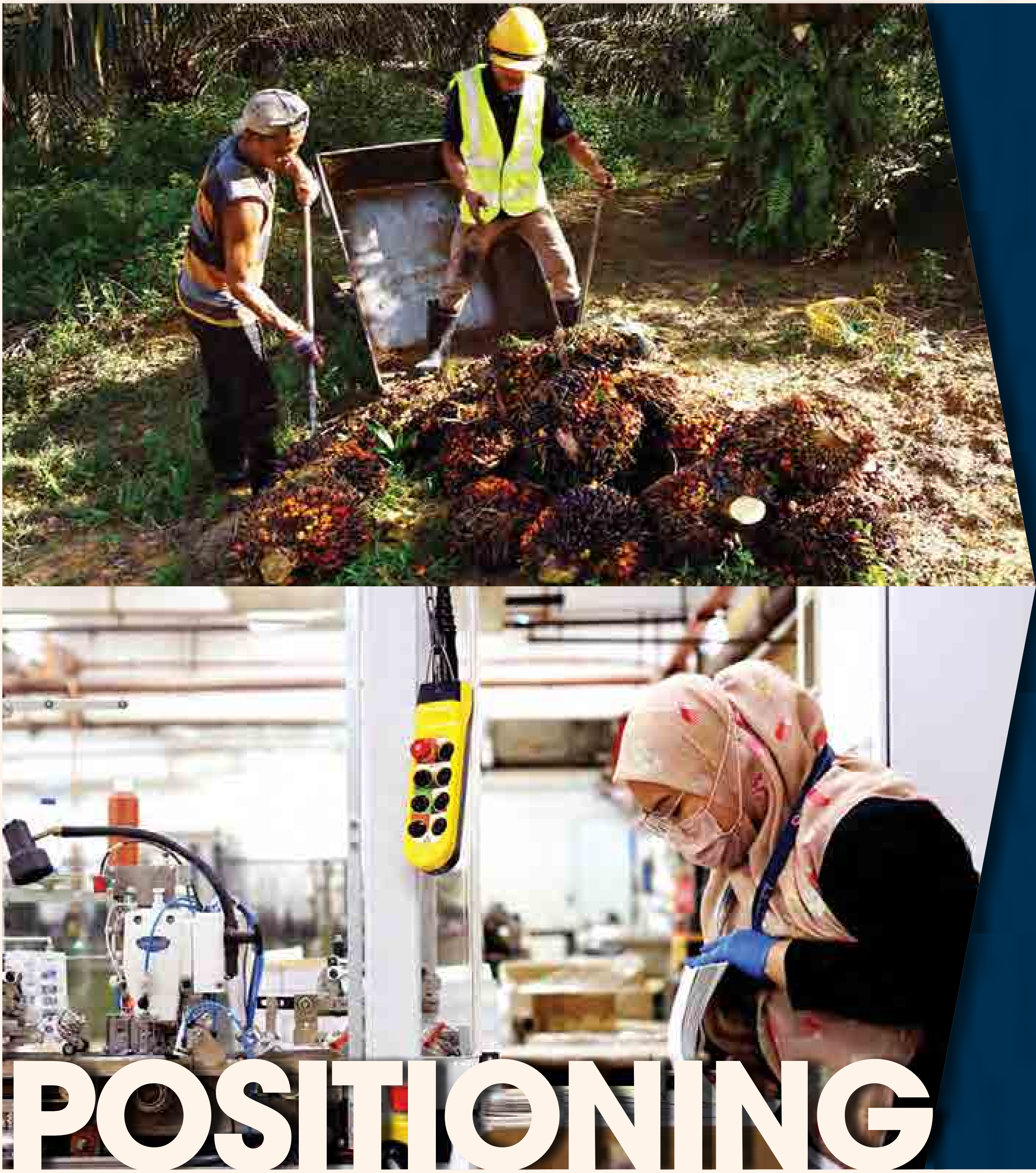
FIMA CORPORATION BERHAD
(197401004110) (21185-P)

www.fimacorp.com

Plantation Division
Sustaining Growth

Manufacturing Division
Staying Agile

ANNUAL REPORT 2022



POSITIONING

47th ANNUAL GENERAL MEETING ("47th AGM")

Table of

The 47th AGM will be held on a virtual basis through live streaming and online remote voting using Remote Participation and Electronic Voting facilities at https://meeting.boardroomlimited.my, with the Broadcast Venue at the Training Room, Kumpulan Fima Berhad.

Date
23 August 2022

Time
9.30 a.m.

We are FIMA Corporation

From the Leadership

Performance Review

Contents

Positioning for the Future

Fima Corporation Berhad ("the Company" or "FimaCorp") was incorporated on 5 December 1974 under the name Metal Box Holdings Malaysia Sendirian Berhad. In 1976, the Company was listed on the Main Board of Kuala Lumpur Stock Exchange (now known as Bursa Malaysia) and changed its name to Metal Box Berhad. In 1981, Kumpulan Fima Berhad became the Company's controlling shareholder. The Company assumed its present name in 1993.

The Company is principally an investment holding company with 13 subsidiaries and 1 associate company involved in the manufacturing, oil palm plantation and property management segments.

United Nations Sustainable Development Goals Adopted

About This Report

FimaCorp's 2022 Annual Report ("Report") combines our financial reports and sustainability report to provide all our stakeholders with an overview of our business and activities, prospects and governance. This Report conveys our progress against our business strategies, where we endeavour to illustrate a comprehensive view of our businesses by analysing our performance against the Group's strategic objectives, highlighting successes and challenges experienced during the FYE2022.

The reporting period corresponds to our financial year, which runs from 1 April 2021 to 31 March 2022, unless otherwise stated. All references to FimaCorp/the Group the Company, the business, 'our' and 'we' refer to Fima Corporation Berhad and its subsidiaries.

Materiality Process & Sustainability

This Report also provides information on the sustainability issues assessed as material to FimaCorp changes and trends in our operating environment and how we are presently addressing them. It identifies and quantifies the ways in which our sustainability practices and programmes deliver business value, support the communities in which we operate and protect our environment as contemplated under the UN Sustainable Development Goals. Material topics are identified and prioritised from a combination of stakeholder inputs, engagements with various teams from within the Group, regulations and guidelines, as well as sustainability trends.

The scope of our sustainability reporting in this Report covers the Group's wholly-owned operations and joint ventures that are at least 50% owned by FimaCorp. Contractors, vendors and outsourced services are excluded from the scope of all performance indicators unless otherwise indicated.

Reporting Principles

The preparation of this Report is made in adherence to:

- Bursa Malaysia Main Market Listing Requirements;
- Bursa Malaysia's Sustainability Reporting Guidelines;
- The Malaysian Code on Corporate Governance 2021;
- Malaysian Financial Reporting Standards;
- International Financial Reporting Standards; and
- Global Reporting Initiatives (GRI) Standards: Core Option.

Feedback

We welcome your feedback, comments and enquiries on this Report. Please address any queries or comments to fima@fimacorp.com

Our Values

Accountability

- We make business decisions based on vast experience, prudent judgement, and ownership of outcomes
- Committed and loyal to our clients and each other

Ethics & Integrity

- Honest and professional conduct in all interactions and through our commitment to managing our resources wisely

Responsibility

- Integration of economic, social and environmental responsibility in all aspects and activities

Safety

- Committed to providing a safe and healthy work environment for our employees and neighbours

Passionate

- A strong commitment to delivering value to our customers and stakeholders

Value Creation

- We focus on building and generating sustainable value for all stakeholders

Forward-Looking Statements

This Report contains certain forward-looking statements with respect to FimaCorp's financial condition, results, operations and businesses. These statements and forecasts involve risk and uncertainty as they relate to events and depend on circumstances that occur in the future. While we endeavour to progress with our strategies and plans, there are various factors that could cause actual results or developments to differ materially from those expressed or implied by these forward-looking statements.

We encourage you to read our full Report at http://www.fimacorp.com/annual-reports.php. You will be able to download, retrieve and view any pages of the Annual Report at your convenience.

Introduction

The Group's principal activities are organised into two core divisions: plantation and manufacturing. The businesses are spread across Malaysia and Indonesia. The Group currently employs 1,686 people.

Our Key Performance Objectives

FimaCorp Group remains focused on providing sustainable value to our shareholders through three core performance objectives:

Profitable Revenue Growth

To grow revenue in a sustainable manner via expansion of existing operations, products, services, growing market share and expanding into new markets.

Solid Return on Capital Employed

Long-term contracts, investment & ownership of productive assets with focus on efficiencies, cost structure and improved returns

Strong Cash Generation

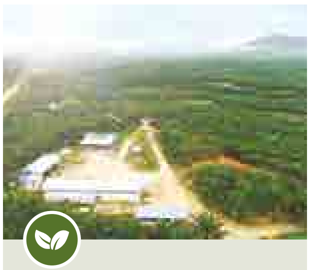
Operational strategies are necessary elements for a business and are directed towards cash generation

Expansion and growth are focused towards high quality investment with steady cash flows

Our Four Strategic Drivers

Maintain Prudent Financial Profile	Strengthen Core Businesses	Leverage Market Opportunities	Establish Strong Pillars for Future Growth
What it means	**What it means**	**What it means**	**What it means**
- Drive strong cash generation - Maintain diligent monitoring of both operating and capital costs - Capacity to accommodate growth	- Drive margin improvement by enhancing cost and production efficiency - Grow market share through expansion of existing operations, products & services and entry into new markets	- Seek new market opportunities by leveraging on our industry knowledge & expertise to provide competitive advantage amid changing market and customer demands	- Explore partnerships and investments in select new engines for growth - Develop people to grow the talent pool - Strong and good governance

Our Three Sustainability Values That Support These Objectives And Strategic Drivers:



Environmental

Environmental & Social Responsibility in our Supply Chain

Social

Building & Trusting Relationships with Stakeholders

Health, Safety & Development of our Employees and Communities

Governance

Governance & Responsible Business Practices

Operational & Resource Efficiency

In driving our strategies, we seek to create long-term value for all our and risk management, as well as embedding elements of sustainability

Key Performance Objectives

- Profitable revenue growth
- Solid return on capital employed
- Strong cash generation

Our Capitals

Natural Capital
Natural assets and resources specifically land, energy, fuel and water

Social and Relationship Capital
The value we build through engagement and working together with all stakeholders

Manufactured Capital
Our assets comprising of manufacturing processing & capabilities as well as tools/ equipment for mechanisation and technology

Human Capital
Experienced, diverse leadership team and employees

Intellectual Capital
Competitive advantage gained through our knowledge and intellectual property together with our brand and reputation

Financial Capital
Economic resources that fund our business, backed by a strong balance sheet that provides ability to attract capital

Governing The Value Creation Process

Divisional management handles the day-to-day operations and activities of their respective businesses whilst the Board of Directors are responsible for:

- Steering and setting strategic direction
- Approving policy and planning
- Overseeing and monitoring
- Ensuring accountability
- Driving the sustainability agenda

Our Material Risks

Health & Safety | Integrity | Regulatory | Natural Environment | Technology Disruption

CORE OPERATIONS & ACTIVITIES

PLANTATION

4 STRATEGIC DRIVERS

Maintain Prudent Financial Profile

Strengthen Core Businesses

OUR PROFIT FORMULA

(+) Revenue Drivers

- Sales of fresh fruit bunches, crude palm oil and crude palm oil kernel
- Sales and supply of travel identity, licences and other security documents
- Property investments (non-core)

(-) Cost Drivers

- Investment in growth
- Regulatory and compliance costs
- Salaries and employee benefits
- Raw material costs (e.g. fuel)

Creating Value For

Customers | Our Employees | Our Shareholders

stakeholders through the optimisation of resource use, prudent financial within our business decisions and operations.

Data Protection | Investment: Acquisitions, Divestments, Joint Ventures and Projects | Socio-Political Risk | Climate Risk | Sustainability

MANUFACTURING

PROPERTY MANAGEMENT (Non-Core)

Leverage Market Opportunities

Establish Strong Pillars for Future Growth

- Negative exchange rate
- Development and growth project costs
- Finance costs
- Sourcing, procurement, logistics

OPERATING CONTEXT: FACTORS IMPACTING VALUE

- Covid-19 related restrictions & impacts
- Challenging economic outlook
- Climate change
- Socio-political issues impacting our operations
- Cost inflation

Communities | National & local governments | Suppliers & business partners

Impact/Outcomes

Natural Capital
We seek to offset the environmental impact of our activities via the responsible delivery of socio-economic benefits through our core activities.

Social and Relationship Capital
We strive to maintain positive relations with our stakeholders through responsible business practices; and create value for customers and communities through investments in strategic CSR activities, job security, skills development and economic opportunities.

Human Capital
We rely on the skills and wellbeing of our employees to generate value. Providing a safe working environment, supporting local employment, fair labour practices and investments in training are critical to maintaining positive employee relationships.

Manufactured Capital
Investments in the development and maintenance of property, plant, facilities, ICT and equipment has provided us with the capacity to generate long-term returns

Intellectual capital
Adherence to industry best practices and accreditations of international standards as well as investments in systems will have a positive impact in developing our product offerings and process efficiency

Financial Capital
Consistent delivery of returns and sustained market confidence.

Plantation
- Landbank expansion
- Increase productivity and cost efficiency through mechanisation
- Best estate management practices

OUR CAPITALS	ACTIVITIES TO SUSTAIN VALUE
Natural Capital • **12** estates with plantable landbank of **12,809** hectares • Our operations also rely on fuel, water and electricity to run their activities	• Ongoing monitoring of resource intensity & efficiency • Climate change adaptation & mitigation • Compliance to regulatory requirements, standards, practices & ESG metrics • Use of renewable energy • Converting waste into resource
Social and Relationship Capital • Maintain mutually beneficial relationships with employees, regulators and other stakeholders where we operate • Positive supplier and business partner relations as part of our supply chain management	• Continuous engagement with regulators e.g. MPOB and local governments • Community development & infrastructure projects • Enhance labour practices
Manufactured Capital • Palm oil mill **45** MT/HR • Security printing facilities complex in Bangi & printing machines • Tools/equipment for mechanisation and technology	• Spent RM11.41 million on CAPEX on plantation development works/infrastructure and purchase/replacement of assets • Deployed mechanization practices to increase productivity/ efficiency, respectively • Use of geospatial technologies in land planning
Human Capital • **1,686** dedicated employees Male **76.2%** Female **23.8%**	• Encouraging local employment • Competitive remuneration & benefits • Ensuring a safe, healthy and conducive work environment • Continuous training and development programmes to employees and other forms of engagement to keep employees motivated
Intellectual Capital • Robust safety, quality and information management systems • Brand and strong reputation • Strategic partnerships & alliances • R&D capabilities to develop solutions and respond to emerging customer preferences • Industry best practices • Key personnel with subject-matter expertise	• Continued progress towards international standard accreditations and implementation of industry best practices • Portfolio/product development
Financial Capital • Shareholders' Funds **RM579.23** million • Total Assets **RM731.56** billion • Cash and bank balances and Financial Investments **RM219.43** million • Access to credit facilities/bank borrowings	• Disciplined financial management and capital allocation practices

For information on the Trade-offs, please refer to Segmental Review.

Manufacturing
- Strategic partnerships & alliances
- Streamlining costs to maintain competitiveness
- Protection of niche markets

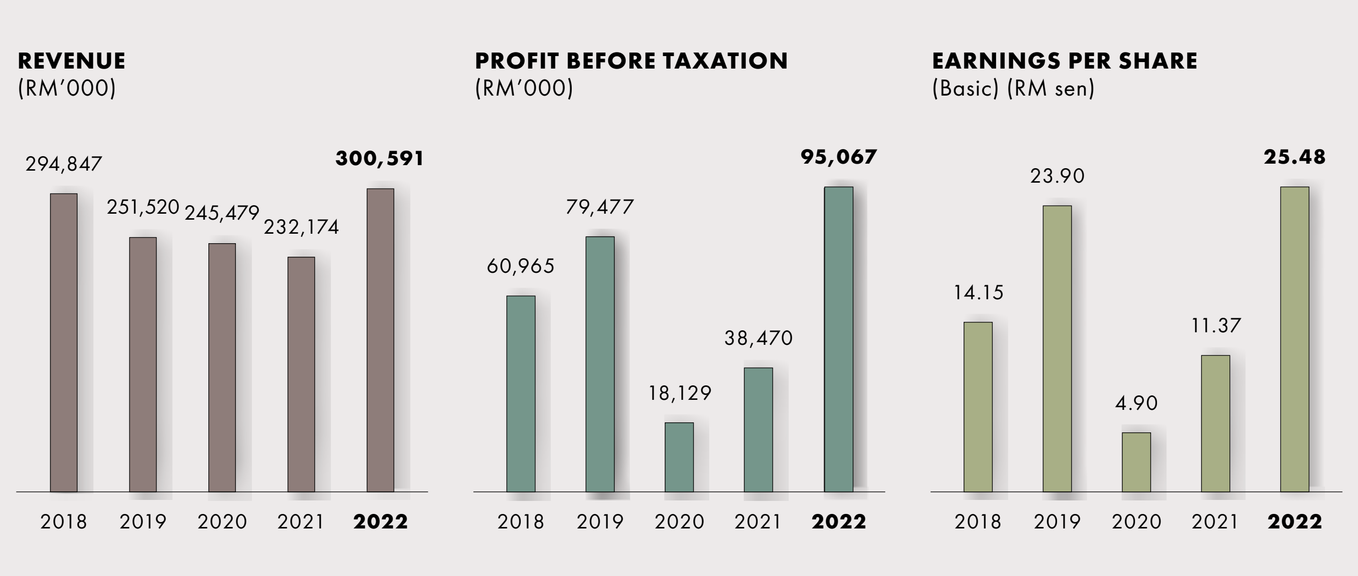
This value creation model describes in detail the resources that we own and utilise, the strategies and activities we employ to create value, as well as the outcomes from these activities that create value for all our stakeholders.

OUTCOMES

• Ongoing monitoring of energy intensity and efficiency • Compliance to regulatory requirements • Responsible procurement and practices • Use of renewable energy and transition to 'greener' machinery/equipment	• Y-o-Y improvements on GHG emissions intensity supported by ongoing focus on resource efficiency • Total waste reduced y-o-y from 207,288 MT to **202,970 MT** • Biomass residue from **Plantation** operations are converted into fertiliser. It is also used as feedstock to power the cogeneration plant that supplies electricity to the mill and nearby communities will positively impacts Financial and Social & Relationship Capitals • Investments to reduce Group's carbon footprint will have a short-term impact on Financial Capital of all divisions, but is a necessary trade-off to secure sustainable value • The Group has expanded the rollout of solar PV systems across the Group since 2018. Current capacity is 250kWp and we anticipate the capacity to increase over time
• Customised training programmes for customers & regulators • PROTÉGÉ and Industrial Collaboration Program • Responsible business practices • CSR activities and welfare contributions	• Retained key customers and market segments • Maintained our social licence to operate and community trust. Investments in CSR activities & welfare contributions will have a long-term effect on all Capitals • Continuity of materials availability amid supply chain disruptions, which will support and benefit Financial and Intellectual Capitals
• Spent RM1.32 million on CAPEX for hardware, R&D projects and computer/machinery maintenance • Relocation to a new facility complex (ongoing) • Employ technology to achieve operational efficiency	• Enhanced safety and efficiency of facilities and assets which have a short-term impact on Financial Capital but essential for sustainable value-creation • Long-term synergies and cost savings by centralizing **Manufacturing**'s operations under one roof that will benefit Financial Capital • Mechanization improves **Plantation**'s productivity by 30.0% and reducing workers' workload • Reduced downtime, improved efficiencies and customer engagement
• Encouraging local employment • Competitive remuneration & benefits • Ensuring a safe, healthy and conducive work environment • Continuous training and development programmes to employees and other forms of engagement to keep employees motivated	• **Zero fatalities** with improved y-o-y LTIFR from 5.33 to **3.46** • Job security and creation. Total new hires was **528** (FYE2021: 92). Retention of headcount, salaries and benefits positively impacted Social & Relationship Capital • Positive work culture with skilled workforce • Minimal disruption to production days due to industrial action • **97.7%** local employment rate • **Zero cases** of discrimination
• Continued progress towards international standard accreditations and implementation of industry best practices • Portfolio/product development	• Market credibility and goodwill • Maintained/obtained accreditations, important prerequisites of our key customers and markets • Adoption of best estate management practices by **Plantation** support climate action and biodiversity conservation which benefits Natural Capital • Maintained our competitive edge through enhanced niche solutions and evolving product portfolio which benefits Financial, Manufactured and Social & Relationship Capitals
• Disciplined financial management and capital allocation practices	• Revenue improved **29.5%** to **RM300.59** million • PBT improved **147.1%** to **RM95.07** million • ROE improved by **7.0%** to **12.5%** • ROCE improved by **7.4%** to **14.0%** • Consistent dividend payouts, all of which positively impact all other Capitals.

FIVE-YEAR GROUP FINANCIAL HIGHLIGHTS

Financial Year Ended 31 March	2018 (RM'000)	2019 (RM'000)	2020 (RM'000)	2021 (RM'000)	2022 (RM'000)
REVENUE	294,847	251,520	245,479	232,174	**300,591**
PROFIT					
Profit before taxation	60,965	79,477	18,129	38,470	**95,067**
Income tax expenses	20,891	14,151	9,322	7,335	**19,528**
Non-controlling interests	5,952	7,880	(2,929)	4,002	**14,870**
Profit after taxation and non-controlling interest	34,122	57,446	11,736	27,133	**60,561**
ASSETS AND LIABILITIES					
Total assets	640,502	673,727	630,675	635,611	**731,563**
Total liabilities	75,151	76,569	64,685	65,110	**130,337**
Non-controlling interests	18,958	23,383	18,747	22,221	**21,997**
Shareholders' funds	546,393	573,775	547,243	548,280	**579,229**
EARNINGS AND DIVIDEND					
Earnings per share (sen)					
Basic	14.15	23.90	4.90	11.37	**25.48**
Diluted	14.15	23.90	4.90	11.37	**25.48**
Gross dividend per share (sen)	12.50	12.50	12.50	12.50	**15.00**
Net dividend per share (sen)	12.50	12.50	12.50	12.50	**15.00**
SHARE PRICES					
Transacted price per share (RM)					
Highest	2.36	2.01	1.96	1.88	**2.11**
Lowest	1.95	1.75	1.01	1.15	**1.77**



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Plantation Division

Oil palm cultivation, including oil palm production and processing

- 100% FCB Plantation Holdings Sdn Bhd
- 100% Gabungan Warisan Sdn Bhd
  - 80% PT Nunukan Jaya Lestari (Indonesia Incorporated)
  - 100% Next Oasis Sdn Bhd
    - 100% Etika Gangsa Sdn Bhd
    - 100% Taka Worldwide Trading Sdn Bhd
  - 100% Cendana Laksana Sdn Bhd
  - 70% Fima Sg. Siput Estate Sdn Bhd
  - 100% FCB Eastern Plantations Sdn Bhd
    - 80% Ladang Bunga Tanjong Sdn Bhd

Manufacturing Division

Production and trading of security and confidential documents and printing of banknotes

- 100% Percetakan Keselamatan Nasional Sdn Bhd
- 100% Security Printers (M) Sdn Bhd
- 20% Giesecke & Devrient Malaysia Sdn Bhd (Associate Company)

Property Division (Non-Core)

Property management services

- 100% Fima Technology Sdn Bhd

Positioning for the Future: In Pursuit of Purpose & Prosperity

Dear Shareholders,

This is my first statement as Chairman of FimaCorp following my appointment on 21 September 2021 and I would like to start by thanking my predecessor, Dato' Adnan bin Shamsuddin, for the dedication, wise counsel and leadership he gave to the FimaCorp Group during the 11 years he served as Chairman. I am honoured to be taking over the role, and very much look forward to working with my fellow Board members and everyone at FimaCorp in taking the Group forward.

The financial year ended 31 March 2022 ("FYE2022") was a strong year for the Group. Despite the dynamic market conditions amid the Covid-19 pandemic, the Group delivered revenue of RM300.59 million, representing an increase of 29.5% year-on-year. Profit before tax ("PBT") increased by 147.1% to RM95.07 million (FYE2021: RM38.47 million) on the back of strong commodity prices which compensated for the lower PBT contribution from the manufacturing segment.

Datuk Bazlan bin Osman
Chairman

Our divisions' performance is as illustrated below:

Revenue

	FYE2021 RM million	FYE2022 RM million
Manufacturing	101.93	**104.13**
Plantation	123.27	**189.40**
Property Management (non-core)	6.97	**7.06**
Total	232.17	**300.59**

PBT

	FYE2021 RM million	FYE2022 RM million
Manufacturing	14.60	**8.49**
Plantation	20.95	**90.20**
Property Management (non-core)	2.15	**2.24**
Associated Companies	4.13	**2.28**
Others	(3.36)	**(8.14)**
Group PBT	38.47	**95.07**

These results reflect the quality of the Group's assets and strong commodity prices, but also importantly, it resulted from the efforts of our employees and our strong balance sheet which has ensured continued value for all stakeholders.

The second half of FYE2022 was really the inverse of the sharp contraction we saw in the first half of the year during the critical phase of the pandemic as movement restrictions were imposed. The subsequent rapid roll-out of vaccination had accelerated the reopening of our markets which in turn led to improvements in demand in most of our markets from Q3 onwards.

Given the uncertainty brought about by Covid-19, our balance sheet has been a source of great strength as we have guided our businesses through the challenges of the pandemic. In FYE2022, we took prompt actions to optimize cash flow, reduce operating costs, and to further improve our liquidity position. As our markets recover, we have progressively reinstated our capital spend in line with our investment priorities.

"

Total basic earnings per share of 25.48 sen was 124.1% ahead of last year.

On 3 May 2021 we completed the acquisition of 2 estates with a total land size of approximately 3,237 ha in Gua Musang, Kelantan. This marks another significant step in the Group's strategy to increase its plantation assets.

A more detailed review of the results and the operating performance for the year of each of the Group's business divisions is presented on pages 14 to 33 of this Annual Report.

"

The dividend payout represents 58.8% of the Group's PATANCI

Dividend

The Board has approved payments of 2 interim and 1 special dividends. The first single-tier interim dividend of 5.0 sen was paid on 30 December 2021 while the second single-tier interim of 7.5 sen per share and special single-tier dividend of 2.5 sen for FYE2022 amounting to RM23.74 million (FYE2021:RM17.83 million) will be paid on 12 August 2022. This will bring total dividend for the full year to 15.0 sen per share (FYE2021: 12.5 sen per share). This will bring the total dividend for the full year to 15.0 sen per share (FYE2021: 12.5 sen per share) which represents RM35.61 million or 58.8% of the Group's Profit After Tax and Non-Controlling Interests ("PATANCI"). This payout ratio is in line with the Company's dividend policy to pay at least 40.0% of PATANCI, subject to the Company's financial position.

