantan for a term of 66 years expiring on 5 March 2074, with an option to renew for a further period of 33 years.

3.0. TERMS OF THE SPA

3.1 The Consideration for the Sale Shares shall be Ringgit Malaysia Eight Hundred Ninety (RM890.00) and shall be paid by FCBPH to the Vendor upon the execution of the SPA.

Completion shall take place upon signing of the SPA.

3.2 Basis of determining the Consideration and satisfaction of the Consideration

The Consideration is arrived at based on the par value of the Sale Shares and will be satisfied upon the execution of the SPA.

The Acquisition will be funded by internally generated funds of FIMACORP.

3.3 Assumption of liabilities

There are no liabilities, including contingent liabilities and guarantees to be assumed by FCBPH pursuant to the Proposed Acquisition.

4.0 RATIONALE FOR THE PROPOSED ACQUISITION

The Acquisition would enable FIMACORP to realise its strategy to expand its plantation land bank, particularly in Malaysia, to complement its existing growth strategy, thereby providing a broader earnings base for FIMACORP which ultimately is expected to improve shareholders' value

5.0. EFFECTS OF THE PROPOSED ACQUISITION

5.1 Share capital and substantial shareholders' shareholdings

The Acquisition will not have any effect on the share capital and substantial shareholders' shareholdings as the Acquisition will be satisfied entirely in cash and does not involve any issuance of new ordinary shares in FIMACORP.

5.2 Earnings

The Acquisition is not expected to have any significant effect on the earnings or net assets per share of FIMACORP for the financial year ending 31 March 2015. However, the Acquisition is expected to enhance the future earnings of FIMACORP.

5.3 Net assets ("NA") and gearing

The Acquisition is not expected to have any material impact on the NA and gearing level of FIMACORP based on the audited financial statements for the financial year ended 31 March 2014.

5.4 Dividends

The Acquisition is not expected to have any material effect on the dividend payable for the current financial year ending 31 March 2015.

5.5 Percentage ratios under Paragraph 10.02(g) of the Bursa Malaysia Main Market Listing Requirements

Based on FIMACORP's Group Audited Accounts for FY 31 March 2014, the highest percentage ratio under Paragraph 10.02(g) of Chapter 10 of Bursa Malaysia Main Market Listing Requirements is 0.0002%.

6.0 INDUSTRY PROSPECT

2014 saw crude palm oil (CPO) prices touching a five-year low in September 2014 averaging RM2,059/Mt due to record soybean harvests in the Americas and a firmer ringgit against the United States dollar.

Nevertheless, the Board remains confident that the fundamentals of the Acquisition and the palm oil business as a whole will be positive, driven by the sustainability of the demand for palm oil related products as well as the competitive advantage of palm oil, in terms of yield and cost efficiency, compared to other edible oils.

7.0 RISK FACTORS

7.1 Business Risk

FIMACORP does not foresee any extraordinary or abnormal risk factors pertaining to the Acquisition, save for the completion risks of the SPA and the business/operating risks normally associated with the oil palm industry in which FIMACORP is already involved.

As with other oil palm producers, FIMACORP would be subject to risks inherent to the plantation industry. These business risks may include, but not limited to, external risks such as fluctuations in CPO prices, changes in the world demand for edible oil and fats, threat of substitutes for palm oil products, weather conditions, outbreak of pests and crop diseases constraints in labour supply and increase in production costs. Although the Board and management of FIMACORP will continuously take appropriate measures to limit such risks, there can be no assurance that any changes to these factors will not have a material impact on the business and financial performance of FIMACORP.

7.2 Non-completion of the Acquisition

The completion of the Acquisition could be subject to conditions that are beyond FIMACORP's control. Accordingly, there can be no assurance that the Acquisition will be completed as contemplated.

8.0 INTERESTS OF MAJOR SHAREHOLDERS AND DIRECTORS

8.1 Directors

None of the directors of FIMACORP or any other persons connected with them has any material interest, direct or indirect, in the Acquisition.

8.2 Substantial Shareholders

None of the substantial shareholders of FIMACORP nor any person connected to them has any material interest, whether direct or indirect in the Acquisition.

9.0 DIRECTORS' RECOMMENDATION

The Board of Directors of FIMACORP, having considered all aspects of the Acquisition, is of the opinion that the Acquisition is fair and reasonable and is in the best interests of the Company.

10.0 ESTIMATED TIMEFRAME FOR COMPLETION

The Acquisition was completed on the date the SPA was executed.

11.0 SHAREHOLDERS' APPROVAL

The Acquisition is not subject to shareholders' approval.

12.0 DOCUMENTS FOR INSPECTION

Copies of the SPA are available for inspection at FIMACORP's registered office during normal business hours from Mondays to Fridays (except public holidays) for a period of three (3) months from the date of this Announcement.

This announcement is dated 17 March 2015.