Risk Management

While our diversified business model is, in itself an effective risk management tool, we remain impacted by numerous external factors such as the lingering effects of Covid-19, extreme weather events and acute labour shortages that affect our various divisions in different ways. We had experienced resilience in some areas, but we were more harshly affected in others. Whereas the plantation division had benefited from the commodities boom, our manufacturing division have had to contend with severe challenges especially in the first half of the year when movement restrictions were at its peak.

Divisional management is accountable to the Board for implementing and monitoring the processes of risk management and integrating this into day-to-day activities. The Board has taken a considered view when it comes to risk management, with clear sight of the emerging and management of the major, known risk areas that are raised within the divisional risk management units. In addition, the Board had approved the adoption of an Escalation Policy which provides risk owners with a mechanism for the reporting and escalation of incidents, allegations and/or discoveries, which have resulted or are likely to result in risk of harm or loss in a timely and effective manner.

An emerging risk that has been identified during the year is the supply chain disruptions such as increased fuel, raw materials and transportation costs which we have experienced at various times during the year across parts of our businesses. Our divisional teams are closely managing such supply issues on a case-by-case basis, and we have simplified our processes to be more agile.

ESG and Corporate Citizenry

During the year, we made good progress on our sustainability journey and sharpened the focus in several areas, including our governance structure – ensuring that ESG is not a stand-alone topic but is embedded in our strategies and operations. Our ESG priorities have been amplified and cascaded down to our individual businesses. We have introduced ESG-specific targets into our incentives for FYE2022, including among others, targets on intensity of production and consumption of our resources, workplace safety and sustainable innovation. These identified performance metrics will continue to be refined as we strive to reduce the emissions intensity of our businesses and improve their resilience to climate change.

We have also begun integrating the recommendations of the Task Force on Climate-Related Financial Disclosure to improve our disclosures of climate-related risks and opportunities. I am pleased with all the important progress on the ESG front and grateful to all those who have carried the torch and guided the way.

These matters are addressed in more depth in the Sustainability sections of this Annual Report.

Governance and the Board

Companies today are judged as much by their integrity and trustworthiness as by their financial performance. One of my key responsibilities as Chairman is to ensure good governance for FimaCorp. In this regard, I have been extremely well supported by my colleagues on the Board. With their diverse backgrounds, they bring balance and a wealth of skills and experience to our organisation that complements the talents of the senior management team. I would like to thank all of my Board colleagues for their support and valuable contributions as we continue to maintain oversight of the strategic, operational and compliance risks across the Group, define our path to success and uphold the high standards expected of us. On this note, I also wish to affirm the Board's commitment to upholding Group policies, where emphasis is placed on ethical dealings, zero tolerance for corruption,

bribery and any form of harassment or discrimination in our workplace.

Key Priority Areas

The Board agenda this year has been well balanced between overseeing the operational resilience of our businesses, and planning for the future.

Strategically, the Board has identified and spent time deliberating on the following key priority areas. Firstly, improving the organic growth of our existing businesses beyond the pandemic and addressing areas of under-performance; secondly, taking advantage of growth opportunities within existing businesses where we have capabilities and scale in terms of both infrastructure and resources; thirdly, pursuing selective acquisitions that are accretive to our portfolio; and finally, driving concerted efforts to improve operational safety, increase productivity and sustainability performance.

For plantation, we are projecting that crop volumes from our Malaysian estates will continue to improve due to the young age profile. While there are plans in the medium term to further expand our landbanks, for now we intend to concentrate on completing the development and rehabilitation of the 2,000 ha in Sg Siput in Perak and the recently acquired 3,237 ha in Gua Musang, Kelantan respectively, as well as continuously improving the overall agronomic standards and productivity of all our estates. We also intend to step up our mechanisation initiatives particularly for our harvesting and fertiliser application activities to address the acute labour shortage that the plantation industry as whole is facing.

Although volumes are expected to return in number (albeit at different times in different product segments) with the revival of the economy and resumption of travel, we expect the manufacturing division's performance to remain modest in this current financial year. We will also continue to address to the secular changes within the security printing industry in order to protect our key markets and adapt to what comes next.

Acknowledgement

The current phase in our journey will no doubt be a demanding one given the number of uncertainties in the current macro environment - from the lingering effects of Covid-19, extreme weather events to the current geopolitical tensions, further compounded by societal expectations and needs. What is certain, however, is that in order to deliver on the priorities which I've described earlier, we have to act decisively and with determination, build on our unique capabilities, to pull back where needed and to pursue investments and transactions which are within our established guardrails that can create value over the long-term. In doing so, we will learn from our past, and will constantly rethink our tools, our systems and our responses. Above all, we will continue to be a part of the social and economic transformation agenda, creating opportunities that can benefit the whole of society and contribute towards nation-building.

As I close, I would like to state that our resilience today is built on the people who make up this business. To the 1,686 FimaCorp colleagues whose dedication and hard work inspire us every day, my fellow Board members and I thank you. The Board's heartfelt gratitude also extends to our shareholders, business partners, customers and all stakeholders. You have supported us as we have grown and we greatly value your trust and confidence.

We have never been more excited about our growth prospects and look forward to creating meaningful value for our stakeholders and all of society. We wish each of you safety and good health.

Thank you.

Datuk Bazlan bin Osman
Chairman

The purpose of this review is to highlight and provide brief insights into key financial and operating information at Group level. A more detailed explanation of operating performance is covered in the respective business segment reports.

"Each of our businesses hold tremendous potential for the future. The market is there for the taking, so we have to ensure we continually evolve and grow to meet demand.

Dato' Roslan bin Hamir
Managing Director

Key Financial Highlights

		FYE2021	FYE2022	Variance %
Revenue	RM million	232.17	300.59	29.5
Cost of Sales ("COS")	RM million	131.10	149.71	14.2
Gross Profit ("GP")	RM million	101.07	150.88	49.3
Gross Profit Margin ("GP margin")	%	43.5	50.2	6.7
Earnings Before Interest and Taxation ("EBIT")	RM million	39.12	95.59	144.4
Profit Before Tax ("PBT")	RM million	38.47	95.07	147.1
Profit After Tax ("PAT")	RM million	31.14	75.43	142.2
Profit Attributable to Equity Holders of the Company/PATAMI	RM million	27.13	60.56	123.2
Return on Shareholders' Equity ("ROE")	%	5.5	12.5	7.0
Return on Capital Employed ("ROCE")	%	6.6	14.0	7.4
Net Cash Flow (used in)/Generated from Operating Activities	RM million	100.19	97.17	(3.0)
Total Assets	RM million	635.61	731.56	15.1
Total Liabilities	RM million	65.11	130.34	100.2
Capital Employed	RM million	591.75	683.85	15.6
Retained Earnings	RM million	439.45	470.34	7.0

Revenue

	FYE2021 RM million	Contribution %	FYE2022 RM million	Contribution %	Variance RM million	Variance %
Plantation	123.27	53.1	189.40	63.0	66.13	53.6
Manufacturing	101.93	43.9	104.13	34.6	2.20	2.2
Others/Non-Core						
Property Management	6.97	3.0	7.06	2.4	0.09	1.3
Group Revenue	**232.17**	**100.0**	**300.59**	**100.0**	**68.42**	**29.5**

Revenue
RM300.59 million
+29.5%

For FYE2022, the Group posted revenue of RM300.59 million, representing an increase of 29.5% compared to RM232.17 million in FYE2021. The strong revenue performance was attributable to higher revenue contributions from the Plantation and Manufacturing divisions.

Plantation division remains the key contributor for the Group, accounting for more than 63.0% (FYE2021: 53.1%) of the Group's total revenue. The division recorded a y-o-y revenue increase of 53.6% to RM189.40 million, mainly due to higher Crude Palm Oil ("CPO") and Crude Palm

Kernel Oil ("CPKO") prices. Our average CPO selling price (CIF) increased 35.8% y-o-y to RM3,914 per MT (FYE2021: RM2,883 per MT) while CPKO price increased 80.6% to RM6,656 per MT (FYE2021: RM3,685 MT). CPO sold by our Indonesian subsidiary and fresh fruit bunches ("FFB") sold to third parties by our Malaysian estates also increased to 38,145 MT (FYE2021: 35,177MT) and 19,350 MT (FYE2021: 14,960MT), respectively. The higher FFB produced by the Group's Malaysian estates this year was on the back of additional new harvesting areas following completion of the rehabilitation programmes undertaken at our newly acquired estates, and as the existing mature areas progressed into higher-yielding brackets.

Manufacturing division's revenue rose by 2.2% from RM101.93 million to RM104.13 million achieved last year largely due to improved sales volumes and changes in order patterns in the transport, travel, foreign travel and confidential document segments. However, there was a revenue reversal of RM4.34 million made following the decision made by the High Court in relation to the claim filed by our subsidiary, Percetakan Keselamatan Nasional Sdn Bhd, against Datasonic Technologies Sdn Bhd.

Profit Before Tax

	FYE2021 RM million	Contribution %	FYE2022 RM million	Contribution %	Variance RM million	Variance %
Plantation	20.95	54.5	90.20	94.9	69.25	330.5
Manufacturing	14.60	38.0	8.49	8.9	(6.11)	(41.8)
Property Management	2.15	5.6	2.24	2.4	-	-
Share of Results of Associate	4.13	10.7	2.28	2.4	(1.85)	(44.8)
Others	(3.36)	(8.8)	(8.14)	(8.6)	(4.69)	135.9
Group PBT	**38.47**	**100.0**	**95.07**	**100.0**	**56.60**	**147.1**

PBT

RM95.07 million

+147.1%

Group PBT improved by RM56.60 million to RM95.07 million, compared with RM38.47 million for FYE2021, mainly attributed to higher contributions from the Plantation division.

Plantation division recorded PBT of RM90.20 million compared to PBT of RM20.95 million in the previous year, mainly lifted by higher CPO and CPKO prices realised as well as sustained improvements in operational efficiencies. PT Nunukan Jaya Lestari, the Group's Indonesian subsidiary, reported an increase of PBT from RM24.73 million to RM89.16 million in FYE2022, underpinned by higher CPO and CPKO prices and lower operational costs and forex loss. The division's GP margins also improved to 65.6% (FYE2021: 57.9%), mainly due to higher commodity prices in FYE2022.

Manufacturing division's PBT decreased by 41.8% to RM8.49 million (FYE2021: RM14.60 million) despite higher revenue posted for FYE2022, primarily due to the higher reversal of provision for warranty that was included in FYE2021. Furthermore, significant increases in procurement and logistics costs resulting from supply chain disruptions brought about by the pandemic also impacted the division's bottom line. As a result, the division's GP margins contracted to 23.8% in FYE2022 from 27.6% last year.

COS for FYE2022 was RM149.71 million, up 14.2% from RM131.10 million in the previous year, reflecting increased activity levels as well as higher input costs. The Group's **GP margin** increased from 43.5% to 50.2% on the back of higher GP margins achieved by the Plantation division. **GP** improved from RM101.07 million to RM150.88 million despite the higher COS recorded during the year under review, on the back of higher CPO and CPKO prices.

Share of Results of Associate was lower at RM2.28 million from RM4.13 million achieved last year on the back of lower contribution from Giesecke & Devrient Malaysia Sdn Bhd ("G&D"). In FYE2022, G&D registered revenue of RM193.60 million compared to RM225.48 million in the previous year.

The Group registered a **PAT** of RM75.43 million in FYE2022, 142.2% higher than last year's RM31.14 million. The higher PAT was in line with the increase in the Group's PBT. Income tax expenses and zakat for FYE2022 increased from RM7.33 million to RM19.64 million.

Profit Attributable to Equity Holders of the Company increased by 123.2% or RM33.43 million to RM60.56 million in FYE2022 from RM27.13 million recorded in FYE2021. Basic net earnings per share increased to 25.48 sen, based on a weighted average of 237.64 million shares (FYE2021: 11.37 sen based on 238.58 million shares).

Shareholders' Funds stood at RM579.23 million, representing an increase of RM30.95 million or 5.6% y-o-y. Retained earnings were RM470.34 million, RM30.90 million higher compared to last year's RM439.45 million.

With the increase of the Group's net earnings, the Group recorded **ROE** of 12.5% for FYE2022, based on total equity of RM601.23 million (FYE2021: RM570.50 million), compared to 5.5% recorded in the prior year.

Capital employed measures the value of all the assets utilised by the Group to generate earnings and acceptable return on investment, taking into account the long-term business strategy of the Group. With the increase in EBIT by 144.4% from RM39.12 million to RM95.59 million in FYE2022, **ROCE** increased from 6.6% registered in the previous year to 14.0%.

Finance Cost and Liabilities

Total Liabilities increased to RM130.34 million from RM65.11 million recorded last year, resulting in an increase of the Group's gearing ratio to 0.22 times. The increase in total liabilities was largely due to lease liabilities of the newly acquired estates, tax payable as well as trade and other payables.

Finance Cost which comprised mainly interest on payment of lease liabilities, decreased from RM0.65 million in FYE2021 to RM0.52 million in FYE2022.

Liquidity and Capital Resources

The Group's **capital expenditure ("CAPEX")** and working capital requirements were financed by cash generated from operations. For FYE2022, the Group spent RM12.86 million on CAPEX. Plantation division's CAPEX of RM11.41 million was primarily incurred on plantation development works/ infrastructure and purchase/replacement of assets.

The Group's financial position as at 31 March 2022 remained sound with **Cash and Bank Balances and Financial Investments** totalling RM219.43 million (FYE2021: RM195.57 million), 12.2% higher than the previous year. In FYE2022, the net cash used in financing and investing activities was largely for repayment of lease liabilities amounting to RM6.10 million, payment of dividends of RM45.16 million, CAPEX of RM12.86 million and final payment of the purchase consideration in respect of the acquisition of 2 estates in Gua Musang, Kelantan of RM15.43 million.

The Group continues to maintain a healthy cash flow position. **Cash and Cash Equivalents** stood at RM66.10 million as at 31 March 2022, RM15.10 million or 29.6% higher from RM51.00 million in FYE2021.

Return on Capital Employed

FYE2021
6.6%

FYE2022
14.0%

Free Cash Flow

FYE2021
RM89.46 million

FYE2022
RM84.24 million

Total Assets

FYE2021
RM635.61 million

FYE2022
RM731.56 million

Net Cash Generated from Operating Activities remained in a surplus position of RM97.17 million compared to RM100.19 million registered in the prior year. This was mainly due to positive contributions registered for FYE2022.

Free Cash Flow ("FCF") is the cash a company generates after taking into consideration cash outflows that support its operations and maintain its capital assets. The Group's **FCF** was still remained positive at RM84.24 million (FYE2021: RM89.46 million).

Total Assets were up by 15.1% to RM731.56 million (FYE2021: RM635.61 million). Total assets increased y-o-y mainly due to higher property, plant and equipment, right-of-use assets, inventories, cash and bank balances, as well as financial investments.

Market Outlooks

Security Printing

Our industry segment remains highly competitive, with numerous international and local competitors, and is a mature industry characterised by slowing growth and declining demand amid rapid adoption of digital technologies.

Smithers' latest market report, 'The Future of Global Security Printing to 2024', forecasts that the global security printing market value will increase from USD29.5 billion in 2019 to USD36.0 billion by 2024, with a compound annual growth rate ("CAGR") of 4.1%.

In light of the Covid-19 crisis that continues creating economic uncertainty and loss in the business sector, the security printing industry will focus on managing risk and ensuring continued health. Each individual business will need a deep understanding of changing market conditions and government policy. As this industry supplies most of its offerings to government agencies around the world, participating organisations are potentially in a good position to avert some risk because they supply essential products and solutions to a lumpy but consistent pipeline. Furthermore, their nearness to important decision/policymakers could enable them to make timely and critical decisions in respect of business planning and commercial activities.

The following are the key trends and drivers for the industry over the next five years:

a. The shift to polymer banknotes is progressing with over 20 countries, and an increasing range of denominations being issued. This shift will continue and counterfeits will increase, enabled by technology.

b. A rise in card and mobile payments and a decline in cash purchasing is being seen in countries like Sweden. This will continue but will not be universal over the next five years.

c. Multipurpose IDs/digital IDs are already growing within many countries. By 2024, this will be underpinned by developments in secure biometrics and driven by national and international programmes and technology developments; this will impact the reduction of printed forms of ID.

d. Automation at borders is already emerging, from ePassports to biometrics (face recognition); passports on chip cards are being developed linking to other ID, such as driving licences. Demand in digital documents will continue to rise to 2024.

e. The EU Tobacco Products Directive/FCTC Protocol is already in progress and there will be market growth potential as other countries adopt this.

f. The shift from physical security printing to platform approaches/software (blockchain,track and trace across supply chain) continues as demand will increase and full system solutions will be prerequisite.

(Source: The Future of Global Security Printing to 2024 by Smithers)

Plantation

Going into 2022, Indonesian palm oil output is expected to recover due to good estate management and no halt of operations, supported by the absence of La Nina impacts. This, however, is not the case for Malaysia. Since the start of the Covid-19 pandemic in 2020, foreign workers, who account for about 75% of the 500,000 harvesters employed on Malaysian palm oil estates, have been unable to return due to border restrictions. The second challenge is the high cost of fertiliser. Small farmers are expected to lower fertiliser applications due to sharply increased prices, potentially reducing future years' output. Fertiliser and pesticide prices have surged significantly, resulting from supply chain disruptions, higher demand and rising freight and input costs. Fertiliser prices, such as nitrogen and phosphate, have risen by 50-80% since mid-2021.

Fitch Ratings expects higher global vegetable oil output to drive a decline in crude palm oil ("CPO") prices to below USD1,000 (about RM4,399) per MT in the second half of 2022 (2H22) after averaging at around USD1,500 per MT in the first half of 2022 (1H22), making it the strongest six-month period in the history of CPO prices. Prices surged in 1H22 amid export curbs by Indonesia, a weak production outlook in Malaysia and the concerns over the supply of substitutes, such as sunflower seed oil, due to the Russia-Ukraine war.

(Source: Council of Palm Oil Producing Countries: Palm Oil Supply and Demand Outlook Report 2022)

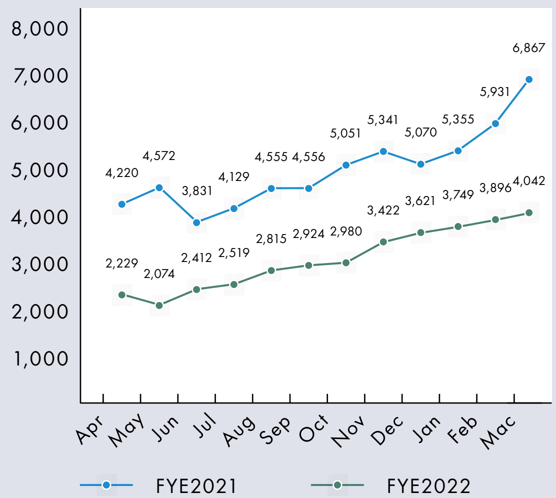
However, CPO prices dropped by over USD300 per MT since early June following a policy shift in Indonesia to encourage exports by reducing export levies. Fitch expects prices to decline further to below USD1,000 per MT in 2H22, with higher global vegetable oil output. A reinstatement of export curbs by Indonesia and lower supply from Ukraine are key upside risks for CPO prices. Indonesia's palm oil production rose by 9.0% in 1Q22, but CPO production in Malaysia was flat in first 5 months of 2022.

(Source: Fitch Ratings Inc Special Report: Asian Crude Palm Oil Watch 2Q22 28 June, 2022)

Palm Oil Statistics

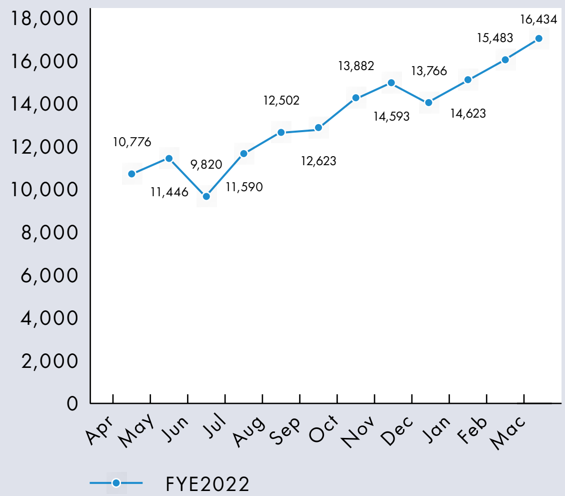
	Malaysia's Export & Import Data			
	Export (MT)		Import (MT)	
	2020/2021	2021/2022	2020/2021	2021/2022
April	1,236,478	1,350,777	56,596	109,847
May	1,369,351	1,268,424	37,101	89,014
June	1,706,635	1,418,494	48,841	113,126
July	1,783,284	1,402,315	52,691	54,381
August	1,578,075	1,167,188	32,311	91,408
September	1,612,155	1,611,518	48,273	74,992
October	1,674,380	1,420,574	45,398	50,450
November	1,303,807	1,465,518	112,663	97,092
December	1,642,835	1,414,566	282,058	102,768
January	947,392	1,159,826	165,258	70,596
February	900,558	1,108,576	87,326	149,833
March	1,189,859	1,281,739	137,332	84,871

Malaysia Monthly Average CPO Price (RM)



(Source: MPOB: Monthly Palm Oil Statistics)

Indonesia Monthly Average CPO Price (IDR)



(Source: Gabungan Pengusaha Kelapa Sawit Indonesia ("GAPKI"))

Plantation Division

Sustaining Growth

The Group owns and operates 12 estates in Malaysia and Indonesia with a total plantable landbank area of 12,809 hectares. 8,702 hectares have been planted with oil palm, of which 7,329 hectares are mature. The Group also owns a 45 MT/HR palm oil mill in Indonesia.

FYE2022 FOCUS AREAS

- **Improve operational cost efficiency and effectiveness through stringent monitoring, increased usage of ICT and mechanisation**
- **Improve accessibility to facilitate mechanisation and speedier crop evacuation**
- **Replanting programme using high-yielding oil palm planting materials**
- **100% Malaysian Sustainable Palm Oil ("MSPO") certification achieved**

Revenue

RM189.40 million

53.6%

Increase Y-o-Y

(FYE2021: RM123.27 million)

PBT

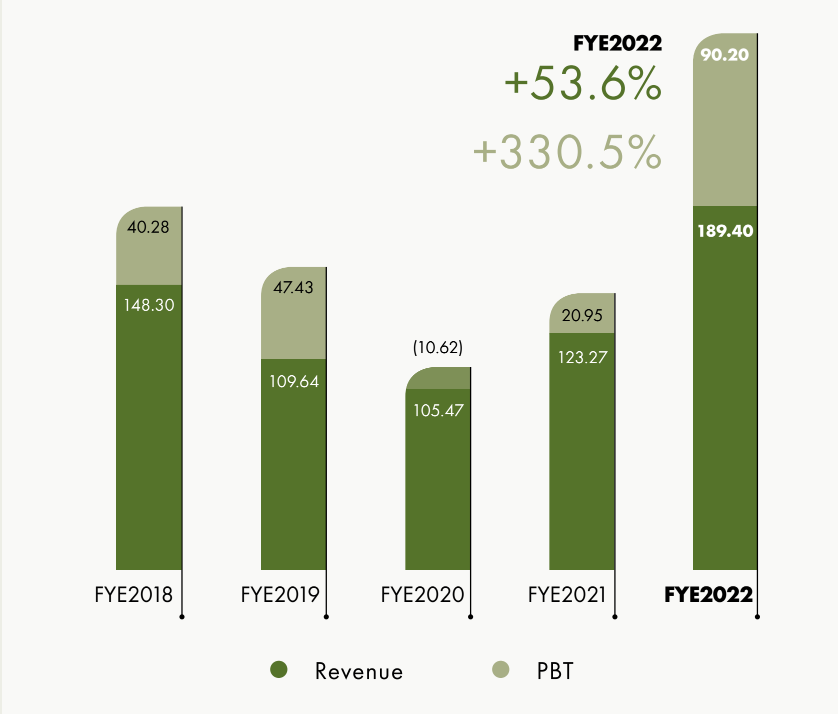
RM90.20 million

330.5%

Increase Y-o-Y

(FYE2021: RM20.95 million)

5-Year Revenue & PBT Performance (RM million)



During the year under review, the division's revenue increased by 53.6% from RM123.27 million in FYE2021 to RM189.40 million in FYE2022 underpinned by higher Crude Palm Oil ("CPO") and Crude Palm Kernel Oil ("CPKO") prices. The division's production of fresh fruit bunches ("FFB") increased by 3.0% year-on-year ("y-o-y").

Our average CPO selling price (CIF) reached RM3,914 MT in FYE2022, an increase of 35.8% y-o-y (FYE2021: RM2,883 per MT), while CPKO price increased 80.6% to RM6,656 per MT (FYE2021: RM3,685 per MT). The spike in palm product prices was driven mainly by the lower palm oil supply from Malaysia and Indonesia while the demand remained high as movement restrictions were relaxed and economic activities increased.

We own and operate 8,702 hectares of planted area in Malaysia and Indonesia as at 31 March 2022. Out of this total planted area, 84.2% are mature, of which 81.0% are palms aged between 10 to 18 years. A total of 153,279 MT of FFB were produced in FYE2022, 3.0% higher than last year's 148,759 MT of FFB due to better overall FFB production. The higher FFB produced by the Group's Malaysian estates this year was on the back of additional new harvesting areas following completion of the rehabilitation programmes undertaken at our newly acquired estates, and as the existing mature areas progressed into highe-yielding brackets.

In the case of the former, 400 hectares of the newly rehabilitated area at Kuala Betis, Kelantan produced 2,128 MT of FFB in FYE2022. As a result, the average FFB yield achieved was 20.91 MT per mature hectare (FYE2021: 20.39 MT per mature hectare). FFB purchase from smallholders in Indonesia also increased 37.5% from 34,339 MT to 47,233 MT in FYE2022.

In tandem with the combined increase in our FFB production and third-party purchases, CPO production increased 7.9% from 35,424 MT in FYE2021 to 38,220 MT in FYE2022. CPKO production also increased by 11.4% to 3,419 MT in FYE2022 (FYE2021: 3,068 MT) as the result of increased FFB processed. Our CPO sales volume increased by approximately 8.4%, from 35,177 MT in FYE2021 to 38,145 MT in FYE2022.

The Plantation division recorded higher PBT of RM90.20 million compared to RM20.95 million in the previous year, lifted by higher CPO and CPKO prices realised as well as sustained improvements in operational efficiencies. PT Nunukan Jaya Lestari ("PTNJL"), the Group's Indonesian subsidiary, reported PBT of RM89.16 million in FYE2022 (FYE2021: RM24.73 million), underpinned by higher CPO and CPKO prices and lower operational costs and forex loss. The division's GP margins also improved mainly due to higher commodity prices in FYE2022.

PTNJL's CPO export volumes were significantly lower in FYE2022 due to higher export levy and tax imposed by the Indonesian government. As a result, PTNJL's export tax for FYE2022 was lower than last year (FYE2022: RM7.41 million, FYE2021: RM19.53 million).

Indonesia

During the year under review, PTNJL produced 133,929 MT of FFB (FYE2021: 133,799 MT). FFB purchased from third parties increased 37.5% to 47,233 MT from 34,339 MT in the previous year. FFB yield per mature hectare increased by 8.9% to 24.54 MT (FYE2021: 22.54 MT). The oil extraction rate ("OER") of 21.10% was slightly better than the 21.08% achieved last year.

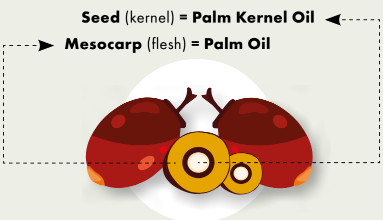
Vide the written decision of the Jakarta State Administrative Court dated 4 August 2021, PTNJL's judicial review application was dismissed and as a result of this ruling, the Ministerial Order revoking PTNJL's Hak Guna Usaha ("HGU") land title was upheld. In the circumstances, PTNJL continues to operate its plantation activities premised on its current operating licence pending issuance of a fresh one. Meanwhile, the HGU land title application in respect of the non-disputed areas is ongoing to date.

Malaysia

Following completion of the acquisition of two new plantation lands in Gua Musang, Kelantan in May 2021, and as more plantation areas reached maturity and moved towards prime age, FFB produced by our Malaysian estates increased by 29.3% from 14,960 MT in the previous year to 19,350 MT in FYE2022.

In FYE2022, the mature area increased 38.7% y-o-y to 1,888 hectares, up from 1,361 hectares in the previous year. Palms aged between 4 to 9 years accounted for 52.7% of the Malaysian estates' total mature area. However, our Malaysian estates posted lower FFB yield of 10.25 MT per mature hectare compared to 11.00 MT per mature hectare achieved last year due to a shortage of harvesters, largely as a result of the prolonged freeze on hiring of guest workers due to Covid-19 movement restrictions and low yield per hectare recorded from the rehabilitated areas at Ladang Fima Kuala Betis. FFB production is expected to increase further in the coming year as more areas reach prime age.

MALAYSIAN PALM OIL



Comes from the fruits of the oil palm tree. It is the only oil-bearing fruit in the world that produces two different types of vegetable oils.

Source: MPOC

Ladang Cendana, Kemaman, Terengganu

Ladang Cendana's FFB production increased by 26.9% to 9,935 MT (FYE2021: 7,827MT) as the estate's mature area increased from 557 hectares to 668 hectares. Furthermore, the average yield per mature hectare increased to 14.88 MT from 14.05 MT in the previous year.

In Q4 FYE2022, the estate deployed Land Surf, a motorised wheelbarrow, to facilitate collection and evacuation of FFB from the fields to the collecting point while simultaneously reducing reliance on manual labour. Performance of the Land Surf has so far yielded positive results, as FFB are being evacuated more efficiently and with less damage to the fruits.

Ladang Bunga Tanjong, Jeli, Kelantan

Total area under cultivation stood at 1,275 hectares, of which 471 hectares are mature. Total FFB production decreased slightly to 5,078 MT from 5,147 MT recorded last year. Despite a shortage of skilled harvesters, the estate managed to achieve an average yield per mature hectare of 10.78 MT in FYE2022 (FYE2021: 10.42 MT).

The estate took several initiatives to address the manpower shortage, especially harvesters. Among the initiatives undertaken is to train existing local field workers to perform harvesting work at the more mature areas where the palms are taller, and hiring local workers to harvest in the younger areas. The estate also continued to use controlled droplet applicator ("CDA") pumps for its spraying activities. These CDA applications resulted in significant savings and reductions in upkeep and maintenance costs of RM23.45 per hectare (FYE2021: RM20.61 per hectare).

Ladang Dabong, Kuala Krai and Ladang Aring, Gua Musang, Kelantan

Ladang Dabong has a total planted area of 216 hectares, of which 110 hectares are mature. 555 MT of FFB were harvested during the year, with an average yield per mature hectare of 5.04 MT.

Mature areas at Ladang Aring increased to 240 hectares from 225 hectares in FYE2021. FFB harvested during the year improved to 1,654 MT from 1,643 MT in the prior year. Yield per mature hectare, however, declined to 6.90 MT from 7.30 MT recorded last year due to the shortage of harvesters. The estate continued to encounter incidents of elephant intrusions in FYE2022. However, as a result of the various actions taken by estate management to deter elephants from entering the fields, damage to the palms was significantly lower (FYE2022: 1,760 palms) compared to last year (FYE2021: 7,095 palms). In any event, all damaged palms have to be replaced, and will inevitably cause delays before they can be harvested.

Ladang Sg. Siput, Perak

We completed the first phase of development as at 31 March 2022 totalling 354 hectares, with approximately 203 hectares planted with oil palm. However, development at the estate has been delayed due to labour shortages and high rainfall that have hampered progress of the works. We expect to accelerate completion of the works in this current financial year.

Ladang Fima Aring and Ladang Fima Kuala Betis, Gua Musang, Kelantan

During the year under review, Ladang Fima Kuala Betis completed the rehabilitation of 400 hectares land area and produced 2,128 MT of FFB. Yield per mature hectare was 5.32 MT. For this current financial year, the estate intends to rehabilitate a further 283 hectares and undertake replanting activities to replace the older, less productive palms on 455 hectares.

The replanting programme at Ladang Fima Aring will commence in FY2023 over 485 hectares.

Capital Expenditure ("CAPEX")

In FYE2022, the division spent RM11.41 million on CAPEX, primarily on plantation development works/infrastructure and purchase/replacement of assets. Infrastructure of all new development areas was designed to facilitate infield mechanisation. The division will continue to construct and upgrade workers' living quarters and estate infrastructure, which will include basic amenities, recreational areas, and places of worship. Improving employee retention remains a top priority for the division. The division will also continue to invest in mechanisation to boost its productivity and efficiencies.

Outlook

The Group is projecting further growth in FFB production based on the expectation of increased contributions from rising yields of young fields as well as harvests from new fields from our Malaysian estates. It is anticipated that the demand for palm oil, which accounts for approximately 38.0% of the world vegeoil market, will remain strong due to the ongoing geopolitical conflict and subdued production outlook for soybean (2022 estimate: 350.7 million tonnes vs 2021: 367.8 million tonnes).

However, CPO prices dropped by over USD300 per MT since early June following a policy shift in Indonesia to encourage exports by reducing export levies. CPO prices are expexted to decline further to below USD1,000 per MT in the second half of 2022, with higher global vegetable oil output.

(Source: Fitch Ratings Inc Special Report: Asian Crude Palm Oil Watch 2Q22 28 June, 2022)

We also expect continued headwinds arising from the acute labour shortage that the entire industry is facing as well as from the notable increase in input costs amid ongoing global supply chain pressures. In the case of the latter, we have so far been able to mitigate a portion of the impact of cost increases by locking in prices through advanced purchase agreements, and by implementing cost-savings measures. In the case of the former, we are intensifying our mechanisation initiatives to further reduce our dependency on manual labour and to drive productivity.

On balance, we expect the performance of the division for this current financial year to remain satisfactory.

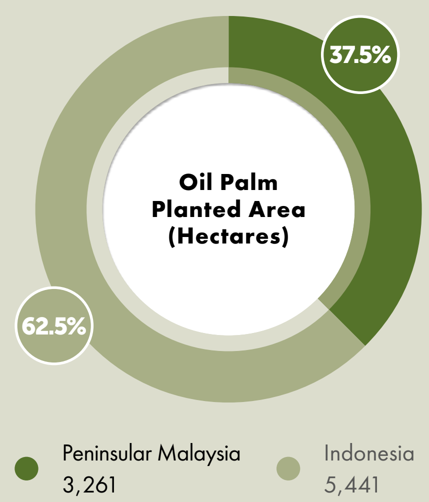
Oil Palm Plantation Statistics as at 31 March 2022

Palm Age Profile (Hectares)

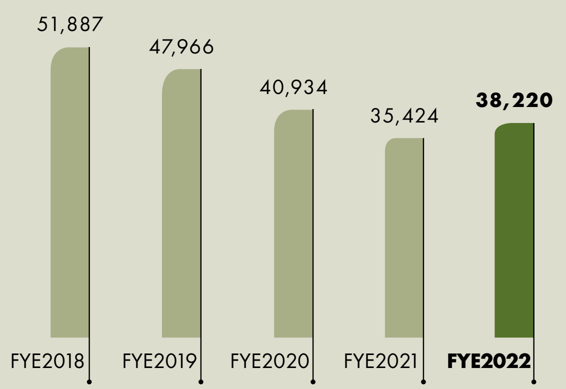
	FYE2018	FYE2019	FYE2020	FYE2021	FYE2022
> 19 years	-	-	-	-	**400**
10 – 18 years	6,058	6,560	6,702	5,942	**5,935**
4 – 9 years	365	390	546	901	**994**
	6,423	6,950	7,248	6,843	**7,329**
Rehabilitated	566	-	-	-	**-**
Immature	1,241	1,560	1,595	1,321	**1,373**
Total Planted Area	8,230	8,510	8,843	8,164	**8,702**

Total FFB (MT)

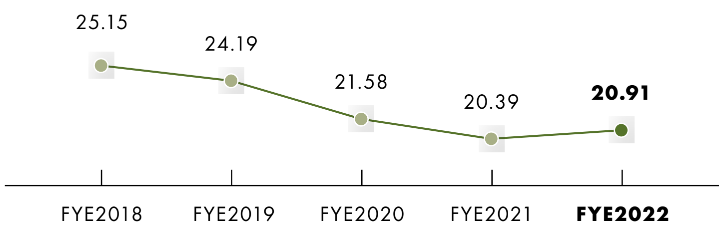
	FYE2018	FYE2019	FYE2020	FYE2021	FYE2022
FFB Production	175,774	166,080	156,450	148,759	**153,279**
FFB Purchased	60,460	49,902	40,257	34,339	**47,233**
	236,234	215,982	196,707	183,098	**200,512**



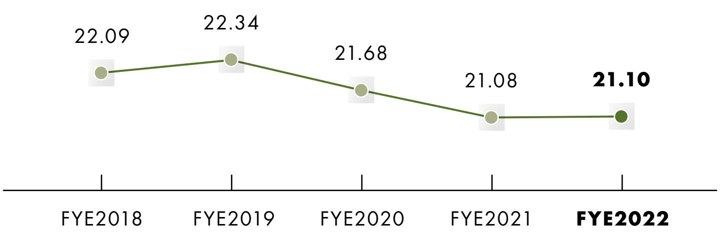
CPO Production (MT)



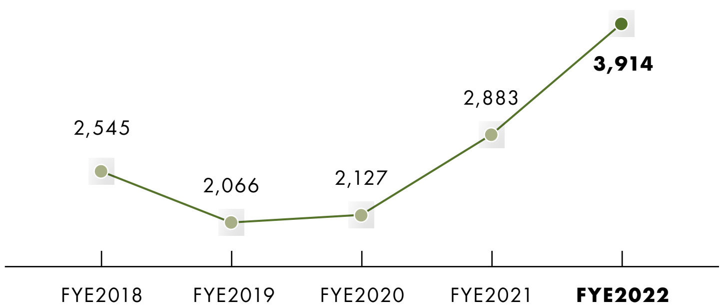
Yield Per Hectare (MT)



Oil Extraction Rate (%)



Average CPO Price Realised (RM/MT)



How we create value

Our Strategic Priorities

Landbank expansion	Increase productivity and cost efficiency through mechanisation	Best estate management practices

NATURAL CAPITAL

KEY INPUTS	ACTIVITIES TO SUSTAIN VALUE	OUTCOMES
• 12 estates in Malaysia and Indonesia • Total plantable landbank of 12,809 hectares • Our operations rely on fuel, water and electricity to run their activities	• Ongoing monitoring of resource intensity & efficiency • Climate change adaptation and mitigation • Compliance with regulatory requirements, standards, practices and ESG metrics • Use of renewable energy • Climate change adaptation and mitigation • Converting waste into a resource	✓ Improvements in FFB production to 153,279 MT (FYE2021: 148,759 MT) ✓ Adoption of best estate management practices support climate action and biodiversity conservation. Fima Sg. Siput Estate was referred to by the Perak State DOE as a 'model estate' due to its adoption of good environmental practices, thus enhancing reputation ✓ Reduction in fuel intensity of 3.30 per tonne FFB produced for Malaysian estates (FYE2021: 4.31 per tonne FFB produced) ✓ Reduction in GHG emissions intensity (tCO_2eq/RM million revenue) from 11.63 to 7.31 ✓ 25 kWp of Solar Photovoltaic (PV) installed, which led to cost savings in electricity bills ✓ EFB converted into compost/fertiliser. In Indonesia, EFB is also used as feedstock to power the cogeneration plant that supplies electricity to the mill and nearby communities, which in turn will benefit Financial and Social & Relationship Capitals

TRADE-OFFS

Capital Increased
- Increase in FFB production volumes due to mechanisation and effective land planning will strengthen financial performance in the long-term
- Savings on fertiliser through conversion of EFB into compost/organic fertiliser and energy costs through use of renewable energy will support Financial Capital
- Good reputation through sustainable business practices will benefit Financial and Social & Relationship Capitals over the long-term

Capital Depleted
- Higher fuel consumption on the back of higher levels of activity will impact Financial Capital
- Investments to reduce our carbon footprint and protect biodiversity as well as compliance costs will have a short-term impact on Financial Capital

SOCIAL AND RELATIONSHIP CAPITAL

KEY INPUTS	ACTIVITIES TO SUSTAIN VALUE	OUTCOMES
• Positive employee relationships • Maintain mutually beneficial relationships with employees, regulators and other stakeholders where we operate	• Continuous engagement with regulators, e.g. MPOB and local governments • Use expertise and other resources to give back to communities, e.g. development & infrastructure projects • Enhance labour practices	✓ Minimal disruption to operation days ✓ Better understanding of environmental/industry regulations, especially for newly developed estates ✓ Maintained support of the communities, regulators and other stakeholders where we operate, which will have a positive long-term effect on all Capitals ✓ Our supply chain management ensures that we have a sizeable inventory of raw materials, e.g. fertiliser, enabling us to reasonably mitigate supply chain interruptions

TRADE-OFFS

Capital Increased
- Improved community and government relations
- Maintained our social licence to operate, which will benefit Financial and Social & Relationship Capitals over the long-term
- Efficient supply chain management will support Financial and Manufactured Capitals

Capital Depleted
- Despite the initial financial outlay, investment in strategic CSR efforts will drive meaningful community relationships over the long-term

MANUFACTURED CAPITAL

KEY INPUTS	ACTIVITIES TO SUSTAIN VALUE	OUTCOMES
• 45 MT/HR palm oil mill in Indonesia • 12 estates in Malaysia and Indonesia • Estate offices and facilities • Tools/equipment for mechanisation & technology	• Spent RM11.41 million of CAPEX on plantation development works/ infrastructure and purchase/ replacement of assets • Mechanisation practices to increase productivity/efficiency • Employed geospatial technologies to facilitate efficient land use and development planning	✓ Purchased Land Surf and Badang to improve harvesting interval and infield collection. Overall productivity improved by 30.0%, which positively impacts Financial Capital ✓ Enhanced safety and efficiency of assets ✗ Depreciation, amortisation and impairment loss ✓ Maximised the planting density of potential areas as well as the planning of optimal routes for harvesting which positively impacts Financial Capital and Human Capital ✓ Adoption of best estate management practices support climate action and biodiversity conservation, which benefits Natural Capital

TRADE-OFFS

Capital Increased
- Increase in FFB production volumes due to mechanisation and effective land planning will strengthen financial performance in the long-term
- Mechanisation improves employee productivity and their earnings potential, thus supporting Social & Relationship Capital

Capital Depleted
- Investment in mechanisation equipment/tools and technology costs will impact Financial and Natural Capitals through the consumption of fuel

HUMAN CAPITAL

KEY INPUTS	ACTIVITIES TO SUSTAIN VALUE	OUTCOMES
• 1,401 employees • Strong and diverse management team	• Encouraging local employment • Competitive remuneration & benefits • Ensuring a safe, healthy and conducive work environment • Continuous training & development programmes for employees and other forms of engagement to keep employees motivated • Enhancing labour practices and ensuring that all relevant labour standards are adhered to	✓ 100% of our Malaysian estates are MSPO certified and have during the year conducted human rights reviews as part of the MSPO's requirements and zero non-compliances achieved ✓ Achieved over 97.4% of local headcount ratio in our Malaysian and Indonesia operations, respectively, with zero cases of discrimination ✓ Job creation and employment. Total new hires are 484 (FYE2021: 73) ✓ Zero fatalities. Lower Lost Time Injury Frequency Rate ("LTIFR") of 4.16 (FYE2021: 6.51). ✓ Total training hours of 1,339 hours (FYE2021: 707 hours) ✓ Mechanisation improves workers' productivity, harvesting intervals and infield collection efficiency, which leads to improved earnings and lighter workload for harvesters which in turn support Social & Relationship Capital ✗ Mechanisation will over the long-term lead to reduced Human Capital requirements

TRADE-OFFS

Capital Increased
- Retention of headcount, salaries and benefits and improvement in earnings due to mechanisation positively impacts Social & Relationship Capital
- Over the long-term, mechanisation will strengthen Financial & Natural Capitals, e.g. through less fuel consumption

Capital Depleted
- Short-term impact on Financial Capital arising from regulatory & compliance costs and mechanisation initiatives.

INTELLECTUAL CAPITAL

KEY INPUTS	ACTIVITIES TO SUSTAIN VALUE	OUTCOMES
• Robust safety, quality and information management systems • Production and processing of palm oil • Land ownership rights • Industry best practices • High-yielding planting materials	• Continued progress towards international standard accreditations • Application for land title of planted areas (Indonesia) • Implementation of best estate management practices	✓ Maintained/obtained accreditations, important prerequisites of our key customers and markets ✓ Rollout of upgraded estate management system across our Malaysian estates provides more visibility and control over estate operations across different locations ✓ All Malaysian estates are MSPO certified. ✗ Protracted time in processing land title (Indonesia). As a result, Indonesian Sustainable Palm Oil ("ISPO") accreditation for Indonesian estate is still pending ✓ High-yielding planting materials will support Financial Capital in the long run

TRADE-OFFS

Capital Increased

- Market credibility and goodwill
- Improved productivity and process efficiencies through close monitoring of operational expenses, maintenance and consumption of resources, which will support Natural, Manufactured and Financial Capitals

Capital Depleted

- Investment outlay on compliance costs and high-yielding planting materials will affect Financial Capital in the short run but will support profitability in the long-term

FINANCIAL CAPITAL

KEY INPUTS	ACTIVITIES TO SUSTAIN VALUE	OUTCOMES
• Strong cash flow • Access to credit facilities/bank borrowings	• Disciplined financial management and capital allocation practices	✓ Revenue up y-o-y by 53.6% to RM189.40 million ✓ PBT up y-o-y by 330.5% to RM90.20 million ✓ Most of our Malaysian greenfield estates are now financially self-sustaining ✓ Consistent dividend payouts (PTNJL)

TRADE-OFFS

Capital Increased

- Higher long-term financial returns to Company and shareholders

Capital Depleted

- Margins reduced due to high input costs, e.g. fertiliser

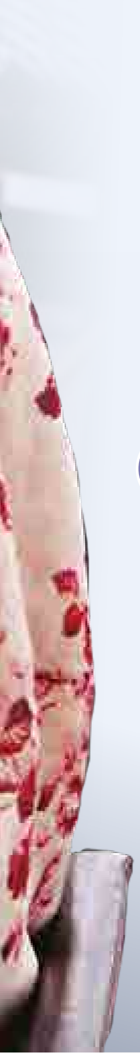
Manufacturing Division

Staying Agile

The division produces a wide range of products and services, which include travel documents, licences, and other security and confidential documents for the local and overseas markets.

FYE2022 FOCUS AREAS

- **Strengthen nationwide support service**
- **Local and international strategic partnerships**
- **Shift towards end-to-end solutions**
- **Customer and portfolio retention**
- **Develop talents and subject matter experts in technology-based security solutions**



Revenue

RM104.13 million

2.2%

Increase Y-o-Y

(FYE2021: RM101.93 million)

PBT

RM8.49 million

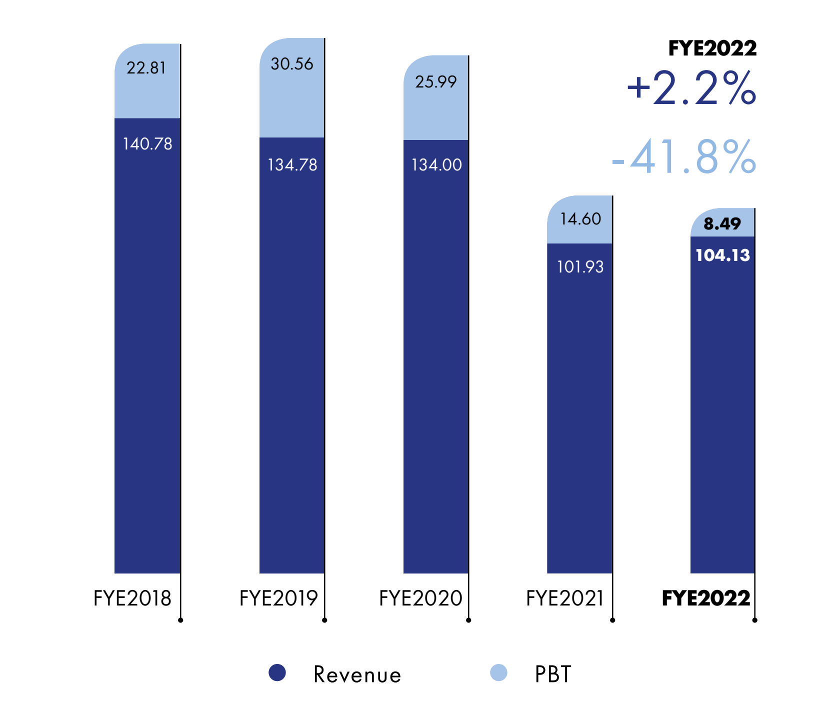
41.8%

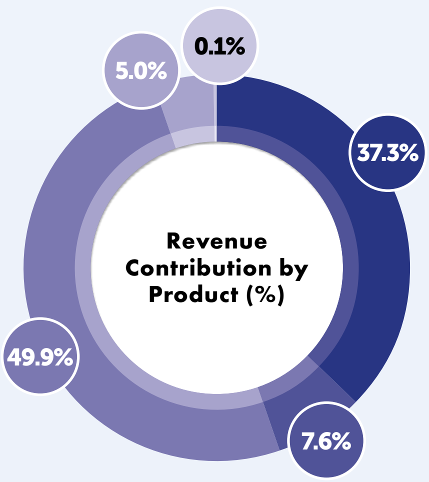
Decrease Y-o-Y

(FYE2021: RM14.60 million)

Despite challenging operating conditions from prolonged Covid-19 disruptions, the division performed well, registering revenue of RM104.13 million during FYE2022, a 2.2% increase compared to RM101.93 million in FYE2021.

5-Year Revenue & PBT Performance (RM million)





Revenue from both the travel and transport documents segments increased on the back of higher volumes following the easing of movement restriction measures in the second half of FY2022. The travel document segment recorded an 24.5% rise in revenue, while the transport and licence segments recorded y-o-y revenue increases of 13.0%, and 4.2% respectively. However, volumes of all three segments collectively remained below pre-pandemic levels.

Despite an increase in revenue, PBT declined by 41.8% to RM8.49 million from the RM14.60 million recorded in FYE2021. The decline stemmed from a revenue reversal of RM4.34 million following the decision made by the High Court in relation to the claim filed by our subsidiary, Percetakan Keselamatan Nasional Sdn Bhd, against Datasonic Technologies Sdn Bhd.

The share of results of associate company Giesecke & Devrient Malaysia Sdn Bhd ("G&D") decreased by 44.8% y-o-y from RM4.13 million in FYE2021 to RM2.28 million due to lower volumes and competitive pricing. In FYE2022, G&D registered a decrease in revenue of RM193.60 million as compared to RM225.48 million in the previous year.

The division is relocating to a new and larger facility complex in Bangi, Selangor, by the end of this current financial year subject to the receipt of approval from the various authorities. Initial construction works on the new complex, which will provide capacity for the division's head office, production assembly and warehousing, commenced in Q4 FYE2022. The timing and transition of the division's operations from the current facility is being properly managed to ensure that delivery obligations to our customers are not disrupted in any way. The new facility will bring all our operations under one roof and it is envisaged that the enhanced operational efficiencies will not only result in significant synergies and cost savings over the long-term, but they will also provide the necessary infrastructure for the division to build momentum and allowing us to flex our operating structure to align with the dynamic activity levels.

During the year under review, we spent RM1.32 million on capital expenditure, largely on computer maintenance and hardware R&D projects. For this current financial year, our capital expenditure is expected to be higher, arising from the costs incurred for the relocation to the new facility complex as mentioned above.

Outlook

In this current financial year, we expect the reopening of economies momentum to further strengthen demand for travel and transport documents for the remainder of the year. However, inflationary factors are contributing to systemic cost increases driven by higher wage, raw material, fuel, and other supply chain costs, all of which may have an impact on our margins.

Our industry segment remains highly competitive, with numerous international and local competitors, and is a mature industry characterised by slowing growth and declining demand amid rapid adoption of digital technologies.

In order to proactively prepare the division for the post-pandemic recovery and beyond, we are committed to the following: concentrated focus on customer retention and protecting our niche markets, lowering our cost base, and delivering superior value-added services to our customers. Our end-to-end, value-added service offerings continue to be an important driver of growth and are essential to ensure we remain aligned with the evolving needs of our customers. We believe our substantial liquidity and flexible business model position us well to continue managing the structural changes in our business as well as the impact of the pandemic, and to pursue potential new investments in the business, as and when they arise, that can further differentiate us in the industry and drive growth.

How Polycarbonate ("PC") is Creating More Secure Passport Datapages

The first PC datapage in a passport was introduced by Finland in 1997. For a few years, it remained a marginal technological breakthrough, until government IDs began adopting PC for electronic ID cards. At the beginning of the electronic passport era in 2005, Sweden was the first country to issue a passport booklet featuring a PC datapage incorporating a secure microcontroller.

What are the benefits of PC?

- PC is a common thermoplastic material used for a variety of purposes and relatively easy to source.
- A document in PC will contain multiple layers of PC material that are laminated together. During the lamination process, the PC layers are fused together; the end result is a finished material that cannot be delaminated, which is of paramount importance to the security of the document.
- The PC material is laser engravable—that alone is a very strong upgrade in the personal data security of an ID document.

(Source: HID Global)

How we create value

Our Strategic Priorities

Strategic partnerships & alliances	Streamlining costs to maintain competitiveness	Protection of niche markets

KEY INPUTS	ACTIVITIES TO SUSTAIN VALUE	OUTCOMES

NATURAL CAPITAL

KEY INPUTS	ACTIVITIES TO SUSTAIN VALUE	OUTCOMES
• Electricity consumption increased from 1,936 MWh to 1,944 MWh in FYE2022	• Ongoing monitoring of energy intensity and efficiency • Compliance with regulatory requirements • Use of renewable energy and transition to 'greener' machinery/equipment • Responsible procurement and practices	✓ Increase in total waste from 106 MT to 124 MT ✗ Increase in electric consumption intensity per square feet by 1.6% from 26.29 to 26.71 due to high level of business activities ✓ 50 kWp of Solar Photovoltaic (PV) has been installed ✓ Replaced internal combustion forklifts with battery-operated ones that do not emit harmful emissions ✓ Reduction in GHG emissions intensity (tCO_2eq/RM million revenue) from 16.84 to 16.54 ✓ 80.0% of the paper used in the production of transport documents is Forest Stewardship Council-certified paper ✓ Our new facility complex in Bangi will utilise energy-efficient equipment and machinery

TRADE-OFFS

Capital Increased
- Savings in energy costs through use of renewable energy in the long-term and will positively impact Financial Capital
- Improved reputation and stronger customer relationships, which will benefit Financial and Social & Relationship Capitals

Capital Depleted
- Investments to reduce our carbon footprint will have a short-term impact on Financial Capital

SOCIAL AND RELATIONSHIP CAPITAL

KEY INPUTS	ACTIVITIES TO SUSTAIN VALUE	OUTCOMES
• Maintain mutually beneficial relationships with employees, regulators and other stakeholders where we operate • Positive supplier and business partner relations as part of our supply chain management	• Customised training programmes for customers & regulators • PROTÉGÉ and Industrial Collaboration Programme • Responsible business practices, i.e. accreditation of ISO37001: 2016 Anti Bribery Management System • CSR activities and welfare contributions	✓ Established trust with customers, business partners and regulators ✓ Retained key customers and market segments ✓ Since 2018, 106 university graduates have undergone PROTÉGÉ Programme ✓ Our supply chain management ensures that we have a sizeable inventory of raw materials, enabling us to reasonably mitigate supply chain interruptions and maintain production

TRADE-OFFS

Capital Increased
- Improved community and government relations will enable us to maintain our social licence to operate and positively impact all Capitals
- Efficient supply chain management will support Manufactured and Financial Capitals
- Nurturing future talent pool supports Human and Intellectual Capitals

Capital Depleted
- Short-term impact on Financial Capital arising from training and compliance costs
- Investments in strategic CSR efforts to drive meaningful community relationships over the long-term

MANUFACTURED CAPITAL

KEY INPUTS	ACTIVITIES TO SUSTAIN VALUE	OUTCOMES
• Security and confidential document printing facilities • Security facility complex in Bangi (in December 2022) • 20 Main Printing Machines • 45 million security documents printed • Technology tools	Spent RM1.32 million on CAPEX for hardware, R&D projects and computer/machinery maintenance Relocation to a new facility complex (ongoing) Employed technology to achieve operational efficiency, namely: • a tracking system detailing progress of products delivered to customers on a real-time basis • equipping IT support staff with mobile devices to access, store and report information	✓ Long-term synergies and cost savings by centralising Manufacturing's operations under one roof, which will benefit Financial Capital ✓ Scheduled preventive maintenance of machinery ensures less downtime and better inventory planning ✗ Depreciation, amortisation and impairment loss ✓ Enhanced safety and efficiency of assets ✓ Improved efficiencies and customer engagement, which will support Social & Relationship and Financial Capitals ✗ Product substitution due to new technologies/processes

TRADE-OFFS

Capital Increased
- Reduction in operational staff time and production downtimes, and improved customer engagement, all of which will benefit Social & Relationship and Financial Capitals
- Use of ICT tools will facilitate reporting and data accuracy, and process efficiencies

Capital Depleted
- Investment in ICT equipment/tools, systems and infrastructure upgrades/replacement, and ongoing maintenance costs, will impact Financial Capital

HUMAN CAPITAL

KEY INPUTS	ACTIVITIES TO SUSTAIN VALUE	OUTCOMES
• 264 employees • Strong and diverse management team • Strong technical support teams across Malaysia	• Encouraging local employment • Competitive remuneration & benefits • Ensuring a safe, healthy and conducive work environment • Continuous training and development programmes for employees and other forms of engagement to keep employees motivated	✓ Improvement in the livelihoods of our employees ✓ Job security and creation of employment. Total new hires are 43 (FYE2021: 19). No downsizing of permanent employees headcount. Salaries and benefits maintained ✓ Positive work culture with skilled workforce. Zero disruptions to production days due to industrial action ✓ Achieved 2,745 days (equivalent to 7.5 years) without any lost time incidents ✓ Zero fatalities in FYE2022 ✗ Lower training hours of 1,864 hours (FYE2021: 2,320 hours)

TRADE-OFFS

Capital Increased
- Retention of headcount of permanent employees, provision of competitive remuneration and conducive work environment positively impacts Social & Relationship Capital
- Maintained goodwill and reputation
- Nurturing our talent pool through ongoing investments in training will improve Financial and Intellectual Capitals in the long-term

Capital Depleted
- Short-term impact on Financial Capital arising from regulatory & compliance costs and investments in training

INTELLECTUAL CAPITAL

KEY INPUTS	ACTIVITIES TO SUSTAIN VALUE	OUTCOMES
• Robust safety, quality and information management systems • Brand and strong reputation • Strategic partnerships & alliances • R&D capabilities to develop solutions and respond to emerging customer preferences • Industry best practices • Key personnel with subject-matter expertise	• Continued progress towards international standard accreditations • Portfolio/product development, i.e. digital-based and other niche solutions and services • R&D collaboration with technical partners	✓ Maintained our competitive edge through new product development, e.g. 2D Code for Transport, tax stamps and travel documents, ID Cards Personalisation Systems and after-sales service, e.g. Forensic Services, and R&D to enhance product features and/or to extend product lifecycles, which benefit Financial, Manufactured and Social & Relationship Capitals ✓ Retained key customers and market segments ✓ Certified and compliant: a. ISO 27001:2013 Information Security Management b. ISO 9001:2015 Quality Management System c. ISO 14298:2013 Graphic Technology – Management of Security Printing Processes d. ISO 37001:2016 Anti Bribery Management Systems, all of which are important prerequisites of our key customers and markets

TRADE-OFFS

Capital Increased
- Market credibility and goodwill, which support Social & Relationship and Financial Capitals
- Improved productivity and process efficiencies

Capital Depleted
- Investment outlay on compliance costs and R&D will affect Financial Capital in the short-term but will support financial performance in the long-term

FINANCIAL CAPITAL

KEY INPUTS	ACTIVITIES TO SUSTAIN VALUE	OUTCOMES
• Strong cash flow and cash position • Access to credit facilities/bank borrowings	• Disciplined financial management and capital allocation practices • Strong and proactive relationships with our principals	✓ Revenue up y-o-y by 2.2% to RM104.13 million ✗ PBT down y-o-y by 41.8% to RM8.49 million ✓ Consistent dividend payouts ✓ Resilient balance sheet with strong cash flows ✗ Margin pressures due to increased competition from new and existing players in certain product segments

TRADE-OFFS

Capital Increased
- Strong financial position allows us to flex in line with market demands and pursue new business opportunities as and when they arise

Capital Depleted
- Profitability margins reduced due to competition and loss of economies of scale

Our Approach to Sustainability

FimaCorp's approach to sustainability begins with ensuring responsible business conduct and prioritising the safety of our people, customers and communities. We also recognise that the long-term success of our businesses depends on our ability to create lasting value for our host countries and local communities, and through the sustainable use of natural resources.

We aspire to institutionalise Environmental, Social and Governance ("ESG") considerations in all our business decision-making processes, from building a diverse and inspired workforce and reducing our carbon footprint to driving innovation and focus in addressing the sustainability challenges of tomorrow. Our strategy aims to deliver profitable and sustainable long-term growth to generate returns for our shareholders and create value for all our stakeholders. As such, priorities and targets are set against topics that matter most to us and our stakeholders, and where we have the resources to make the greatest impact and develop practical, economically viable and environmentally sustainable solutions. We believe all these elements combined can help create opportunities that can benefit the whole of society and contribute towards nation-building.

FimaCorp's prioritised material matters are shown on page 37 and discussed throughout this Annual Report and in the Sustainability sections.

Our sustainability reporting is aligned with the GRI Sustainability Reporting Standards and we intend to continue to expand and improve the quality and specifics of these disclosures and encourage all those who work with us to do the same. The data we disclose will continue to evolve as we learn more about what our stakeholders find useful and as we improve our ability to collect the necessary information.

Stakeholder Engagement

Stakeholders are groups that will impact or be impacted by our business decisions and activities. As a conglomerate that spans two regions with varied business portfolios and operations across several industries, we seek to develop connections and build trust and confidence with our stakeholders on the ESG issues that will benefit or negatively affect them. Actively engaging with our stakeholders enables us to listen to their needs and respond to their key concerns, which is vital for the sustainable growth of the Company.

Each stakeholder group is important to us and to that end, we have come up with responses to meet the needs of each group individually. Maintaining an open dialogue helps us define and develop strategies aimed at mitigating risks and identifying opportunities along the Group's value chain. Below is a list of the key stakeholders that have a stake in our business and our responses to their key concerns.

The stakeholders include:

Stakeholder	Engagement Platform	Frequency	Key Concerns	Our Response
Employees	Employee Engagement Survey Performance and career development reviews Labour unions Virtual meetings Intranet/internal communications	Once a year Once a year Whenever necessary Whenever necessary Whenever necessary	• Job security and wages • Conducive workplace • Career development • Corporate activity • Occupational health, safety and well-being • Human & workers' rights protection • Group's growth development	• Investing in the attraction, retention and development of a knowledgeable and talented labour force. • Having diverse employment prospects and opportunities for career development as well as competitive remuneration and benefits packages. • Providing grievance redress procedures and having a whistle-blowing policy, which offers anonymity and confidentiality (when necessary), in place to address employees' cares and concerns. • Having policies and procedures in place and investing in Occupational Health and Safety Management Systems to ensure the well-being of employees. • Observing the Human Rights Policy as set down by the United Nations Human Rights Council, which ensures basic rights and freedoms and ensures that the workforce is treated fairly. • Engaging in continued and continuous integrity and anti-bribery training for staff.
Shareholders and investors	Virtual AGM Bursa announcements Corporate website Surveys Enquiries via email One-on-one meetings with fund managers	Once a year Once a year and whenever necessary Whenever necessary Whenever necessary Whenever necessary Whenever necessary	• Disclosure of timely, material and relevant information • Financial performance & resilience	• Ensuring communications about business performance and policies are conducted in a precise, concise and timely manner to boost the confidence of shareholders.

Stakeholder	Engagement Platform	Frequency	Key Concerns	Our Response
Customers	Virtual meetings/ emails Audits Survey Training & support	Whenever necessary Whenever necessary Whenever necessary Whenever necessary	• Changing needs of customers and consumers • Business ethics • Innovation • Supply chain/ traceability issues • Health & safety • Certification	• Being honest and fair in our dealings with customers and in delivering products and services that meet the standards that have been agreed upon. • Making sure that the goods and services that are provided are fit-for-purpose and meet the required safety and quality standards. • Aiming to meet or exceed industry and international standards certifications to gain trust and an improved market share. • Constantly evaluating consumer feedback, audit reports and satisfaction surveys to identify key areas for improvement and further development. This also ensures that current standards are met and we do not get complacent.
Communities	Town hall with local residents Philanthropic activities Community volunteering	Once a year Whenever necessary Whenever necessary	• Economic empowerment/ livelihood • Community safety and health • Environmental protection	• Supporting the local communities by offering them employment, and providing business opportunities to local suppliers. • Improving the lives and livelihoods of the local communities by building, maintaining and upgrading infrastructure and through welfare contributions, which include financial assistance in times of difficulty or disasters. • Financial assistance for schoolgoing children.
Memberships and associations	Virtual meetings Association meetings/dialogues	Whenever necessary Whenever necessary	• Advancing industry-specific matters with policymakers and other key stakeholders	• Actively engaging with members of various associations, professional and otherwise, to maintain and contribute to industry aims, goals and standards by keeping other association members informed and up-to-date on the current advances in the sector.
Suppliers	Virtual meetings/ emails Audits Training & support	Whenever necessary Whenever necessary Whenever necessary	• Quality control • Business ethics • Supply chain transparency • Sustainability requirements	• Ensuring that ethics and integrity policies are followed to ensure procurement practices are fair and without favour to establish and maintain a harmonious long-term relationship with suppliers. • Informing suppliers in a timely manner of updates on regulatory requirements, which ensures efficient business operations without disruptions. • Collaborating with suppliers to secure sources of materials, which guarantee the long-term availability of the materials and the opportunity to pursue other ventures in the future. • Finding areas for development based on auditors' reports and in-house or other assessments.
National and local government	Virtual meetings Dialogues/ Consultations	Whenever necessary	• Licence to operate • Compliance & regulations • Land issues • Level 'playing fields' for all sectors • Local economic development programmes • Corporate responsibility initiatives • Industry-specific matters	• Connecting with federal and local governments and regulatory bodies in a proactive manner with regards to policy matters to further industry-specific matters with legislators. • Supporting national agendas and contributing actively to the economic and social progress and continued growth of the countries in which the Group has a presence.

Materiality Assessment

A materiality assessment is a process that enables us to identify and prioritise the ESG issues that will affect our business growth and stakeholders. The process also serves as part of our stakeholder engagement, enabling us to identify and meet the needs of our stakeholder groups, apart from assessing and improving our ESG impacts.

We conduct an in-depth materiality assessment via online surveys once every two years and our last assessment was in FYE2021. While these survey results remained valid in respect of the FYE2022 reporting period, we nevertheless reviewed our material matters by carrying out a gap analysis against local, regional and global industry peers, as well as against the relevant sustainability indicators from the Sustainability Accounting Standards Board ("SASB"), Bursa Malaysia and global reports for best practices. We also aligned our material matter topics with the definitions from the GRI Standards and the United Nations Sustainability Development Goals (SDGs) for better clarity and context. This culminated in the following 10 prioritised material matters which were deliberated and approved by the Group Sustainability Committee and subsequently the Board.

No	Prioritised material matters	Alignment with GRI	Alignment with SDGs
1	Climate Risk	GRI 305	SDG 13, 14
2	Water Impact and Waste Management	GRI 303, 306	SDG 6, 12, 13, 14
3	Biodiversity and Deforestation	GRI 304	SDG 12, 13, 14, 15
4	Human Rights	GRI 408, 409, 412	SDG 1, 2, 4
5	Innovation & Technology Excellence	Non-GRI Indicator	SDG 8
6	Occupational Safety, Health and Well-being	GRI 403	SDG 8
7	Product Quality and Safety	GRI 416, 417	SDG 2, 12
8	Sustainable and Traceable Supply Chains	GRI 102, 204	SDG 12, 14, 15
9	Code of Ethics & Governance	GRI 205	SDG 8, 14
10	Community Investment	GRI 203, 413	SDG 1,2,4

Note:
The aligned SDGs are based on FimaCorp's prioritised SDGs. For more information on the prioritised SDGs, please turn to page 38 and 39.

FYE2021

1. Identified issues that could have an impact on the Group's value creation processes as well as internal strengths and weaknesses and broader contextual trends
2. Distribution of surveys
3. Internal surveys/External surveys
4. Final scoring and issue prioritization

FYE2022

1. Alignment of material matter topics with definitions from GRI Standards and SDGs
2. Validation of prioritised matters
3. Approval of prioritised matters for FYE2022 from GSC
4. Approval from the Board

Contributing to the United Nations Sustainable Development Goals

The United Nations Sustainable Development Goals or Global Goals are a collection of 17 interlinked global goals designed to be a "blueprint for a better and more sustainable future for all." The SDGs were set up in 2015 by the United Nations General Assembly and are intended to be achieved by 2030. The SDGs aim to fight inequality, address climate change issues and end poverty via the contributions of member states.

https://www.un.org/sustainabledevelopment/sustainable-development-goals/

The Group aims to use its direct business activities to meet some of the standards set out by the SDGs, especially with regard to:

1. The manufacturing and sale of the products it produces and the way in which they are produced.
2. The use by host governments of the taxes that the company pays.
3. The creation of economic and social value in the communities where we operate by creating local jobs.
4. Supporting local supplier development and providing opportunities through training and other investments.
5. The efforts undertaken to reduce the environmental footprint of the business.

SDG	Material Matter	Key Risk
End poverty in all its forms everywhere	• Community Investment • Human Rights	• Sustainability
End hunger, achieve food security and improved nutrition and promote sustainable agriculture	• Community Investment • Human Rights • Product Quality and Safety	• Sustainability • Regulatory • Health & Safety
Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	• Human Rights • Community Investment	• Sustainability
Ensure availability and sustainable management of water and sanitation for all	• Water Impact and Waste Management • Community Investment	• Sustainability
Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	• Economic Performance • Occupational Safety, Health and Well-being • Innovation & Technology Excellence • Code of Ethics & Governance	• Investment: Acquisitions, Divestment, Joint Ventures and Projects • Geopolitical Risk • Health & Safety • Regulatory • Integrity
Ensure sustainable consumption and production patterns	• Product Quality and Safety • Sustainable and Traceable Supply Chains • GHG Emissions • Water Impact and Waste Management • Biodiversity & Deforestation	• Health & Safety • Natural Environment • Investment: Acquisitions, Divestment, Joint Ventures and Projects • Sustainability
Take urgent action to combat climate change and its impacts	• Climate Risk • Water Impact and Waste Management • Biodiversity and Deforestation	• Natural Environment
Conserve and sustainably use the oceans, seas and marine resources for sustainable development	• Climate Risk • Water Impact and Waste Management • Biodiversity and Deforestation • Code of Ethics and Governance • Sustainable and Traceable Supply Chains	• Natural Environment • Regulatory • Sustainability
Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification and halt and reverse land degradation and halt biodiversity loss	• Biodiversity and Deforestation • GHG Emissions • Water Impact and Waste Management • Code of Ethics and Governance • Sustainable and Traceable Supply Chains	• Natural Environment • Regulatory

Prioritised SDGs

The Group has considered all of the 17 SDGs and chosen eight of them to concentrate on, as they are the most applicable to the Group's present business model and are most in line with our corporate vision and future plans. This year, we included SDG 6 as our ninth prioritised global goal to expand our contributions to the SDGs. Although only nine SDGs are prioritised, most of our goals and values are aligned with the global goals.

Our Contribution

- Economic empowerment and the creation of business opportunities and other means of gainful employment for members of the local community to earn a livelihood.
- Having human resources policies on minimum wages and fair pay for work done in place.

- Acting in response to the greater demand for affordable protein.
- Ensuring greater yields and higher rates of extraction through the adoption of agricultural best practices.
- Making welfare contributions and providing assistance, financial or otherwise, in times of adversity or in the wake of natural disasters.

- Humanitarian initiatives, especially in the areas of schooling and youth development.
- Looking after the health and well-being of local communities.
- Ensuring that employees' personal and professional development needs are met through investments of time, money and other resources in training programmes.

- Putting in place sustainable agricultural practices and best management practices across our estates.
- Ensuring the quality of wastewater discharge meets regulatory compliance to mitigate water pollution.
- Optimising water sources by recycling water and sharing water sources with the local community.

- Making a positive impact on the growth of businesses in the countries in which we operate, via taxes, job creation and other fiscal and monetary contributions.
- Maintaining a strong stance against modern slavery, forced or compulsory labour and unfair work contracts or conditions and a clear and unambiguous zero-tolerance policy against child labour.

- Implementing and maintaining transparency in the supply chain and steadfast adherence to international standards (MSPO, ISO).
- Having water and waste management policies and procedures in place and ensuring that they are adhered to.
- Ensuring that Occupational Health and Safety standards are met and adhered to so that the workplace remains in good condition, the workforce remains healthy and the work environment is safe.
- Using renewable energy and energy-efficient tools and devices. Balancing the energy mix to ensure productivity while reducing the carbon footprint.
- Adopting agricultural best practices as per industry and international standards.
- Conserving marine life and resources by ensuring that procurement is from responsible and reputable vendors with proper sustainable infrastructure and practices.

- Using renewable energy sources where possible.
- Having efficient water and waste management systems capable of tackling water scarcity through wastewater efficiency and treatment programmes.
- Implementing agricultural best practices.
- Making use of energy and other natural resources in the most efficient manner, with as little loss or waste as possible.

- Implementing and maintaining supply chain transparency and adherence to international standards.
- Adopting a zero-tolerance policy against illegal, unreported and unregulated practices

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- Using renewable energy sources where possible to reduce the Group's carbon footprint.
- Making efficient use of energy and other natural resources with as little loss or waste as possible.
- Having a water and waste management plan in place that meets industry and international standards.
- Adopting good agricultural procedures.

Task Force on Climate-Related Financial Disclosures

The Task Force on Climate-Related Financial Disclosures ("TCFD") helps companies understand what financial markets want from disclosure to measure and respond to the effects of climate change. The following gives an overview of our progress and future priorities across this framework. We endeavour to integrate the assessment of climate-related risks and opportunities into our governance, strategy, risk management and reporting frameworks moving forward, and to enhance our future disclosures in line with the TCFD guidelines, emerging best practice and feedback from key stakeholders.

Governance

The Group's strategic approach to sustainability (including climate change) is overseen by the Board with related responsibilities delegated to certain Board Committees premised on their overall purpose and remit.

The allocation of responsibilities is summarised below:

- The Audit & Risk Committee is responsible for overseeing material ESG reporting, including climate-related reporting
- The Group Sustainability Committee is responsible for monitoring performance against the Group's sustainability strategy, including climate strategy and related opportunities
- The Nomination & Remuneration Committee is responsible for ensuring appropriate ESG elements (including climate-related targets) are included in the Managing Director's KPI
- The Risk Steering Committee considers climate risk as part of its review of key enterprise and emerging risks and oversees climate related risks within the Group Enterprise Risk Management (ERM) framework.

The Group Corporate Services Department oversees the Group's sustainability reporting, with guidance from the MD and the Chairman of the Group Sustainability Committee as well as counsel from the Audit and Risk Committee and the Board. Sustainability working groups have been established at the divisional level to assess, measure and report the sustainability performance of their respective operations.

Risk Management

The Group's commitment to minimise its environmental impact is espoused in the Group's Key Enterprise Risks. Further, all our key risks are aligned with our prioritised material matters and SDGs.

Information on the Group's Key Enterprise Risks and risk management are available in the Statement on Risk Management and Internal Control section of the Annual Report.

Strategy

For the Group, we have identified 3 areas of climate risk impact which are considered most material: changing stakeholder/societal demand favouring low-carbon products; emerging government policies, regulatory and legal changes; and reputational damage if climate risks are not appropriately managed.

Our climate change strategy therefore, focuses on both adaptation and mitigation measures through cutting our greenhouse gas ("GHG") emissions, improving infrastructure resilience, and continuous innovation.

To ensure the effective implementation of the sustainability strategies as well as managing the climate-related risks, appropriate ESG elements/indicators have been embedded in the MD's key performance indicators which will be cascaded down to the management/divisional levels. Management will establish their own granular KPIs and actionable plans that align with the specific MD's KPIs that are applicable to them, and gauge the effectiveness, productivity, efficiency, cost controls or ESG performance of those actions.

Further details on our environmental strategies are available in the Environmental section under the Sustainability Report.

Metrics and Targets

The Group has been reporting its climate-related performance since 2018 in its Sustainability and Annual Reports.

Our sustainability strategy has continued to evolve in response to changing stakeholder needs and expectations.

This includes measuring and monitoring our energy, water usage and GHG emissions, as well as measuring the intensity of production and consumption of our resources (energy, labour and water) in evaluating the efficiency of our economic activities.

Progress made in FYE2022

Governance

Integrated sustainability targets (including climate-related targets) into the Managing Director's KPI, which is then cascaded down to divisional management.

Review of the Terms of Reference for the Audit & Risk and Risk Steering Committees was conducted to ensure they included appropriate oversight of sustainability matters.

Risk Management

Climate change was identified as an emerging risk and subsequently added as a stand-alone Key Enterprise Risk by the Board to recognise the potential adverse impacts it can have on our operations.

Strategy

Strategic investments in resources and infrastructure adaptation to improve resilience e.g. land development planning, energy-efficient lighting and heating systems, plant and machinery.

Expanded the use of solar energy across the Group, thereby increasing our total solar power capacity by 15kWp. Setting y-o-y targets for business units to reduced their energy, water usage and/or GHG emissions.

kWp refers to kilowatt-peak

Metrics and Targets

Amid the reopening of various economic sectors, our GHG emissions intensity (tCO_2eq/RM million revenue) by divisions are as follows:

Division	Intensity (tCO_2eq/RM million revenue) FYE2021	Intensity (tCO_2eq/RM million revenue) FYE2022
Plantation	11.63	**7.31**
Manufacturing	16.84	**16.57**

tCO_2eq refers to tonne carbon dioxide equivalence

The use of renewable energy enabled us to avoid 212 tCO_2eq in FYE2022, equivalent to 26 homes electricity use for one year.

Source: United States Environmental Protection Agency and Greentech Malaysia

For more information on the Group's GHG emissions and environmental performance, please refer to the Environmental section under the Sustainability Report from pages 42 to 51 and Performance data from pages 208 to 211.

Main Risks and Opportunities

Transition Risks

- Changing societal demand favouring low-carbon products
- Emerging government policies, regulatory and legal changes (e.g. carbon tax)
- Reputational damage if climate risks are not appropriately managed
- Product substitution due to new technologies/ processes

Potential impacts
Increased compliance costs, required investment in new technologies and process change costs

Physical Risks

- Chronic risks i.e., change in rainfall patterns and rising average temperatures
- Acute risks such as extreme weather and sea conditions

Potential impacts
increased compliance costs, required investment in new technologies and process change costs

Opportunities

- Potential opportunities for developing new 'green' products and services
- Reduced operating costs through greater resource and energy efficiency
- Innovation to improve productivity and drive sustainability efforts to address climate-related challenges, which can simultaneously reinforce the Group's reputation as a responsible corporate citizen

Next Steps

- Climate-risk training programmes to develop skills of key personnel and general knowledge of the wider Group.
- Undertake pilot quantitative scenario exercise to develop relevant methodologies.
- Develop internal climate-risk reporting formats.
- To further embed climate-risk in our risk management and decision-making processes.

Environmental

Environmental sustainability is a critical part of FimaCorp's business strategy, requiring a careful balance to be struck between our growth aspirations and our sustainability obligations.

We are driving concerted efforts to integrate sustainable practices into our business operations, improve our carbon footprint and lower emissions across our value chains. Our environmental management approach is aligned with the Group's Environmental Policy and we have in place robust mechanisms to measure our environmental impacts, such as energy consumption and water intensity, as well as quantity of effluents and waste.

Environmental Policy

Our Environmental Policy spells out the Group's position regarding, and commitment to, managing our environmental impacts across our business operations. The policy describes the following basic principles of action that need to be taken into account in our decision-making processes:

- Increasing environmental awareness within the Group through training and information-sharing.
- Implementing effective environmental protection strategies.
- Encouraging efficient use of natural resources and cutting down wastage of raw materials.
- Enabling the Group to partner with local communities and stakeholders in resolving environmental issues.
- Educating suppliers and vendors on the Group's commitment to environmental management and protection.
- Advocating and supporting zero-burning programmes within the Group's plantation operations.

For detailed information on our Environmental Policy, please visit our corporate website at http://www.fimacorp.com/corporate-governance.php

Biodiversity and Deforestation

GRI 304-1, 304-2, 304-3, 304-4

The main reasons behind biodiversity loss are mostly connected with human activity. We acknowledge our responsibility to protect biodiversity and as such, we strive to ensure that our operations coexist in harmony with the surrounding environments in which we operate. Given the diversity of our business operations, we are aware that our activities may affect the ecological systems and the communities residing in these areas, as well as those who rely on the natural resources for their livelihoods.

At the heart of our approach is effective environmental management. To deliver the greatest impact, our environmental management framework, which is in line with SDG 14: Life below Water and SDG 15: Life on Land, integrates habitat conservation, water use and quality, soil conservation, climate change adaptation and waste management. Our water stewardship strategy, for example, contributes to maintaining biodiversity, soil health and water accessibility to communities, while our biological pest management programmes help to protect the natural capital and minimise risks to human health as well as beneficial and non-target organisms.

Sustainable Agricultural Practices

In our efforts to preserve biodiversity, we focus primarily on areas that are most at risk as a consequence of our operations. At our palm oil estates, we have put in place sustainable agricultural practices that involve area conservation, soil management, biological pest control, human-elephant conflict management and mechanisation.

Conservation Areas

In our Plantation division, we conserve biodiversity by establishing protected buffer zones along riverbanks to serve as wildlife passageways throughout our oil palm estates. These buffer zones also serve as a sanctuary and natural habitat for many migratory birds, elephants and other animals. Our protected areas Group-wide total 621.85 hectares in aggregate.

Our subsidiary in Indonesia, PT Nunukan Jaya Lestari ("PTNJL") has also established water catchment zones within their estate, where chemical applications are strictly prohibited to facilitate the rehabilitation and preservation of natural vegetation.

Before commencing any new plantation development activities, environmental impact assessments ("EIA") are performed. The last EIA was in FYE2020 for our greenfield development, Ladang Sg. Siput Estate in Perak, whose approval condition required the adoption of good practices and guidelines with regards to riparian buffer zones, air quality, water management and forest conservation areas. This estate has often been referred to by the Department of Environment ("DOE") of the Perak state government as a model estate due to its comprehensive adoption of good environmental practices.

In addition, an environmental management plan ("EMP") for the development of the newly acquired estates in Gua Musang, Kelantan was prepared and submitted to the Kelantan state DOE for approval during the year. The EMP sets out, among others, conditions stipulated by the DOE in the initial EIA report and other environmental mitigation measures that must be performed and complied with by the estate at various stages of the estate's development.

Soil Management

As part of our soil management practices, we plant leguminous cover crops like Mucuna bracteata, Calopogonium mucunoides and Calopogonium coeruleum to improve soil properties and reduce carbon dioxide emissions. The Mucuna bracteata, an Indian leguminous plant, helps to reduce soil erosion on slopes and improves our soil quality through natural soil fertilisation and aeration processes. This is due to its nitrogen-regulating properties that effectively lower soil temperatures in hot climates. It grows rapidly, which helps to prevent weed growth.

We also plant vetiver grass near ponds, enclosures and field drains to mitigate erosion and landslides. Vetiver grass is a deep-rooted grass noted for its strong resistance to heavy metals, phosphates, nitrates and agricultural chemicals. We do not plant on steep areas or slopes of more than 20 degrees, and we implement double terracing wherever possible to preserve the topsoil and lessen erosion. PTNJL applies empty fruit bunches ("EFB") and compost to nurture the soil and to cut down our dependence on chemicals or any inorganic substances.

Biological Pest Control

Our estates practise biological pest control methods by planting beneficial plants such as Turnera subutala, Antigonan leptopus and Cassia cobanensis, which attract insects to feed on pest larvae. Rodents are a major pest problem in our oil palm estates. Our estates in Terengganu have built nest boxes to attract barn owls as they are natural predators that feed on rodents, thus making them an effective pest control method to suppress the population of rodents.

Human-Elephant Conflict Management

Incidences of elephant intrusions into our oil palm estates are becoming more common. We acknowledge that Asian elephants (Elephas maximus) are 'endangered' as stated in the IUCN Red List, and as such, we make every effort to deter them from entering our fields. One of the methods is land use planning, where we plant crops like bananas to increase food availability for the elephants within their habitats. In addition, we monitor the elephants' movements, restore wildlife corridors and construct trenches to reduce damage to, and attacks on, our crops, while preserving the elephants' natural habitats.

The establishment of an Elephant Conflict Task Force in 2020 has resulted in a notable reduction of crop damage in our estate in Terengganu. Jointly formed by Cendana Laksana Sdn Bhd and eight other estates from three adjacent localities, the task force actively participates in discussions and implements actions to find solutions and mitigate the economic impact of crop loss caused by elephants, while also maintaining the biodiversity of the areas. This involves, among others, constant monitoring and understanding of the local ecology in the affected areas. The task force also collaborates with the Department of Wildlife and Natural Parks ("Jabatan PERHILITAN") to install GPS collars on the elephants that allow us to track and monitor their movements easily.

Overall, our efforts to better control and manage the intrusion of elephants into our estates have led to a significant reduction of damaged palms in Ladang Aring, which recorded 1,760 damaged palms compared to 7,095 palms in the previous financial year. The number of damaged palms in Ladang Cendana also reduced significantly, from 1,205 palms to 707 palms. Going forward, we will continue to look for ways to mitigate recurrences of elephant intrusions without disrupting their natural habitat.

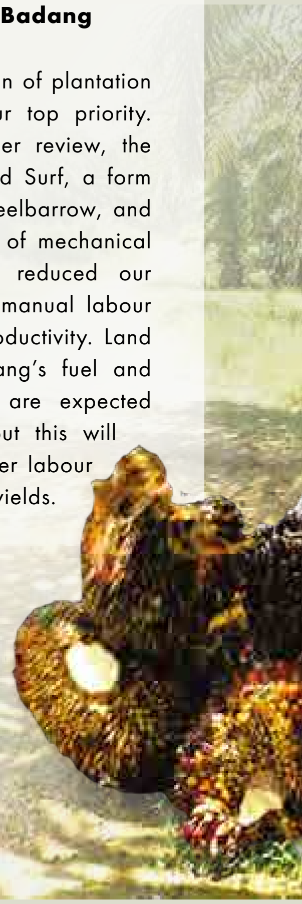
Mechanisation

In FYE2022, the Group ramped up its initiatives to increase the level of mechanisation within our plantation operations, particularly for in-field collection and application of fertiliser, to overcome the acute labour shortage. These initiatives have yielded positive results, as FFB are being evacuated more efficiently in bigger volumes and with less damage to the fruits through the utilisation of Land Surf, a form of motorised wheelbarrow, and Badang, a mechanical buffalo. This, in turn, increases the productivity levels of workers as well as their earning potential. The long-term goal is to expand the use of these machines to all our estates where feasible.

Spotlight Story

Land Surf and Badang

The mechanisation of plantation operations is our top priority. In the year under review, the utilisation of Land Surf, a form of motorised wheelbarrow, and Badang, a form of mechanical buffalo, greatly reduced our dependence on manual labour while driving productivity. Land Surf's and Badang's fuel and operating costs are expected to be higher, but this will be offset by lower labour costs and better yields.



Land Surf

Higher land-to-labour ratio
(26:1)

Has a load capacity of
300kg
(compared to a wheelbarrow's 80kg)

Improves productivity by
30.0%

Increases harvesters' earnings

Improves harvesting area coverage from **1-1.5hectares/ man-day** to **2.5-3hectares/ man-day.**

Badang

Has a load capacity of up to
500kg

Can be utilised both on flat and undulating areas of land.

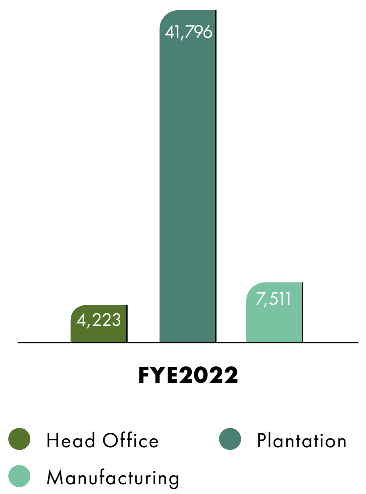
Covers larger areas of harvesting terrain compared to other conventional methods.

Energy Management

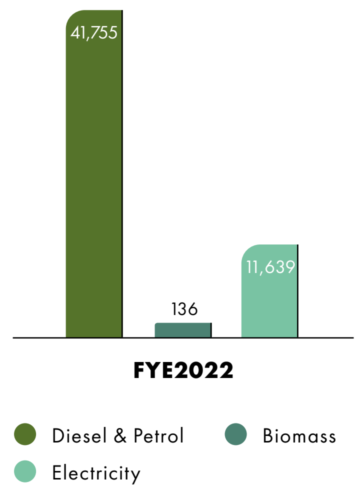
GRI 302-1, 302-3, 302-4, 302-5

Efficient management of energy will reduce the usage of natural resources and carbon emissions and effectively lower operational costs. We strive to efficiently manage our energy consumption across all our operations, and each division has its own energy consumption and intensity targets.

Total Energy Consumption ["GJ"]



Type of Energy (GJ)



Energy Management Initiatives

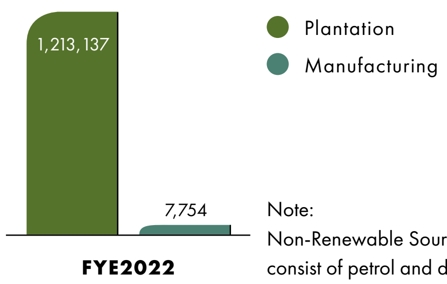
- **Expanded** the rollout of solar PV installation across the Group's operations, generating 1,029% of renewable energy since FYE2019.
- **Installed** energy -efficient light bulbs with 5-star energy ratings.
- **Installed** variable speed drive for depericarper fan, winnower fan and FFB conveyor at PTNJL's palm oil mill.
- **Maintained** Heating, Ventilation and Air Conditioning ("HVAC") to ensure that the rated capacity of the equipment was maintained.
- **Utilised** mesocarp fibre, palm shells and shredded EFB as feedstock for steam boilers at PTNJL's palm oil mill. Excess energy was used to power workers' quarters, government facilities, schools and mosques.
- **Reduced** utilisation of genset diesel consumption during non-productive periods at PTNJL's palm oil mill.

What We Have Done

Fuel Consumption

Fuel is a significant cost factor in the Plantation division. We continue to focus on fuel cost reduction through the utilisation of fuel-efficient machinery, preventive maintenance programmes, innovation and vehicle usage optimisation. Our energy intensity is calculated based on our fuel consumption and level of activities.

Total Consumption from Non-Renewable Sources (Litres)



Note:
Non-Renewable Sources consist of petrol and diesel.

In our Plantation division, we strive for fuel optimisation by ensuring that lorries are fully loaded when transporting FFB, making sure that our estates harvest according to plan and monitoring the fuel consumption of our estate vehicles closely. FFB transportation is the most suitable metric to measure our consumption of diesel, as each estate has a different topographic profile and is at different stages of development.

Our estates in Malaysia that engage external transporters recorded a 23.4% y-o-y reduction in diesel consumption per tonne of FFB. This was attributable to some estates reorganising harvesting programmes while some experienced longer harvesting intervals due to the emergency movement control order ("EMCO") and floods during the year under review.

Malaysian Plantations' Transportation Fuel Oil Intensity per Tonne FFB Produced

	FYE2020	FYE2021	FYE2022
Diesel Consumption (L)	176,920	63,141	**64,254**
FFB Produced (MT)	7,813	14,960	**19,350**
Diesel Intensity per Tonne FFB Produced (L/MT)	22.64	4.22	**3.32**

Indonesian Plantations' Transportation Diesel Intensity per Tonne FFB Produced

	FYE2020	FYE2021	FYE2022
Diesel Consumption (L)	453,715	418,079	**375,343**
FFB Produced (MT)	148,637	133,799	**133,929**
Diesel Intensity per Tonne FFB Produced (L/MT)	3.05	3.12	**2.80**

Although our business operations rely mostly on diesel and petrol for transportation and equipment, we utilise renewable energy such as solar power and biomass where feasible.

Total Consumption from Renewable Sources (Solar - kWh)

	FYE2020	FYE2021	FYE2022	Purpose of Usage
Head Office	153,390	212,376	218,411	Office building
Plantation	8,399	12,376	18,381	Workers' quarters
Manufacturing	-	33,086	68,330	Bangi warehouse
Total	**161,789**	**257,838**	**305,122**	

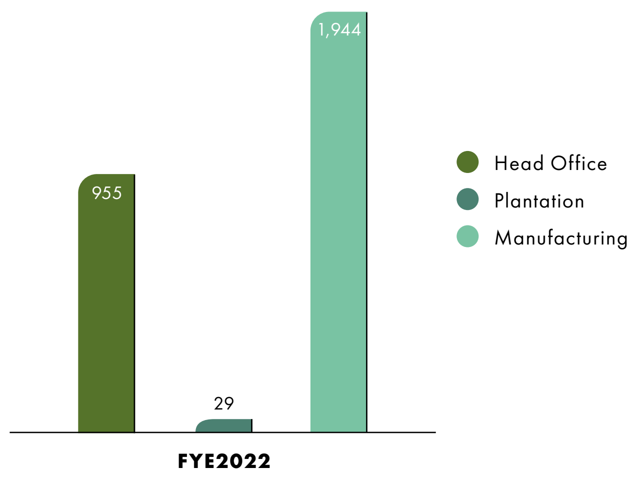
Total Consumption from Renewable Sources (Biomass - MT)

	FYE2020	FYE2021	FYE2022	Purpose of Usage
Plantation	33,898	31,409	32,594	Mill (fibre & shell)

Electricity Consumption

Our consumption of electricity has been gradually reduced over the years due to the effective utilisation of solar-generated electricity and other factors related to the nature of our business operations. In FYE2022, our electricity consumption increased from 2,895 MWh in the previous year to 2,928 MWh, due to more business activities being carried out following the gradual relaxation of movement restrictions.

Group Electricity Consumption (MWh)



Solar Power

We continue to make improvements in our ongoing initiatives to reduce our GHG emissions, including the expansion of solar photovoltaic ("PV") systems installed across the Group's operations. We have invested approximately RM1.41 million since 2019 in solar PV systems to enhance our energy efficiency and reduce operational costs. In FYE2022, we invested an additional RM65,000 to install a total of 15 kWp rated capacity in Ladang Cendana.

WE CURRENTLY HAVE SOLAR PV SYSTEMS AT:

PKN's warehouse
Bangi

Head Office building
Kuala Lumpur

Ladang Cendana in Kemaman
Terengganu

Spotlight Story

Cost Savings of Solar PV

FimaCorp operates predominantly in locations where there is a good amount of sunlight and as such, the installation of solar photovoltaic ("PV") technology has proven to be cost-effective. As at March 2022, we saved over RM380,000 in electricity usage and generated 758,546 kWp of power. Besides enabling us to significantly reduce electricity costs, the use of solar PV also supports our green initiatives and efforts towards sustainability. In the long run, the utilisation of solar PV will be beneficial, reliable and long-lasting, ensuring that we will have a constant supply of clean and renewable energy while reducing our carbon footprint across our operations.

Total Solar Power Investment

Area	kWp	Commencement Date	Investment (RM)	Total Energy Generated (kWp) as at 31 Mar 2022	Total Savings (RM) as at 31 Mar 2022
Fima Head Office Phase 1	25	April 2018	140,000	617,913	314,548
Fima Head Office Phase 2	150	March 2019	551,650		
Ladang Cendana Phase 1	10	June 2019	45,000	30,935	15,746
Ladang Cendana Phase 2	15	February 2021	65,000	8,222	4,185
PKN warehouse Bangi	50	October 2020	205,000	101,416	51,621
Total	**250**		**1,407,150**	**758,546**	**386,100**

Climate Risk

GRI 305-1, 305-2, 305-3, 305-4, 305-5

Climate change is currently one of the biggest threats to mankind. In the short to medium term, physical risks include heightened intensities of severe weather events and disasters, as well as impacts on food and water security, and associated social consequences. The Group has encountered significant operational impacts from climatic events including flooding, drought and irregular weather patterns, which have given us insights into the potential effects of climate change.

We focus on actively reducing our GHG emissions by executing operational efficiencies across our business operations, including cutting down on our fuel consumption, incorporating renewable energy and adopting new energy-efficient equipment. This year, we included Scope 3 emissions from our plantation activities for the first time as part of our efforts to improve our environmental disclosures. We will continue to manage our emissions in terms of energy consumption intensity.

Scope 1:
Direct emissions from non-renewable fuel consumption such as diesel and gas from sources owned by our business operations e.g. transportation, heat & power generated and equipment.

Scope 2:
Indirect emissions e.g. purchased electricity.

Scope 3:
Plantation activities that generate waste such as palm oil mill effluent ("POME").

Direct (Scope 1) GHG Emissions (tCO_2eq)

Type of Energy

Grand Total: ***777***

Non-Renewable

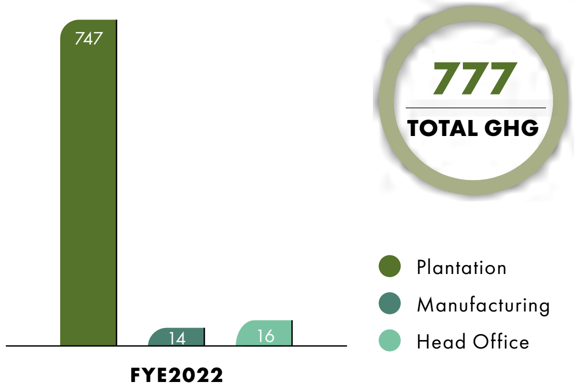
Petrol: **84**

Diesel: **666**

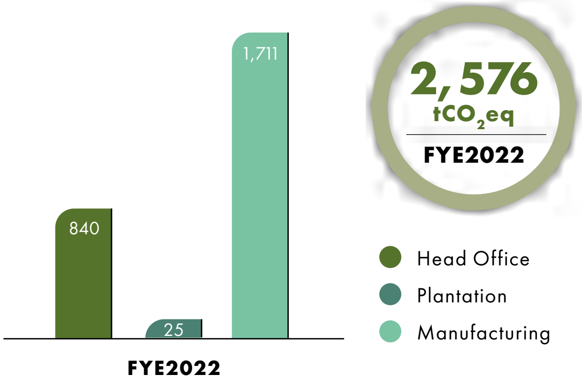
Renewable

Biomass: **5**

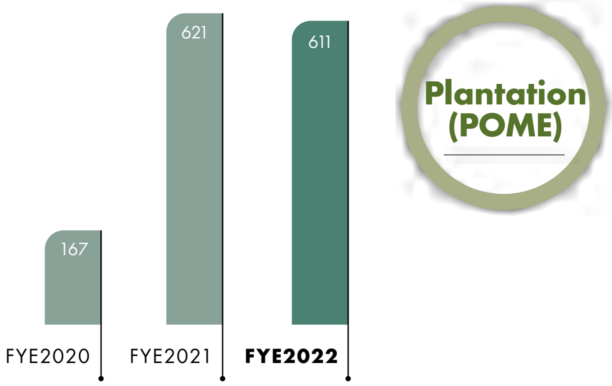
Solar PV: **22**



Energy Indirect (Scope 2) GHG Emissions (tCO_2eq)



Other Indirect (Scope 3) GHG Emissions (tCO_2eq)



GHG Emissions Intensity (tCO_2eq/RM million revenue)

Plantation

	Unit	FYE2020	FYE2021	FYE2022
Total Emissions	tCO_2eq	946	1,434	**1,384**
Denominator	Revenue RM million	103.12	123.27	**189.41**
GHG Emissions Intensity per Revenue	tCO_2eq/RM million	9.17	11.63	**7.31**

Manufacturing

	Unit	FYE2020	FYE2021	FYE2022
Total Emissions	tCO_2eq	2,296	1,717	**1,726**
Denominator	Revenue RM million	134.00	101.93	**104.13**
GHG Emissions Intensity per Revenue	tCO_2eq/RM million	17.13	16.84	**16.57**

Water Impact

GRI 303-1, 303-2, 303-3, 303-5

Water is essential to most of our operational processes and is used extensively throughout our supply chains. It is a finite natural resource that needs to be used and managed in a responsible and sustainable way. Water risks are increasing due to climate change and increased urbanisation, impacting food production, nature and biodiversity. As such, the Group makes every effort to use water rationally and sustainably, and tackle the risks associated with its scarcity.

There were zero reported non-compliances with regards to water and discharge management in the year under review.

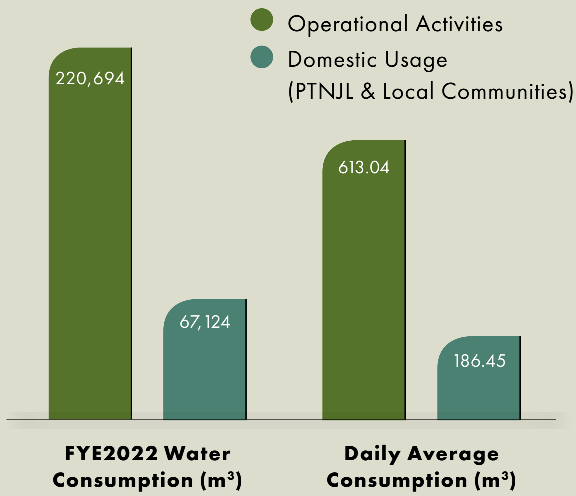
Water Consumption

Our primary water usage in our Plantation division is in utility systems i.e. steam generation.

Spotlight Story

Water Resources

Our Indonesian subsidiary, PTNJL, provides water access to the communities within its area of operations by treating raw water from its very own water catchment area, which was built for the mill's daily operations, and channelling it to nearby villages for their daily use and irrigation. This initiative has improved the community's access to clean water, in line with SDG 6: Clean Water and Sanitation.



We obtain water from municipal water sources, harvested rainwater and treated surface water from water sources such as lakes and rivers, as well as from borewells constructed near our operations. Efforts have been made to achieve water sustainability by putting in place technology and facilities to harvest rainwater and treat and recycle water.

As at 31 March 2022, we had 23 rainwater harvesting tanks, with a capacity of 56,546 litres, installed in our workers' quarters across our plantation operations. In FYE2022, we installed 11 new rainwater harvesting tanks in our estates.

Water Withdrawal by Source (All Areas - Megalitres [ML])

Source	FYE2020	FYE2021	FYE2022
Surface Water (Lakes, Ponds)	296	272	288
Groundwater (Wells)	5	4	34
Municipal Water (Tap Water)	29	30	28
Total	**330**	**306**	**350**

In FYE2022, the Group's total water consumption increased by 14.4% due to higher levels of economic activity in our Plantation division (specifically PTNJL's palm oil mill), which recorded an increase of 16.6% compared to FYE2021.

Water Consumption by Division (ML)

Division	FYE2020	FYE2021	FYE2022
Head Office	16	15	11
Manufacturing	14	15	17
Plantation	300	276	322
Total	**330**	**306**	**350**

PTNJL recorded lower water intensity per tonne FFB produced despite higher volume of FFB processed.

	Water Consumption (m^3)	FFB Processed (MT)	Water Intensity per Tonne FFB Processed (m^3/MT)
FYE2020	295,530	188,770	1.57
FYE2021	272,050	168,055	1.62
FYE2022	288,050	181,140	1.59

Effluents

Ensuring that our effluents are managed effectively is vital critical in our efforts to minimise and mitigate our negative environmental impacts. We strive to ensure that our regulators are informed on of the development and impacts of our projects by regularly submitting water quality monitoring reports. We also ensure that the quality of effluents discharged complies to with the relevant regulatory requirements at all our operations.

Our Fima Sg. Siput Estate Sdn Bhd in Perak manages its effluents within the restrictions outlined by the DOE in the EIA approval conditions. Inter alia, the EIA approval specifies that our water quality must be under Class IIA. An external approved laboratory was engaged to take samples of the estate's surrounding water quality and sediment basin discharge at specific areas along local rivers on a monthly basis, as advised by the DOE. In FYE2022, the total suspended solids ("TSS") from the estate's water and effluent samples extracted from nine locations as the estate entered Phase 2 were all within the DOE's requirement of 50 mg/litre.

Waste Management

GRI 306-1, 306-2, 306-3, 306-4, 306-5

Group Total Waste
202,970 MT

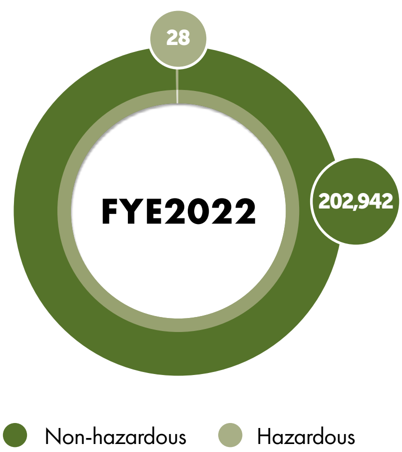
Plantation
202,846 MT

Manufacturing
124 MT

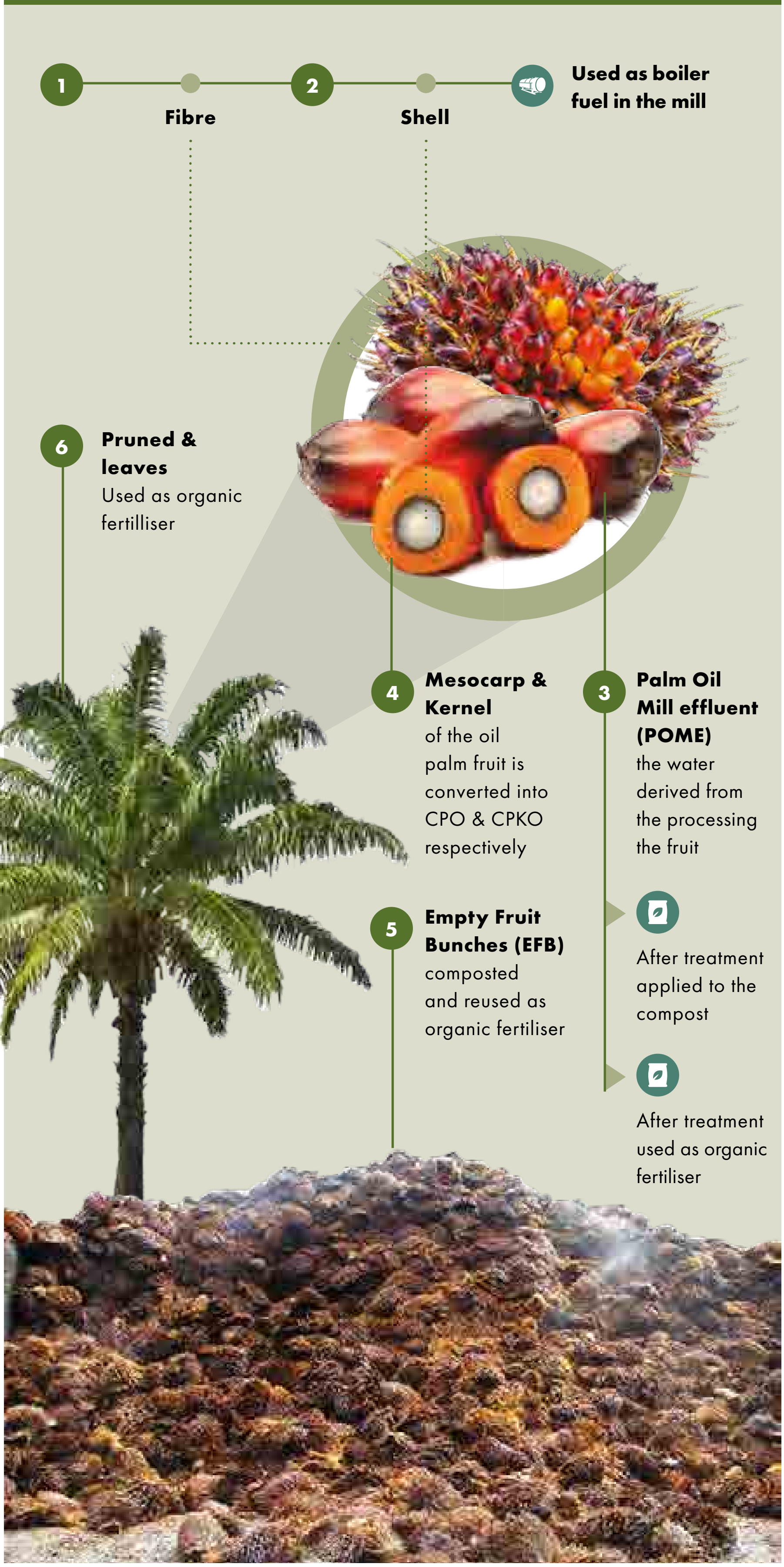
Treating waste as a resource can help improve efficiency and reduce costs at our operations. We prevent and minimise waste by reusing, recycling and energy recovery, as well as by practising safe waste disposal to reduce risks to the environment and human health. For example, we have installed water-filling stations for the use of our employees instead of offering single-use plastic bottled water at our operations.

We continue to ensure that hazardous waste and residual products collected from our operations are transported and carefully disposed of by licensed contractors, as per the strict industry standards and statutory requirements.

In FYE2022, our total waste was 202,970 MT. There were zero reported incidences of non-compliance or fines with regards to waste disposal in the year under review.



Zero Waste Model



Reused waste
Materials that are used as the same material again.

Recycled waste
Waste converted into recyclable material.

Composted
Decomposed organic matter used as fertiliser.

Recovered waste
Materials that have been recovered or redirected from landfills.

Incineration
A treatment process involving the burning of waste, which may also include energy recovery from the heat produced.

Landfill
A system of garbage and trash disposal in which waste is covered between layers of earth.

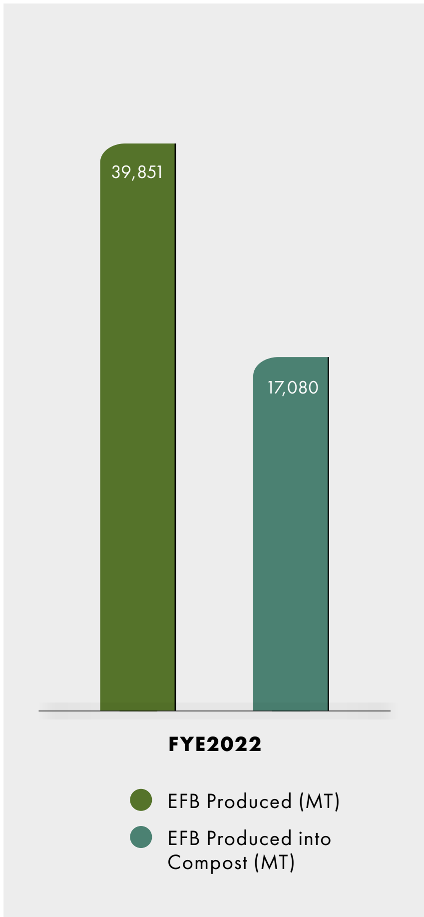
Plantation

Our Plantation division has a 'zero-discharge' policy that requires the recycling of waste and by-products as much as possible. Our palm oil mill in Indonesia produce EFB and POME, which are recovered and reprocessed into fertiliser, compost and energy feedstock. We make sure that our POME is properly treated before it is combined with shredded EFB to generate compost.

POME discharged from the mill cannot be released into the environment in its raw form as it contains high levels of acids and nutrients that can increase the levels of biochemical oxygen demand ("BOD"). Since the implementation of POME treatment, our average BOD reading for POME during land application has been within the permitted discharge limits of <5,000 parts per million ("ppm").

Once the POME is collected from the mill, it is treated in on-site open ponds, away from any other water sources to prevent contamination. Then, the organic material in the wastewater is broken down naturally by the anaerobic and aerobic workings of bacteria. This process omits the need to add any chemicals before the POME is mixed in with shredded EFB and other plant fuel waste by-products to create compost.

PTNJL management and the local authorities carry out checks on a regular basis, in addition to our continuous efforts to closely monitor our waste management at estates and ensure strict compliance with local regulations to prevent contamination of other water sources and mitigate risks.



Social

Our Approach

The Group recognises the importance of all its stakeholders, including the communities where it operates, employees, vendors, suppliers and business associates.

We seek to create positive long-term relationships with everyone we engage with, to discern and meet their needs better and manage the impact of our activities. This includes organising impactful initiatives that help to build a sustainable future.

We continue to value the commitment and dedication of our diverse and talented workforce as we strive to retain our talents through knowledge development and nurturing a positive working environment. As for the communities in which we operate, we contribute to their social and economic development by supporting local businesses and investing in community development projects, philanthropic activities and employee-focused initiatives. Most of all, we ensure continuous engagement with our people and the local communities by listening to their concerns and fulfilling their needs as we seek to generate long-term value creation.

Good Social Practices Policy

We are guided by our Good Social Practices Policy in generating positive impacts for our valued employees and the community. All partners, suppliers, contractors and vendors are encouraged to support the policy, as it supports our commitment to upholding the human rights of each employee and contractor, as well as their families and communities. We strive to ensure our daily business activities are in alignment with the tenets set out in the Universal Declaration of Human Rights, the core principles of the International Labour Organization and national laws relevant to our operations.

Our commitment to human rights includes:

- Rejecting all forms of slavery, including forced or child labour.
- Providing a fair, safe and healthy working environment to ensure our employees are free from unlawful discrimination, harassment or victimisation.
- Respecting the rights of employees to associate freely.
- Recognising and respecting the cultural values and heritage of the communities in which we operate, securing a social licence to operate.
- Being responsible stewards of the natural resources in our operations and reducing harmful effects through innovation, waste elimination and reuse, as stated in our Environmental Policy.

For more information about our Good Social Practices Policy, please visit http://www.fimacorp.com/corporate-governance.php

Human Rights

GRI 409-1, 412-2

Our Approach

FimaCorp strongly believes that all employees should be treated in a fair and respectful manner. We strive to ensure that the rights of all those in our employment are respected and we do not condone any form of slavery, modern slavery or child labour in our operations. We also continue to comply with the minimum legal working age requirement in the countries we operate in, and we continually monitor the development of the relevant local labour laws. All our vendors and service providers are expected to strictly adhere to ethical business conduct consistent with ours, and we are committed to working with them to fulfil this common goal.

"All our Malaysian estates are Malaysian Sustainable Palm Oil ("MSPO")-certified and have, during the year, conducted human rights reviews as part of the standards' requirements

Guest Workers

We employ guest workers from Indonesia, India and Bangladesh, and they make up 2.2% of the Plantation division's total workforce. We continuously strive to ensure that we do not engage in any form of unlawful discrimination in our recruitment and employment of guest workers and make certain that their legal rights are fully respected.

We ensure that prior to hiring our guest workers, the basic terms of employment are provided and explained clearly to them in their native language. We fully bear the costs involved in recruitment, including working permit fees, levies and the costs of medical reports/FOMEMA. Passports and other forms of personal identification always remain in the possession of our guest workers and are never withheld by us or any third party. Further to that, our guest workers receive the same wages as our local workers. Salary deductions are only made for salary advances and statutory contributions to EPF and SOCSO. Our guest workers are also provided with comfortable housing quarters with complete basic amenities, including recreational areas and internet connection.

Moving forward, we will continue to ensure that we protect our employees by addressing human rights through the execution of best practices and participating in industry networks to further improve in this aspect. The following is how we view our own role when dealing with human rights issues:

- Labour standards, employee benefits, occupational health and safety
- Human rights legislation
- Traceability, social compliance

In our own operations

We ensure that we fully adhere to both international and local labour standards to protect human rights and ensure no human trafficking.

With suppliers and customers

We practise traceability and social compliance through surveys and audit procedures.

Broader issues facing our segments of industry

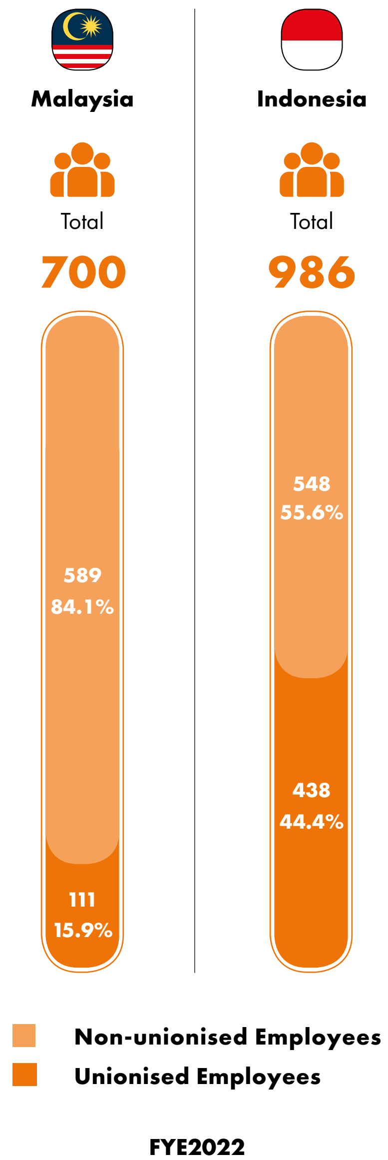
The collective and concerted efforts of all our stakeholders are required to ensure human rights issues are upheld. The Group continues in its commitment to engaging with regulators, NGOs and relevant stakeholders to identify and address potential conflicts or impacts that may arise as a result of our activities or business relationships, either directly or indirectly.

"Zero reported cases of breach of human and workers' rights

Freedom of Association & Collective Bargaining

GRI 402-1, 407-1

We recognise that our employees have a right to freedom of association and to participate in labour unions and collective bargaining, in accordance with local regulations. To this end, we are dedicated to working closely with the labour unions and we ensure all negotiations are undertaken in good faith. The provisions stated in our collective bargaining agreements include grievance and disciplinary procedures, paid time-off, paid maternity leave, severance and separation benefits, salary and performance management. There were no operations or suppliers whose workers' rights to freedom of association or collective bargaining were violated or put at risk in the year under review. As at 31 March 2022, about 36.6% of our employees were union members.



Whistle-blowing Policy (GRI 102-17)

The Group has a Whistle-blowing Policy that serves as a guideline for its employees and stakeholders in reporting any cases of fraud, misconduct or illegal acts without fear of reprisal. We strive to protect the privacy of anyone who files a report of such nature. We have implemented grievance mechanisms that are accessible, accountable and fair across our operations to ensure that consequence management, such as official warnings, dismissal and suspension of guilty individual(s), only follows after the completion of proper investigations. The Group's Internal Audit and Human Resource departments are mandated to execute investigations of reported incidents. Individuals who wish to file a complaint may email whistleblowing@fimacorp.com. The Whistle-blowing Policy is available for viewing at http://www.fimacorp.com/corporate-governance.php.

In the year under review, there was zero complaints received via the whistle-blowing email channel.

Diversity

GRI 102-8, 202-2, 401-1, 405-1, 406-1

Our Approach

With our operations spanning two countries, we have a diverse community footprint. As such, we strive to always respect and protect the rights of everyone, including those from indigenous tribes. During the year under review, there were no incidents of violations involving the rights of indigenous people.

Our perspective on diversity is guided by the Good Social Practices Policy. We hire and promote our employees based on merit and performance and we do not discriminate against age, race, gender, nationality, religious belief or disability. Our employees are expected to respect each other's cultures and differences to inculcate a non-discriminatory and harmonious work culture. There were zero cases of discrimination reported in the year under review.

> **92.5%**
> **of our plantation workers in Malaysia are locals**

Recruiting people from diverse backgrounds gives us access to diversity of thought, capabilities and experience when making decisions on how to drive our business forward. However, it is a big challenge for the Group to hire female employees due to the nature of certain job functions, such as manual work in our plantations. Hence, the female take-up rate for these jobs appears to be significantly lower.

The Board of FimaCorp comprises 1 woman and 5 men. There is an opportunity to improve at the senior management and middle management levels where women hold 20.0% and 12.0% of positions, respectively. We acknowledge that there is still room to strengthen the gender balance in the Group. Moving forward, we endeavour to improve the number of women in our organisation, at all levels, taking into account the specific circumstances of that division, including the nature of our operations and the culture in the countries in which we operate.

We continue to support the employment of locals in countries where we operate and in FYE2022, we achieved a 97.7% local employment rate, while 100% of the Group's senior management were locals.

Local Headcount by Country in FYE2022

Malaysia

Malaysian **666**	Total Headcount **700**
Indonesian **10**	Local Headcount Ratio **95.1%**
Others **24**	

Indonesia

Indonesian **981**	Total Headcount **986**
Malaysian **5**	Local Headcount Ratio **99.5%**

Note: Others include guest workers from Bangladesh and India.

Headcount in FYE2022

1,284
Male

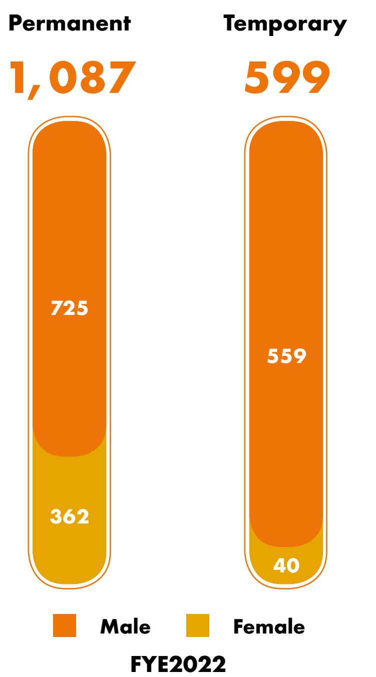
402
Female

The majority of our employees are from the 30 to 50 years' old age group, which makes up 60.4% of the total headcount in the Group. The largest workforce comes from the Plantation division, which forms 83.1% of the total number of employees. Our Indonesian operations employ 58.5% of the Group's total workforce. Most of our employees are permanent employees, who represent 64.5% of the Group's total headcount. The remaining workforce are temporary employees hired on a contract basis, mostly in the Plantation division. We normally offer to renew their employment contracts based on legal and performance reviews.

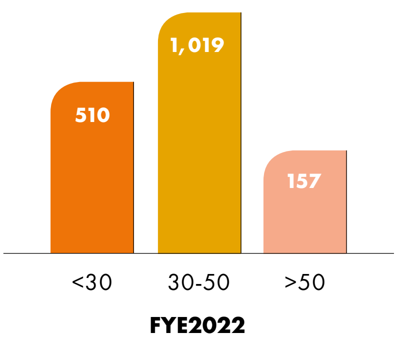
> **In FYE2022, our local employment rate was 97.7%**

Headcount

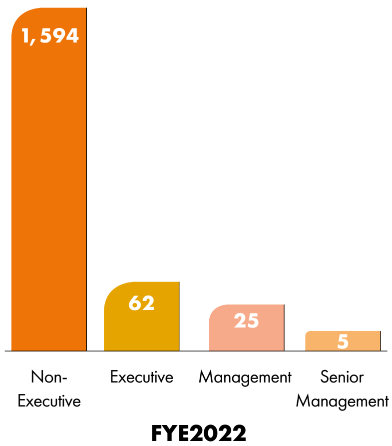
Employees by Employment Contract and Gender



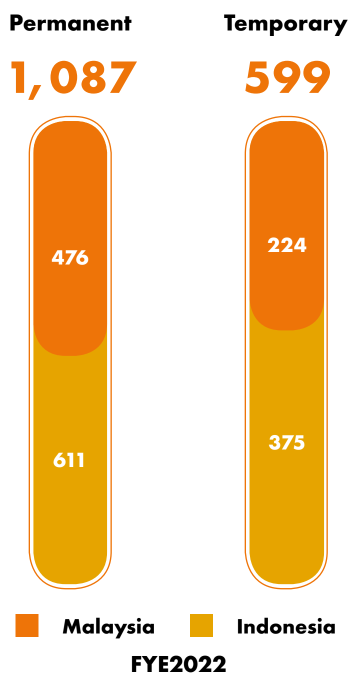
Age Group



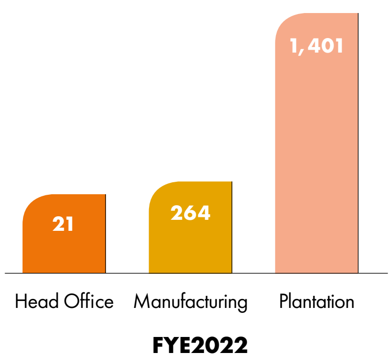
Employees Category



Employees by Employment Contract and Country



Division



New Hires

In FYE2022, the Group's total new hires increased to 528 compared to 92 in FYE2021. Of the total new hires, 10.4% were female and 32.8% were permanent staff. In FYE2022, the Plantation division accounted for the most number of newly hires at 484, of which 53.7% of the recruitment was made by our Malaysian estates.

We do not allow or tolerate any form of forced, bonded or child labour in our operations. We comply with the legal minimum working age and give priority to recruiting local workers. We acknowledge that there have been instances at our estate in Indonesia where children accompanied their parents to the fields and assisted in fruit collection and other light tasks. To ensure that there is no recurrence, we conduct regular spot checks at the fields, and we provide facilities such as crèches where parents can leave their children before they go to work.

Furthermore, each employee's profile and identity documents are recorded in our HR data system, and we ensure that they fulfil the minimum legal working age requirement as enforced by local authorities in the countries where we operate. We continue to ensure that all our employees are working of their own free will and without any form of coercion on our part. During the year under review, we formalised the policy on child labour and implemented it across the Group.

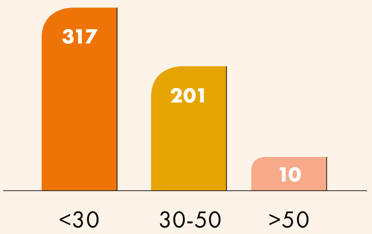
New employees are required to go through an induction programme to acquaint themselves with all aspects of the Company and the Group, and to understand their responsibilities, the culture of our business and the procedures that they need to follow, including our expectations of ethical conduct. Each employee is given an Employee Handbook as soon as they start their new job, and the Handbook includes information about their terms of employment as well as the standards of professional behaviour expected from all employees.

Total No. of Employee New Hires

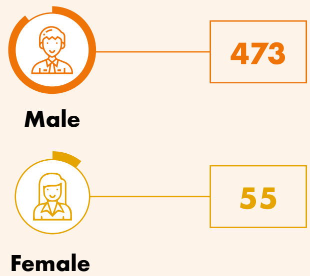
528

New Hires in FYE2022

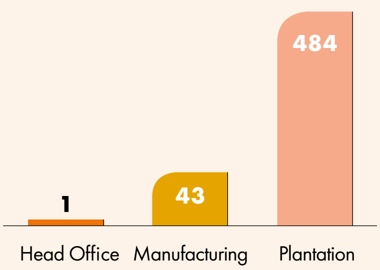
New Hires by Age Group



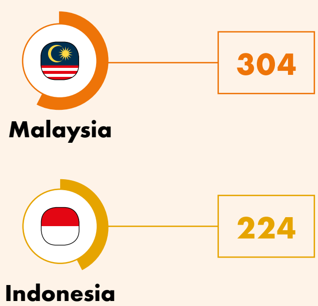
New Hires by Gender



New Hires by Division



New Hires by Country

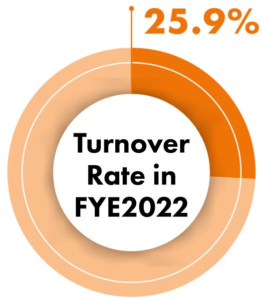


Turnover

In the year under review, FimaCorp's employee turnover increased to 25.9% from 10.5% recorded last year. Plantation division recorded the highest turnover in FYE2022. Improving retention is a critical priority for the Plantation division and as such, the division has ramped up efforts in building and upgrading workers' living quarters and estate infrastructure, which are now complete with basic amenities, sundry shops, recreational spaces, places of worship and internet connection, as well as in providing rewards for high performers.

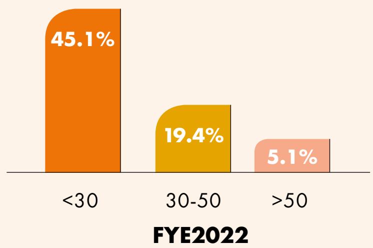
Total No. of Employees Turnover

436

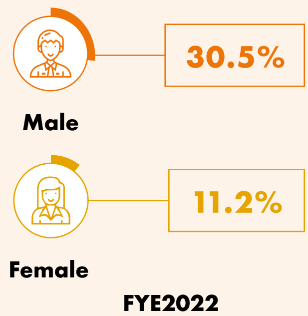


Turnover Rate

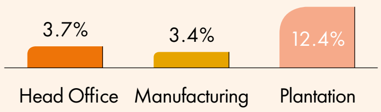
Turnover Rate by Age Group



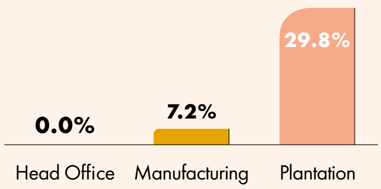
Turnover Rate by Gender



Turnover Rate by Division

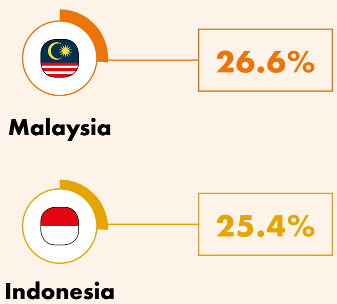


FYE2021



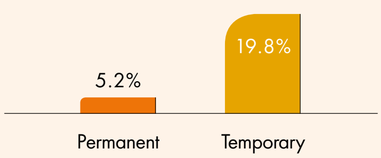
FYE2022

Turnover Rate by Country

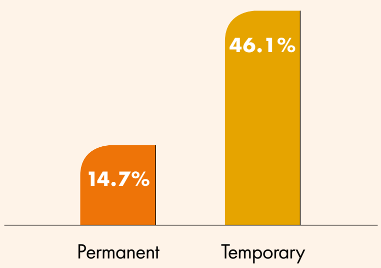


FYE2022

Turnover Rate by Employment Contract



FYE2021



FYE2022

Employee Engagement & Development

GRI 404-1, 404-2

Our Approach

Employee engagement enables the Group to meet the needs of its people and shape a high-performing workforce. A highly engaged workforce helps to attract and retain the best talent, ensuring long-term sustainable business growth. The Group pursues a policy of active and open communication with its employees and an emphasis on keeping all parties promptly and thoroughly informed builds trust and mutual respect. Employees are kept regularly informed on important events and decisions by the respective Human Resource departments, as well as directly by their line managers.

Our engagement programmes during the year included social events such as family days, sports activities, religious classes and festive gatherings (subject to the strict conditions mandated by the government in respect of social events). During the year, FimaCorp distributed over RM23,000 Zakat Wakalah in the form of cash and essential food items to 93 eligible Group employees and their family members who were impacted by the Covid-19 pandemic and the 2021 floods. In addition, FimaCorp distributed over RM120,000 Zakat Wakalah to 357 children of eligible employees attending primary and secondary schools, as well as to those pursuing tertiary education at local institutions.

We also recognise the importance of training and supporting our people. We strive to develop our employees to reach their maximum potential through training, job rotation and internal promotion opportunities. Training allocation is available annually for our employees to participate in and/or organise internal or external workshops and seminars. We believe that a mixture of on-the-job learning, external training and upskilling programs develop targeted skills and knowledge for a specific role.

Employee Training in FYE2022

Average Training Hours per Employee

1.98 hours

Total Attendance by Gender

Male	Female
399	107

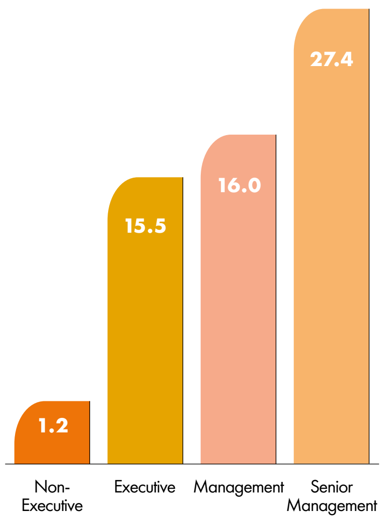
Total Training Hours by Gender

Male	Female
2, 128	1, 211

Average Training Hours by Gender

Male	Female
1.66	3.01

Average Training Hours by Employee Category



FYE2022

Spotlight Story

FIMA's Integrity, Compliance & Risk Virtual Summit Series

In FYE2022, FimaCorp's penultimate holding company, Kumpulan Fima Berhad, organised its inaugural Virtual Summit Series. The summit had a strong focus on integrity, regulations and compliance and aimed to promote and enhance the standards of business practices across the Group. Topics discussed by the speakers ranged from anti-corruption to risk management, tax audits to personal data and labour rights.

11
Summit Series organised

Over 10
key topics covered

More than
700
total accumulative viewers of live streaming

Over
2,000
of total accumulative hours of live streaming recorded for all participants

Employee Benefits

GRI 401-2, 404-3

FimaCorp values the time, effort and dedication that employees devote to their individual roles through the payment of wages and benefits. The Group pays at least the minimum wage as required by law in the countries we operate, and in no areas of operation does the wage varies by gender. Employees are also compensated for overtime in accordance with local laws.

Each operation and division within the Group has its own specific employee benefits scheme and we offer competitive remuneration packages to our short-term workers. We also provide competitive benefits to our employees, depending on their individual performance, qualifications and/or experience. Despite the economic challenges brought about by the pandemic, the Group was able to retain the headcount of our permanent workforce and maintain their benefits this year. For permanent employees, these benefits include:

- **Contributions to retirement fund**
- **Medical benefits for employees, spouses and children**
- **Group term life and personal accident insurance**
- **Maternity and paternity leave**
- **Mobile phone expenses**
- **Professional association membership fees**
- **Uniforms**
- **Alternative working hours**
- **Provision of housing with basic comforts such as recreational spaces and internet connection for plantation workers**

* *Please refer to Sustainability Performance Data for data on parental leave.*

Our employees receive an annual performance review, which functions as an effective communication platform to gather feedback, exchange ideas, identify areas for improvement and determine individual training or development needs. Every employee is given a set of annual key performance indicators, which along with their annual performance and contribution, determines their annual increment, bonus and/or promotion. In FYE2022, 100% of our employees received annual performance reviews.

PERFORMANCE MANAGEMENT SYSTEM

Compensation & Benefits

Pay decisions are based on:
- Performance rating
- Competency rating
- KPIs for financial performance and sustainability targets

Learning & Development

Identification of:
- Long-term development plans
- Competency-based training needs
- Business-focused training needs

Succession Planning

Identification of:
- Jobs at risk
- Suitable successors
- Readiness level of successors
- Development plans
- External recruitment

Career & Talent Development

Identification of:
- Promotions and inter company/ department transfers
- Group talents

Occupational Health & Safety

GRI 403-1, 403-2, 403-4, 403-5, 403-9

Our Approach

Ensuring our operations are carried out safely and responsibly is of critical importance. We strive to safeguard our employees from harm and continuously implement measures that protect their health, safety and well-being.

Occupational Health and Safety Training

We comply with all the relevant local laws, regulations and requirements that uphold best practices in occupational safety and health as underscored in our Occupational Safety and Health Policy. Hence, we organise health and safety training sessions for our employees to mitigate any workplace injuries and fatalities. Additionally, we conduct regular preventive and scheduled maintenance at our facilities, plants, storage tanks and terminals simultaneously with repair work and replacement of parts.

Health & Safety Training Programmes	Company	Month
Latihan Keselamatan Pemasangan Scaffold Tower	PKN	Feb 2022
Fire Extinguisher Handling	Fima Sg Siput	Mar 2022

Hazard Identification, Risk Assessment, and Incident Investigation

To further ensure the protection of our workforce, we practise stringent hazard identification, risk assessment and incident investigation measures. In the event of an incident or an occurrence of hazardous situation, the following process is applied:

1. Employee reports the hazard/incident to person in charge of their respective unit
2. Person In Charge will record the hazard/incident and will report to Safety, Health and Environment ("SHE") manager
3. SHE manager will lodge the report to DOSH within a minimum of 7 days
4. SHE manager will carry out investigation on how the incident occurred in consultation with OSH committee members
5. Safety & Health committee members to recommend risk mitigation methods
6. Corrective actions are taken to prevent the incident from recurring
7. Report will be presented to Management

Our facilities are also equipped with essentials such as first aid kits, firefighting systems, adequate response plans, spill prevention measures and other safety programmes. We also carry out safety briefings at worksites prior to the start of daily operations to remind workers of the potential hazards and the importance of personal protective equipment.

The Manufacturing division achieved 2,745 days (equivalent to 7.5 years) without any lost time incidents as at 31 March 2022. During the year under review, in our Plantation division, PTNJL retained its accreditation of Sistem Manajemen Keselamatan dan Kesehatan Kerja (or "SMK3"), a local Indonesian government safety certification that is comparable to the globally recognised OHSAS 18001:2007.

Worker Participation, Consultation and Communication on Occupational Health and Safety

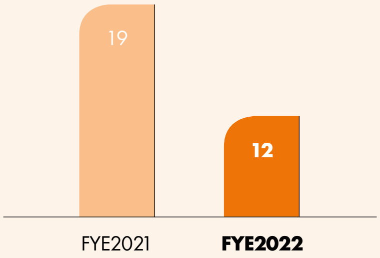
The health and safety of our employees are managed by each business division's health and safety committee, which comprises management and employee representatives, in compliance with local regulatory requirements. These committees oversee the health and safety management of their staff, including managing, investigating and resolving reported incidences.

Health and Safety Performance

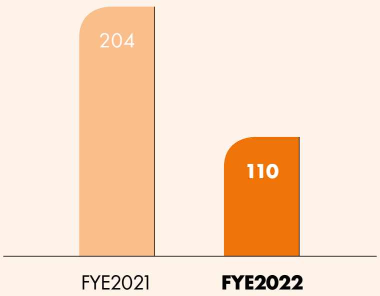
We aim to achieve zero injuries and zero fatalities at the workplace and are pleased to report that there have been no work-related fatalities among our employees since FYE2020. The total number of injuries also declined from 19 in FYE2021 to 12 in FYE2022.

In FYE2022, our accident rate dropped to 7.34 from 11.23 in FYE2021. The decrease was in tandem with the fewer number of hours worked in the year under review. Our lost time injury frequency rate ("LTIFR") improved to 3.46 compared to 5.33 recorded last year. The most common work-related injuries across our business divisions were falling objects, tool-related accidents and logistical and physical injuries. Furthermore, the Group will continue to provide training and education to all employees and non-employees to cut down the number of accidents and increase awareness on occupational health and safety.

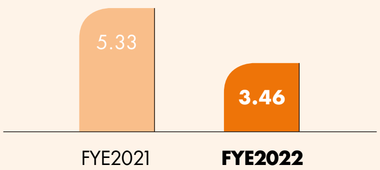
Total Recorded Injuries (Employees)



Injuries by Absent Days (Employees)

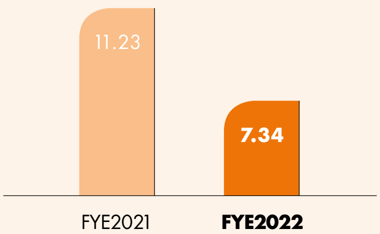


Lost Time Injury Frequency Rate (LTIFR)



Note: Per 1 million hours worked.

Accident Rate (Employees)



Note: Per 1,000 employee.

Community Investment

GRI 203-2, 413-1

We believe in contributing economically and socially to the well-being of the communities where we conduct business. With businesses across Malaysia and Indonesia, the Group has a local footprint in many communities. Our approach to community engagement is driven and managed by our businesses to ensure value is created in ways that best fit their operations and geographic spread.

During the year, the Group continued its community care and involvement via various contributions in the form of donations, sponsorships and support in kind to charitable bodies, schools and local community endeavours. Inter alia, PTNJL carried out upgrading and maintenance work on public roads and also funded the monthly allowances for teachers and imams, while Ladang Fima Kuala Betis conducted a gotong-royong to clean up an Orang Asli cemetery at Kampung Kuala Betis, Kelantan.

Since 2018, the Group has taken in 106 university graduates to undergo eight months of workplace experience with companies within the Group (with the possibility of progression to permanent employment) through our participation in and support of the PROTÉGÉ programme. This programme involves a mix of on-the-job placements and skills development workshops that allows trainees to absorb the organisational and work culture while also developing relevant job-specific skills. Allowances and benefits are given during the programme. We also hire and train locals at our job sites, providing technical training and skills to improve their wage-earning potential.

Governance

Our Approach

At FimaCorp, we are guided by our corporate values in ensuring responsible business practices. We uphold accountability, ethics and integrity while integrating sustainability with responsibility.

Underpinning our management approach to responsible business practices are robust policies and frameworks to manage and monitor material topics, as well as operational efficiency that ensure continuous value creation for our stakeholders.

Governance

GRI 102-29, 102-20, 102-31, 102-32

Due to the nature of our businesses, most of our activities are highly regulated by laws that are related to health, safety, environment and community impacts. In relation to this, we have in place a comprehensive system of stewardship and accountability that is compliant with applicable rules, regulations and standards, as well as internal and external policies. These policies and systems that make up our sustainability governance ensure that our conduct and business activities align with our corporate values, i.e. good corporate citizenship, zero tolerance for fraud, bribery and corruption, sustainable and traceable supply chains and ensuring the safety, quality and standards of our products by meeting local and international standards.

Our commitment to sustainability starts at the top, with the Board of Directors providing comprehensive oversight of the management and governance of the Group. The Board is responsible for setting the direction, strategies and financial objectives of the Group, having regard to the interests of shareholders, stakeholders and the wider community. The Board is supported by dedicated Board Committees, each with its own charter setting out its roles and responsibilities. A more detailed description of the role of the Board can be found in the Corporate Governance section of this Annual Report.

The Audit & Risk Committee ("ARC"), majority of whom are Independent Directors, helps the Board in meeting its responsibilities to oversee the Group's sustainability practices. The ARC reviews risks that could materially affect FimaCorp's ability to achieve its planned objectives and is responsible for ensuring that the management addresses these risks by executing appropriate mitigation measures in a timely manner.

To achieve effective implementation of sustainability throughout the Group, the ARC receives periodic reports and advisories from the Group Sustainability Committee ("GSC") and the Risk Steering Committee ("RSC"). Both the GSC and RSC are led by a Non-Independent Non-Executive Director of Fima Corporation Berhad, allowing the Group to have Board-level oversight of the management of the Group's risks, controls and processes (including ESG factors as drivers of existing risks) and a top-down approach in resolving sustainability matters.

The day-to-day management of sustainability commitments and implementation of programmes is guided by divisional leadership. The divisions are also responsible for adopting sustainability strategies tailored to their operating needs, as well as for providing the resources needed for their implementation. They align their brands, technologies and sites involved with sustainability in line with the specific challenges and priorities of their business portfolios. Each division prepares its sustainability report for the Head Office on a monthly basis. The reports are then collated and presented to the ARC on a quarterly basis and include topics such as safety, environment, attrition and compliance issues.

Group Internal Audit verifies the effectiveness of the Group's sustainability programmes and reporting, with a particular focus on compliance and validity of data. Audits are also performed by authorities, certification bodies and clients to verify compliance with regulations, standards and contracts. Non-conformities and incidents are analysed and corrective actions are implemented to prevent recurrences. Serious non-conformities and incidents are subject to a thorough investigation process.

For more information on:
i. The Group's Sustainability Committee, please refer to Task Force on Climate-Related Financial Disclosures (TCFD) on page 40 and the Corporate Governance Overview Statement on page 78.
ii. The Group's risk management, please refer to the Statement on Risk Management and Internal Control section on pages 94 to 102.

Anti-Fraud, Bribery and Corruption

GRI 205-2, 205-3

Our Approach

FimaCorp adopts a zero-tolerance approach towards any form of fraud, bribery and corruption, and is committed to acting professionally, fairly and with integrity in business dealings and relationships.

The Group has in place a comprehensive Anti-Bribery Policy that clearly prohibits its officers, employees, agents and service providers from giving or offering, soliciting or receiving or agreeing to receive any gratification in exchange for favours or to secure any improper advantage. The Group treats any violation of the policy seriously and will undertake necessary action to ensure compliance or sanction for breach, including disciplinary action, cessation of business or contractual relationship with any party or parties that are in breach and reporting to the authorities when necessary.

The Group ensures that anti-bribery clauses are included in all contracts and that all parties intending to work with or for the Group acknowledge and comply with its Anti-Bribery Policy prior to commencing any business relationship with FimaCorp.

All relevant employees and new hires are required to complete the Group's anti-bribery course (either by e-learning, webinars or workshops) and at regular intervals thereafter. The Group's inaugural Virtual Summit Series focused heavily on integrity and compliance, demonstrating our efforts to cultivate a culture of integrity within the Group and continue building and communicating the business case against corrupt practices.

In addition, we ensure that training materials are updated so that they remain relevant to the risks that stakeholders, employees and business partners are exposed to. Periodic reviews of mandated authority limits are also undertaken to strengthen transparency and integrity procedures. Furthermore, all employees are required to attest on an annual basis that they have complied, and will continue to comply, with the Group's Anti-Bribery Policy and will report any concerns that they may have. We expect our suppliers and contractors to likewise uphold the same high ethical standards as our people. Through implemented procedures and training tools, we seek to ensure that all employees and service providers are aware that any suspicious activity, particularly in relation to bribery and corruption, must be reported.

Responsible Business Practices

GRI 201-1

We are proud to support the communities in which we operate and the economic contribution we make through taxes paid to the governments of our host countries, is fundamental to this. In addition to corporate income tax, companies within the Group pay local government taxes, sales and services tax, customs duties and property taxes as well as social security contributions on the wages of our employees. The taxes we pay help to support the provision of essential services to, and the development of infrastructure for, the wider communities.

Value Distribution to Stakeholders in FYE2022 (RM million)

Taxes **32.53**	Dividends **45.16**
Community Investment **0.17**	Employee Wages and Benefits **29.89**

During the year under review, eligible Group companies applied for relief measures, including, among others, wage subsidy programmes and moratoriums on the repayment of loans under the various stimulus packages offered by the Malaysian government to alleviate the economic challenges brought about by the Covid-19 pandemic. The Group was able to retain the headcount of our permanent workforce and maintain their benefits, such as medical coverage, this year.

Cyber and Data security

GRI 418-1

Cybersecurity continues to be a priority for FimaCorp, as we strive to minimise the risk of technological disruptions and achieve zero breaches of data privacy. We review and enhance our cybersecurity systems from time to time and take steps, such as updating antivirus or firewall software regularly, to protect the information of our stakeholders, the Group's IT network and information and communication assets. The Group IT department monitors IT systems daily and receives automated reports showing traffic and security threat findings from screenings, spam filters, etc. We continued to implement a number of controls to minimise risk, including vulnerability testing of our IT systems and procedures. In FYE2022, we had no major IT security incidents.

We acknowledge that any breaches of data privacy will expose the Group to legal and financial risks and impact our reputation and daily operations. We are committed to complying with the Malaysian Personal Data Protection Act and all relevant legislation and do not tolerate any data leakages or illegal manipulation of information of any kind. In the year under review, there were zero breaches of data privacy.

Sustainable and Traceable Supply Chain

GRI 102-9, 204-1

Ensuring sustainable and traceable supply chains is integral to our diverse business operations. Any interruptions to our supply chains will affect the output of our business divisions, exposing the Group to legal, financial, reputational and other risks that might have adverse, long-lasting impacts on our profitability.

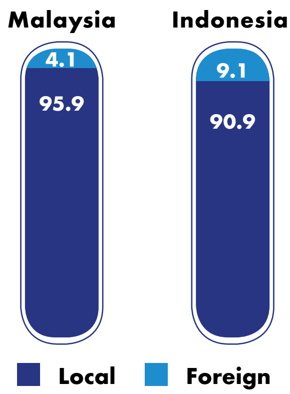
On this note, each of our businesses has in place documented policies and procedures that the business should follow for specified processes and when actively engaging with its suppliers throughout the procurement process, from tendering and bidding to surveying and inspecting sites. We constantly communicate with our suppliers to address issues such as cost efficiencies and environmental and social compliance to improve the traceability and transparency of our supply chains.

> **"In FYE2022, we had no major IT security incidents**

Supporting local procurement

We strive to positively impact the lives of the local communities through job creation and business opportunities. We support local suppliers and entrepreneurs through the procurement of local goods and services. In Malaysia and Indonesia, 95.9% and 90.9%, respectively, of contracts for goods and services were awarded to local companies. In addition, 26.1% of the FFB processed by the palm oil mill was purchased from smallholder farmers and third-party growers.

Percentage of Suppliers Engaged in Malaysia and Indonesia



Note: Data for Malaysia is limited to FYE2022.

Innovation and Technology

As a progressive organisation, we leverage innovation and technology to adapt to change and mitigate risks from current and new challenges amid rapid economic development, as well as to meet consumer needs.

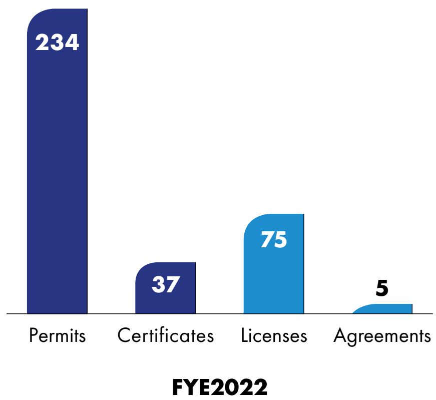
In the Manufacturing division, our IT support staff are equipped with mobile devices to enhance the way they access, store and report information. Notable gains include reductions in both operational staff time and total management cost, as well as improved customer engagement.

Plantation division employ geospatial technologies comprising Global Positioning System ("GPS") and Geographic Information System ("GIS") for preplanning, road construction and terrace positioning to enable efficient planning. The GPS, a satellite-based radio-navigation system is used to collect field data and mapping of oil palm areas, while the GIS enables the division to store, analyse and display spatial data. In addition, satellite images are used to map out development areas and for tree counting when a new area is being developed. These technologies have helped in maximising the planting density of potential areas as well as in the planning of optimal routes for harvesting.

The estate management system ("EMS") employed by the Plantation division enables management to not only monitor operational expenses, maintenance and consumption of inventories of each estate on a day-to-day basis, but it can also evaluate the efficiency of the economic activities by calculating the intensity of production and consumption of the resources expanded (energy, labour and water) based on parameters set by management. Further, the EMS provides the Group Head Office with more visibility over the estates' operations across different locations. The built-in approval and version control functionality allows users to see the correct and approved version of any information at any time.

Additionally, we invested in the development of an Alert System, which is a shared centralised database, to broadcast alerts to the respective business units and departments of their renewal for permits, licenses and certifications. The system helps to prevent missed renewals of important documents, which could otherwise lead to potential disruption of operations.

In the year under review, we maintained our licences and permits required to operate in accordance with the requirements of the governing authorities. The Plantation division has the most licences and permits due to the industry's tighter regulations and higher standards.



Upholding Quality, Standards and Certifications

Plantations

We are pleased to report that 100% of our fully developed Malaysian estates have been MSPO-certified since FYE2020. Other significant certifications and standards achieved by this division are ISO 50001:2011 and ISO 14001:2015. meanwhile, PTNJL's application for the Indonesian Sustainability Palm Oil (ISPO) certification is currently pending resolution of certain land title matters.

Malaysia Sustainable Palm Oil (MSPO)

10 Malaysian estates are MSPO-certified. The MSPO ensures responsible management of oil palm plantations, smallholdings and palm oil processing facilities. The MSPO certification also covers human and workers' rights protection. To maintain the MSPO certification, selected employees were sent for training to ensure we meet the necessary standards set by the Malaysian Palm Oil Certification Council, which cover responsible practices including human and workers' rights.

ISO 50001:2011 (Energy Management System)

PTNJL is accredited with ISO 50001:2011 for its energy management system ("EMS"). This certification is awarded to companies that have a robust EMS in place. The EMS is a tool that will enable PTNJL to implement continuous improvement plans to improve its energy efficiency and help preserve resources.

ISO 14001:2015 (Environment Management System)

PTNJL is ISO 14001:2015 certified for its sustainable environmental practices in the production of its CPO, CPKO and palm kernel.

Manufacturing

Meeting international standards and benchmarks is vital for the Manufacturing division to establish trust and credibility within customers, business partners and regulators. In June 2022, the division was accredited with the ISO 9001:2015 Quality Management System and ISO 14298:2013 Graphic Technology – Security Management of Security Printing Processes.

ISO 27001:2013 Information Security Management	The accreditation reflects PKN's compliance with the highest international and security control standards to protect information against any security risks, underpinning the company's commitment to delivering excellence.
ISO 37001:2016 Anti-Bribery Management Systems	This certification strengthens PKN's commitment against bribery and corruption while validating the division's professionalism and capability in printing documents of high-level security and confidentiality
ISO 9001:2015 Quality Management System	This certification reflects PKN's commitment to: a. consistently provide products and services that meet customer and applicable statutory and regulatory requirements b. enhance customer satisfaction through the effective application of the system, including processes for improvement of the system and the assurance of conformity to customer and applicable statutory and regulatory requirements
ISO 14298:2013 Graphic Technology-Management of Security Printing Processes	This accreditation reflects PKN's commitment to complying with international standards that specify requirements for a security printing management system

Membership Of Associations

GRI 102-13

Malaysia

- Incorporated Society of Planters (ISP)
- Malaysian Employers Federation

Indonesia

- Gabungan Pengusaha Kelapa Sawit Indonesia (GAPKI)
- Association of Plantation Investors of Malaysia in Indonesia (APIMI)

Datuk Bazlan bin Osman

Chairman /
Independent Non-Executive Director

58 M

"

Date of Appointment:
5 April 2019

Date of Last Re-election:
28 August 2019

Academic / Professional Qualification / Membership(s)

- Fellow, Association of Chartered Certified Accountants, United Kingdom
- Chartered Accountant, Malaysian Institute of Accountants
- Diploma in Accounting, Polytechnic of North London, United Kingdom

Present Directorship(s) of Public and Listed Companies

- Independent Non-Executive Director, Bank Islam Malaysia Berhad
- Senior Independent Non-Executive Director, Bursa Malaysia Berhad
- Independent Non-Executive Director, Syarikat Takaful Malaysia Keluarga Berhad
- Independent Non-Executive Director, Glomac Berhad

Present Appointment(s)

- President, Malaysian Institute of Accountants
- Director, Malaysia Professional Accountancy Centre
- Chair, ACCA Malaysia Advisory Committee

Past Directorship(s) and/or Appointment(s)

- Non-Executive Chairman / Director, GITN Sdn Bhd (2017-2022)
- Independent Non-Executive Director, Citibank Berhad (non-listed) (2019-2022)
- Vice President (2021-2022) and Council Member (2019-2021), Malaysian Institute of Accountants
- Deputy Chair (2020-2021) and Council Member (2019-2020), ACCA Malaysia Advisory Committee
- Director, Universiti Utara Malaysia (2020)
- Director, VADS Berhad (2012-2019)
- Group Chief Financial Officer (2005-2017), Deputy Group Chief Executive Officer (2017-2018), Acting Group Chief Executive Officer (2018) and Executive Director (2008-2019), Telekom Malaysia Berhad
- Director, Malaysia Digital Economy Corporation Sdn Bhd (2018)
- Non-Executive Director, Labuan Reinsurance (L) Ltd (2007-2012)
- Commissioner, PT XL Axiata Tbk (2005-2008)
- Chief Financial Officer (2002-2005) and Senior Vice President, Corporate Finance & Treasury (2001-2002), Celcom Malaysia Berhad
- Senior Vice President, Corporate Finance & Treasury (2001) and Chief Financial Officer (2002-2005), Celcom Axiata Berhad
- Independent Non-Executive Director, Nationwide Express Holdings Berhad (1994-2005)
- Senior Vice President, Finance / Company Secretary, Kumpulan Fima Berhad (1994-2000)
- Accounting & Financial Control Manager, American Express Malaysia Berhad (1993-1994)
- Finance, Corporate Office, Kuala Lumpur, Melaka & Singapore, Sime Darby Group (1989-1993)
- Auditor, Messrs. Hanafiah Raslan & Mohamad (1986-1989)

Membership of Board Committee(s)

- Nil

Dato' Roslan bin Hamir

Managing Director /
Non-Independent Executive Director

55 M

Date of Appointment:
8 December 1998

Date of Last Re-election:
21 September 2021

Academic / Professional Qualification / Membership(s)

- Bachelor of Arts (Hons) in Accounting and Finance
- Graduate, Association of Chartered Certified Accountants (ACCA)

Present Directorship(s) of Public and Listed Companies

- Group Managing Director, Kumpulan Fima Berhad
- Chairman, Narborough Plantations Plc (non-listed)
- Director, Fima Bulking Services Berhad (non-listed)
- Director, Malaysian Transnational Trading (MATTRA) Corporation Berhad (non-listed)

Past Directorship(s) and/or Appointment(s)

- Senior Vice President, Corporate Services, Kumpulan Fima Berhad (1998-1999)
- Auditor, Messrs. Ernst & Young (1993-1998)

Membership of Board Committee(s)

- Nil

Rosely bin Kusip

Senior Independent
Non-Executive Director

71 M

"

Date of Appointment:
14 March 2019

Date of Last Re-election:
21 September 2021

Academic / Professional Qualification / Membership(s)

- Diploma in Agriculture, College of Agriculture, Malaya
- Management Course, Henley College

Present Directorship(s) of Public and Listed Companies

- Nil

Past Directorship(s) and/or Appointment(s)

- Chairman, Risda Estates Sdn Bhd (2020-2021)
- Chairman, RISDA (2018-2020)
- Board of Commissioners, Minamas Plantation (2016-2019)
- Director, New Britain Palm Oil Limited (2015-2017)
- Director, Sime Darby Plantations Sdn Bhd (2011-2017)
- Alternate Director and Chief Operating Officer, Innoprise Plantation Berhad (2011-2013)
- Managing Director, IMC Plantations (2006-2009)
- Group Director, Plantations, TSH Resources Berhad (2003-2006)
- Director, Indonesian Plantation, Kumpulan Guthrie Berhad (2000-2003)
- General Manager, Estates, Kumpulan Guthrie Berhad (1994-2000)
- Manager, Highlands & Lowlands Berhad (1971-1994)

Membership of Board Committee(s)

- Audit and Risk Committee
- Nomination and Remuneration Committee *(Chairman)*

Rezal Zain bin Abdul Rashid

Non-Independent
Non-Executive Director

55 M

"

Date of Appointment:
25 June 2002

Date of Last Re-election:
29 September 2020

Academic / Professional Qualification / Membership(s)

- Bachelor of Arts (Accounting) Degree, University of Canberra, Australia
- Member, Malaysian Institute of Accountants
- Member, Certified Practising Accountant (CPA Australia)
- Fellow, Institute of Corporate Directors Malaysia

Present Directorship(s) of Public and Listed Companies

- Nil

Past Directorship(s) and/or Appointment(s)

- Senior Independent Non-Executive Director, Matrix Concepts Holdings Berhad (2012-2021)
- Chief Operating Officer, TDM Berhad (1999-2000)
- Business Development Manager, Corporate & Business Development, TDM Berhad (1996-1999)
- Assistant Manager, Corporate Finance Department, Arab Malaysian Merchant Bank Berhad (1995-1996)
- Senior Consultant, Peat Marwick Consultants (1993-1995)
- Senior Auditor, KPMG Desa Megat & Co (1989-1993)

Membership of Board Committee(s)

- Audit and Risk Committee
- Nomination and Remuneration Committee

Dr. Roshayati binti Basir

Non-Independent
Non-Executive Director

58 F

Date of Appointment:
23 November 2009

Date of Last Re-election:
29 September 2020

Academic / Professional Qualification / Membership(s)

- MBBS (Mal), Universiti Malaya
- Master in Med. Radiology, Universiti Kebangsaan Malaysia
- Member, Academy of Medicine (Malaysia)

Present Directorship(s) of Public and Listed Companies

- Non-Independent Non-Executive Director, Nationwide Express Holdings Berhad (NEHB)*

* *NEHB was delisted from Bursa Malaysia Securities Berhad's Main Market on 5 April 2022*

Present Appointment(s)

- Consultant Radiologist, Sunway Medical Centre
- Director, BHR Enterprise Sdn Bhd

Past Directorship(s) and/or Appointment(s)

- Radiologist, Hospital Kuala Lumpur (1996-2002)
- Trainee Radiologist, Universiti Kebangsaan Malaysia (1992-1996)
- Medical Officer (Surgery), Universiti Kebangsaan Malaysia (1990-1992)
- Medical Intern, Hospital Kuala Lumpur (1989-1990)

Membership of Board Committee(s)

- Nil

Nik Feizal Haidi bin Hanafi

Independent
Non-Executive Director

50 M

Date of Appointment:
3 August 2021

Date of Last Re-election:
21 September 2021
(pursuant to Article 88 of the Company's Constitution)

Academic / Professional Qualification / Membership(s)

- Bachelor of Economics, International Islamic University

Present Directorship(s) of Public and Listed Companies

- Nil

Present Appointment(s)

- Chief Executive Officer, Vuca Warrior Sdn Bhd
- Chief Executive Officer, 1M Leadership Academy Sdn Bhd

Past Directorship(s) and/or Appointment(s)

- Regional Sales Director, Oracle Asean (2015-2016)
- General Manager, Malaysia & Philippines, Oracle Asean (2014-2015)
- Country Manager, Applications, Oracle Corporation (Malaysia) Sdn Bhd (2013-2014)
- Sales Director, Public Sector Group, Microsoft Malaysia Sdn Bhd (2007-2013)
- Account Manager, CA Technologies (Malaysia) Sdn Bhd (2004-2007)
- Solution Sales Specialist, Mesiniaga Berhad (2000-2004)
- Corporate Loans Sales Executive, Hong Leong Finance Berhad (1996-2000)

Membership of Board Committee(s)

- Audit and Risk Committee *(Chairman)*
- Nomination and Remuneration Committee

Notes:

1. ***Securities holdings in the Company:***
   Please refer to Disclosure of Directors' Interests in the Financial Statements.

2. ***Family relationship with any Director and/or major shareholder of the Company:***
   None of the Directors have a family relationship with any other Directors and/or major shareholders of the Company except for Dr. Roshayati binti Basir, who is the sister of Rozana Zeti binti Basir, a Director of Fima Metal Box Holdings Sdn Bhd, a major shareholder of the Company.

3. ***Convictions for Offences:***
   None of the Directors have any convictions for offences within the past five (5) years other than traffic offences (if any) and particulars of any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

4. ***Attendance of Board Meetings:***
   The attendance of the Directors at Board Meetings held during the financial year ended 31 March 2022 is disclosed in the Corporate Governance Overview Statement.

Dzakwan bin Mansori

Executive Director, Sales,
Percetakan Keselamatan Nasional Sdn Bhd

60 M

He joined Fima Securities Sdn Bhd, a stock-broking arm of Kumpulan Fima Berhad ("KFima") in 1997 as Vice President of Institutional Business. His last position was Vice President of Finance and Operations before moving to Percetakan Keselamatan Nasional Sdn Bhd ("PKN") in 2001 to head the Planning and Purchasing Division. In 2005, he was promoted as Director of Sales and subsequently, appointed to the Board as Executive Director, Sales on 25 August 2014.

He started his career in 1984 with Bank Kerjasama Rakyat Berhad and later moved to New Straits Times as Assistant Accountant in 1985. He left in June 1987 to pursue his degree and joined Coopers & Lybrand Management Consultant Berhad upon completion in July 1990. He later joined CIMB Securities Berhad and K & N Kenanga Berhad prior joining Fima. He holds an Advanced Diploma in Accountancy from Universiti Teknologi Mara, Shah Alam.

He is presently a Board member of Malaysian Transnational Trading (MATTRA) Corporation Berhad (non-listed).

Jasmin binti Hood

Company Secretary

49 F

She joined KFima on 2 January 2008 and was appointed as Company Secretary in the same year. She is currently Company Secretary to KFima's Group subsidiaries including its listed subsidiary Fima Corporation Berhad ("FimaCorp") and for all Board Committees of KFima and FimaCorp.

She sits on the Board of several of the Group's subsidiaries. She holds an LLB (Hons) degree in Law from University of Southampton, United Kingdom and Certificate of Legal Practice from the Legal Profession Qualifying Board, Malaysia and has over 20 years' experience in legal, corporate secretarial and compliance roles. She is also an affiliate of the Malaysian Institute of Chartered Secretaries and Administrators.

Muhammad Fadzlilah bin Abdul Ra'far

Chief Financial Officer /
Company Secretary

35 M

He joined the Company in September 2017 as Financial Controller, overseeing the overall finance functions of FimaCorp Group. He was promoted to Chief Financial Officer on 27 June 2022 and subsequently, appointed as Company Secretary on 1 July 2022. He sits on the Board of several of the Group's subsidiaries.

Prior to joining the Company, he was an Audit & Assurance Manager in Messrs. Ernst & Young where he had worked for 7 years.

He graduated from Universiti Teknologi Mara with First-Class Honours in Bachelor of Accountancy (Hons). He is also a member of Malaysian Institute of Accountants (MIA) and Association of Chartered Certified Accountants (ACCA).

Mohd Radzif bin Md Sharif

General Manager, Sales,
Percetakan Keselamatan Nasional Sdn Bhd

50 M

He joined PKN in 2011 as Sales Manager to oversee sales/ products development division. He was subsequently promoted as Senior Manager, Sales and then General Manager, Sales in 2021.

He has over 27 years of working experience in the areas business development and information technology, having held positions with various organisations in Malaysia and abroad. He holds a Bachelor in Commerce and Management from Lincoln University, New Zealand.

Hamka bin Usman

Operation Controller,
Plantation Division

40 M

He joined PT Nunukan Jaya Lestari ("PTNJL"), the Group's Indonesian subsidiary as an Estate Manager in February 2015 and was subsequently appointed as PTNJL's Head of Operations in 2020. On 1 April 2022, he returned to Malaysia to assume his present role, and is responsible for overseeing the Group's estate operations in Johor, Perak and Indonesia. He is also sits on the Board of PTNJL.

He has over 17 years of plantation/estate management experience having worked with Sime Darby Group prior to joining PTNJL. He holds a diploma in Agriculture from Universiti Putra Malaysia.

Mohd Fahmy bin Mahmud

Operation Controller,
Plantation Division

38 M

He joined Amgreen Gain Sdn Bhd ("AGSB"), KFima's subsidiary as an Assistant Manager in January 2015 and was subsequently promoted to an Estate Manager on 1 April 2019. He returned to Head Office in December 2021 to assume his present role, and is responsible for overseeing the Group's estate operations in Sarawak, Kelantan and Terengganu.

He has over 13 years of plantation/estate management experience having worked with Tabung Haji Plantation prior to joining AGSB. He holds a Bachelor in Plant Resource Science and Management from Universiti Malaysia Sarawak.

Doing Well by Doing Good

Fima Corporation Berhad ("the Company" or "FimaCorp") remains committed to good corporate governance practices and devotes considerable effort to identify and formalise best practices. The Board believes that sound and effective corporate practices are fundamental to the smooth, effective and transparent operation of a company and its ability to attract investment, protect the rights of shareholders and stakeholders and enhance shareholder value.

This Corporate Governance Overview Statement ("Statement") illustrates the extent of which the Board has embodied the spirit and principles of the Malaysian Code on Corporate Governance ("MCCG") with regards to the recommendations stated under each principle for the year under review and should be read in conjunction with the Corporate Governance Report which is accessible online at www.fimacorp.com/corporate-governance under 'Investors' section.

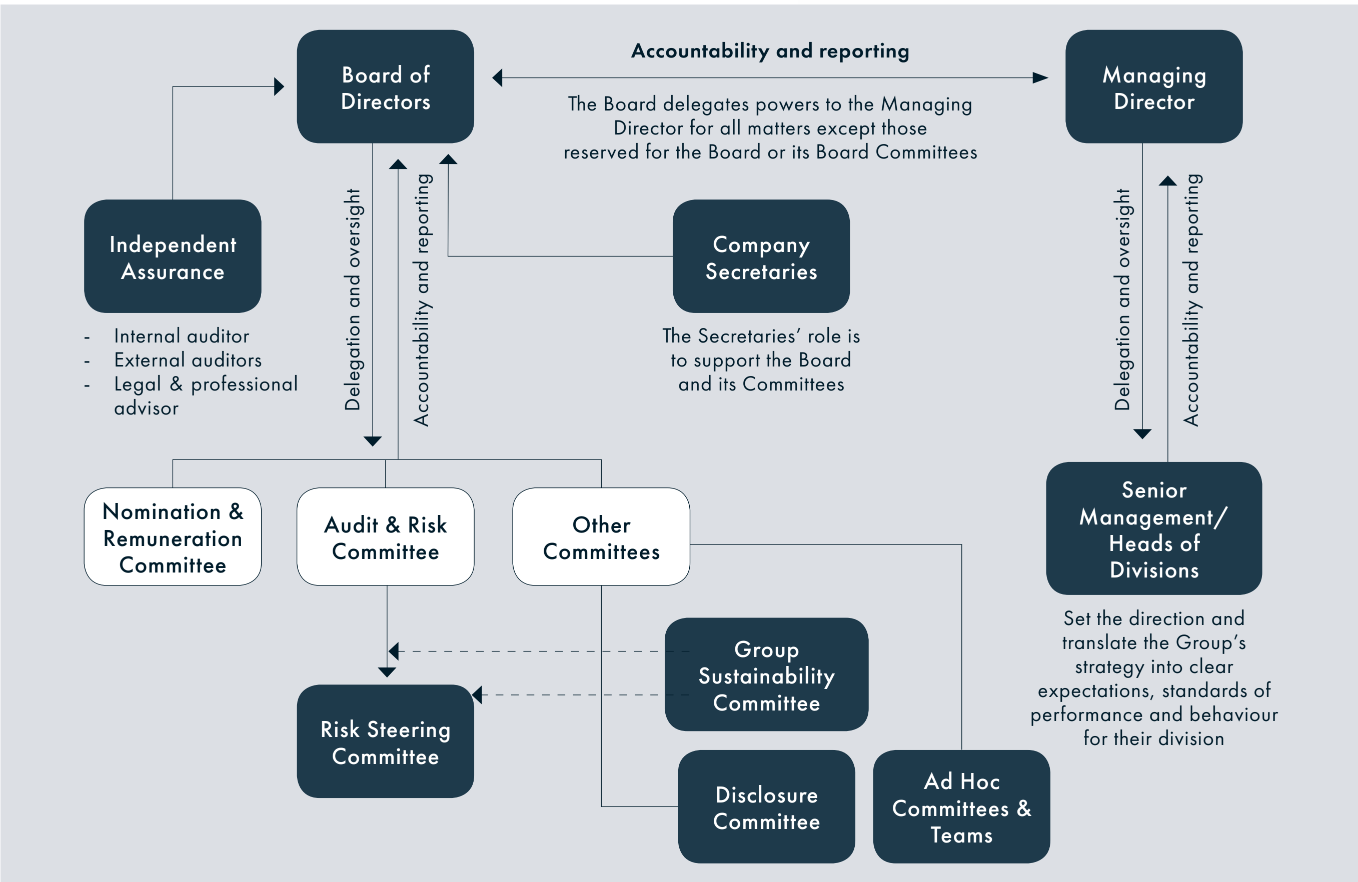
Datuk Bazlan bin Osman
Chairman

One of my key responsibilities as Chairman is to ensure good governance for FimaCorp. In this regard, I have been extremely well supported by my colleagues on the Board.

........we continue to maintain oversight of the strategic, operational and compliance risks across the Group, define our path to success and uphold the high standards expected of us.

Corporate Governance Framework

The Board has adopted a corporate governance framework that the Board considers appropriate to the Group's business and which is designed to promote responsible management and sustainable value creation for shareholders. It shows the relationship between the Board, its Committees, the Managing Director, senior management and various independent assurance functions.



PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

I. BOARD RESPONSIBILITIES

Role and Responsibilities of the Board

The Board is accountable to shareholders to create and deliver sustainable value through oversight of the management of the Group's business, approving strategic plans, monitoring their implementation and providing the necessary support for their successful execution. The roles and responsibilities of the Board and those delegated to the management are set out in the Board Charter which is available in the 'Investors' section of the Company's website. In so doing, it also sets the tone for the Board Committees.

The matters reserved for the Board include, amongst others, the following:

- review and approve annual financial statements and quarterly financial results.
- contribute to management's development of the Company's strategy and plans, and ultimately approving operating budgets and monitoring performance.
- approve director's appointment to the Board and Board Committees.
- approve major capital expenditure, acquisitions and disposals, significant events and investment proposals.
- oversee and monitor overall system of internal control and risk management.
- oversee related party transactions.
- review and approve any matters in excess of any discretions which the Board may have delegated from time to time to the Managing Director or senior management.

Key focus areas of the Board during FYE2022 included:

Financial Reporting/Performance

- the Group Performance Report – financial and operational performance.
- the quarterly financial results and annual Audited Financial Statements and the Directors' Report.
- the amount, nature and timing of the dividend to be paid.
- major acquisitions, investments and capital expenditure.
- the Group's solvency and financial position.
- recurrent related party transactions/related party transactions entered into by the Group.
- other treasury related matters.

Strategy and Planning

- budget and business plan for FY2022 and key performance targets which are developed in line with the Group's strategies.
- the revised Group Budget for the FYE2021 and Business Plans for FY2022/23 to 2025/26 in respect of the Group's Plantation division.
- divisional strategic updates on a quarterly basis.
- the Managing Director's corporate strategy for the Group and Group's refreshed corporate matrix.
- progress in implementing strategic activities arising from the March 2019 Board Retreat.
- adoption of the Board annual outline agenda.

Governance and Reporting

- draft statements for Annual Report FYE2021 and Circular to the Shareholders.
- resolutions to be put to shareholders at the 46th AGM held on 21 September 2021.
- the amendments to the Board Charter to reflect the amendments made to the Bursa Listing Requirements in relation to directors' appointment, tenure and independence.
- the adoption of a new Escalation Policy.
- audit plan for the Group including audit and non-audit fees for FYE2022 based on the recommendation of the Audit and Risk Committee.
- re-appointment of Messrs. Ernst & Young PLT as the Company's auditors and for the same to be put for shareholders' approval at the AGM.
- Board, Board Committees, individual Directors, external and internal auditors' annual assessment.
- composition of the Board and Independent Directors and the time commitment given by the Directors in fulfilling their responsibilities as Directors and members of Board Committees.
- updates on material litigation.
- summary of industrial relation/accidents cases and whistle-blowing complaints received through the whistle-blowing channels.
- the disclosure on dealings by Directors/Principal Officers in the Company's securities.
- half yearly review of the Group's sustainability performance.
- the Group's ERM Report.

People

- the performance, reward, composition and succession of Board.
- the Managing Director's Key Performance Indicators for FYE2022.
- FYE2021 annual increment and performance reward for the Managing Director and Group employees.
- the succession planning of the Group's senior management and Group support functions.
- payment of ex-gratia to Group employees.
- new appointments to the Board and Board Committees.

Directors must declare any conflict of interest that they may have to the Board. Where a material personal interest arises with respect to a matter that is to be considered by the Board, the Director is required to declare that interest and must not take part in any Board discussion or vote in relation to that matter.

Board Committees

To assist in the execution of its duties, the Board has delegated specific authority to its Board Committees, which function within the respective terms of reference. These terms of reference sets out the composition, roles and responsibilities as well as other requirements of the respective Board Committees. The Terms of Reference of the Committees are available on the Company's website at www.fimacorp.com/corporate-governance.

All Committees are chaired by and comprise a majority of Independent Non-Executive Directors. Each Committee keeps the Board informed of its activities through the provision of the minutes of each meeting, and the Chair of each Committee formally advises the Board of any matters or recommendations requiring the Board's attention.

AUDIT AND RISK COMMITTEE

The members of the Audit and Risk Committee ("ARC") are:

Chairman
- Nik Feizal Haidi bin Hanafi
  Independent Non-Executive Director

Members
- Rosely bin Kusip
  Senior Independent Non-Executive Director
- Rezal Zain bin Abdul Rashid
  Non-Independent Non-Executive Director

The Board is of the view that every member of the ARC have the appropriate qualifications and relevant accounting, finance, business management and risk management experience to collectively discharge the ARC functions competently. The main responsibilities of the ARC are to assist the Board in discharging its statutory and other responsibilities in:

- overseeing financial reporting, internal control and risk management;
- evaluating the internal and external audit processes and outcomes;
- reviewing conflict of interest situations and related party transactions;
- reviewing anti-bribery and whistle-blowing; and
- providing oversight on the Risk Steering Committee and Group Sustainability Committee.

The ARC activities in FYE2022 are disclosed under Audit and Risk Committee Report of this Annual Report.

NOMINATION AND REMUNERATION COMMITTEE

The members of the Nomination and Remuneration Committee ("NRC") are:

Chairman
- Rosely bin Kusip
  Senior Independent Non-Executive Director

Members
- Nik Feizal Haidi bin Hanafi
  Independent Non-Executive Director
- Rezal Zain bin Abdul Rashid
  Non-Independent Non-Executive Director

In executing its nomination function, NRC's primary role is to assist the Board in reviewing and determining appropriate size and balance of the Board, and ensuring the Directors bring characteristics to the Board which provide the required mix of responsibilities, skills, experiences and other qualities. NRC ensures the Board composition meet the needs of the Company and its subsidiaries ("FimaCorp Group") and develops, maintains and reviews the criteria to be used in the recruitment process and annual assessment of the Board, Board Committees and individual Directors.

NRC's remuneration function is to support the Board in maintaining, assessing and developing policy framework on all elements of the remuneration for the Managing Director and senior management including terms of employment, reward structure and benefits, and key performance indicators with the aim to attract, retain and motivate, as well as reviewing and administering remuneration entitlements of the Non-Executive Directors of the Company and Directors of subsidiaries.

The NRC carried out the following activities in the discharge of its duties in accordance with its Terms of Reference during the FYE2022:

- reviewing the composition of the Board and its Committees, including Board of subsidiary companies.
- assessing candidates for Board appointment and delivered recommendation to the Board for the appointment of Encik Nik Feizal Haidi bin Hanafi as Independent Non-Executive Director.
- reviewing the performance evaluation of the Board, its Committees and individual Directors and making appropriate recommendations to the Board.
- reviewing the independence of the Independent Non-Executive Directors.
- reviewing the tenure on the Independent Non-Executive Directors' time in office.
- nominating Board candidates for election by shareholders at the Company's AGM.
- reviewing the time commitment of Directors for performance of their responsibilities.
- reviewing the training of the Directors.
- reviewing the fees and allowances payable to the Non-Executive Directors.
- reviewing the re-appointment of the Managing Director for a further period of 3 years.
- evaluates the Managing Director's key performance indicators for FYE2022 and making the appropriate recommendations to the Board.
- assessing the performance of the Managing Director and senior management and recommended to the Board the appropriate annual increments and performance rewards.
- monitoring and considering the level of remuneration for Group employees.
- reviewing the succession plan for senior management.
- reviewing the fees payable to Non-Executive Directors who sit on NRC, Risk Steering Committee, Group Sustainability Committee and Board of major subsidiary companies.
- reviewing the proposed amendments to the Board Charter to reflect the amendments made to the Bursa Listing Requirements in relation to directors' appointment, tenure and independence and thereafter, making the necessary recommendation to the Board.

The NRC met 4 times in FYE2022 and the Committee members' attendance at the meetings are disclosed under Meetings and Time Commitment section of this Annual Report.

Other Committees

The Board is also supported by various Committees which have been established to assist in the discharge of the Board's oversight functions. The Committees are:

Risk Steering Committee ("RSC")	• The RSC is a sub-committee of the ARC. • Supports the ARC in the development and implementation of the Group's risk management and internal control framework. • RSC is composed of Board representatives from FimaCorp and Kumpulan Fima Berhad ("KFima") and members of senior management. • RSC is supported by the Risk Management Unit ("RMU") which is made up of executives/management of the respective business units. The RMU is responsible for managing, mitigating and monitoring strategic and operational risks at company/divisional level.
Group Sustainability Committee ("GSC")	• The GSC reports to the ARC. • The GSC oversees how the Group's sustainability programmes support business goals and aspirations, and to monitor the progress thereof. • Consists of representatives from the Boards of KFima and FimaCorp and members of senior management. • The GSC's Terms of Reference can be found on the Company's website.
Heads of Divisions ("HOD")	• Deliberates on the performance and conduct of the Group's operating units including the status of internal audit findings, implementation of Group policies and examining all strategic matters affecting the Group. • HOD meetings which are held monthly, are chaired by the Managing Director and attended by all heads of divisions and support functions.
Disclosure Committee	• Responsible for ensuring the Group's compliance with its continuous disclosure obligations and for overseeing the Company's disclosure practices under the Company's Corporate Disclosure Policy. • The Committee comprises various members of Group senior management.
Ad Hoc Committees and Teams	• Project committees and teams are set up at the divisional and operating levels by the respective management. • The Committees and teams comply with the best practices in good governance, subject always to the counsel of the Board and compliance with any policy and delegated authority limits set by the Board. • Progress reports on the respective projects are submitted to the Board of the subsidiary and FimaCorp, as may be necessary in the circumstances.

Meetings and Time Commitment

The Directors are aware of the time commitment expected from them to attend to matters of the Group in general, including attendance at meetings of the Board and Board Committees. Board and Board Committees meetings for each financial year are scheduled in advance for Directors to plan their schedules. An annual outline agenda which provides an overview of the Board's focus areas at each of its meeting is circulated to the Board in advance of meetings.

The Board meets on a quarterly basis and holds additional meetings as and when the Board thinks appropriate. Time is allocated at all meetings to discuss any other business, which all Directors are invited by the Chair to raise. All Non-Executive Directors participate in strategy development and decisions required to implement actions to progress towards meeting the objectives of the Company. Management are also invited to attend certain Board or Board Committee meetings. This provides a direct line of communication between the Directors and management present.

Directors also participated in the consideration and approval of matters of the Company by way of written resolutions circulated to them. Supporting written materials were provided in the circulation and verbal briefings were given by the Managing Director or the Company Secretaries when required. In FYE2022, the Board approved 5 transactions via written resolutions.

All Directors of the Company have complied with the Bursa Listing Requirements of not holding more than 5 directorships in listed issuers at any given time. This ensures that the Directors do not have competing time commitments that may impair their ability to discharge their responsibilities effectively. The list of directorship is annually tabled to the NRC for noting.

The meetings of the Board and Board Committees held in FYE2022 and attendance record are set out below:

	Board	Audit & Risk Committee	Nomination & Remuneration Committee
Number of meetings held	**7**	**6**	**4**
Directors			
Datuk Bazlan bin Osman*	7/7	4/4	N/A
Dato' Adnan bin Shamsuddin**	5/5	4/4	2/2
Dato' Roslan bin Hamir	7/7	N/A	N/A
Rezal Zain bin Abdul Rashid	7/7	6/6	4/4
Dr. Roshayati binti Basir***	7/7	N/A	2/2
Rosely bin Kusip	7/7	6/6	4/4
Nik Feizal Haidi bin Hanafi****	3/3	2/2	2/2

* *Datuk Bazlan bin Osman resigned as ARC member on 18 August 2021.*
** *Dato' Adnan bin Shamsuddin retired from the Board at the conclusion of the Company's 46th AGM held on 21 September 2021. Following his retirement from the Board, he has also retired as ARC and NRC members on 18 August 2021.*
*** *Dr. Roshayati binti Basir resigned as NRC member on 18 August 2021.*
**** *Nik Feizal Haidi bin Hanafi appointed to the Board on 3 August 2021 and subsequently appointed as Chairman of ARC and NRC member on 18 August 2021.*

The NRC and the Board are satisfied that in FYE2022, each of the Directors was able to devote sufficient time and attention to the affairs of the Company and has diligently discharged his or her duties as a Director of the Company.

Training and Development

The Directors of the Company continue to attend and participate in various programmes which they consider as relevant for them to keep abreast of relevant business and legislative developments and outlooks, including ESG related trainings, to enable them to discharge their duties and responsibilities more effectively.

All new Directors will be provided with a Director's Kit containing the Company's Constitution, Board Charter and Board Committees' Terms of Reference, Group policies and other relevant key information. In FYE2022, the new Independent Non-Executive Director, Encik Nik Feizal Haidi bin Hanafi spent several days visiting the Group's operation sites where he had the opportunity to meet with the management teams and getting an overview of the Group's businesses and on-going events. Follow-up sessions were also organised for him to explore aspects of the business further, and allowing him to contribute immediately to Board discussions.

During the FYE2022, the Directors had attended the following training programmes:

Director	Training Attended	Date Held
Datuk Bazlan bin Osman	• Shariah Investing Dialogue 2021 Series 2: Sustainability and Value-Based Intermediation in Islamic Capital Markets organised by Bursa Malaysia-Association of Shariah Advisors in Islamic Finance and International Shari'ah Research Academy for Islamic Finance	21 Apr 2021
	• One Year On: Taking your MACC Act Section 17A Programme to the Next Level organised by Institute of Corporate Directors Malaysia	7 May 2021
	• Virtual Conference 2021: Reshaping Finance - Digitally Enabled, Sustainability Focused organised by Association of Chartered Certified Accountants	18 May 2021

Director	Training Attended	Date Held
Datuk Bazlan bin Osman (Cont'd)	• International Accountants Conference 2021: Navigating Sustainable Future with Agility & Resilience [Post Pandemic Global Economy: What to Expect; Reimagining the Profession; Fortifying Cyber Defences against Rising Cybercrime; Covid-19: Driving Reconstruction of the Malaysian Tax System; The Malaysia Digital Economy Blueprint (MyDIGITAL); The World Tax Order; Eliminating Corruption: Role of Public Sector; How Accountants Can Spearhead Sustainable Business organised by Asia School of Business	8 - 10 June 2021
	• Implementing Amendments in the Malaysian Code on Corporate Governance 2021 - Adoption of Best Practices by Subsidiaries of Public Listed Companies: Ethics, MACC Section 17A, Conflict of Interest Policy, Diversity Policy, Sustainability organised by FIDE and Asia School of Business	14 June 2021
	• Joint Committee for Climate Change: Sustainability as a Business Strategy for Financial Institutions organised by Bank Negara Malaysia and Securities Commission of Malaysia	23 June 2021
	• Joint Committee for Climate Change: Outcomes and Implications for Financial Institutions organised by Bank Negara Malaysia and Securities Commission of Malaysia	24 June 2021
	• Joint Committee for Climate Change: Sustainable Finance for the Private Sector organised by Bank Negara Malaysia and Securities Commission of Malaysia	25 June 2021
	• London Stock Exchange Group and Climate Risk organised by London Stock Exchange Group	30 June 2021
	• Rethinking Corporate Risk to Manage Market Uncertainty - Ethics, Regulatory Compliance & Control Environment organised by Malaysian Institute of Corporate Governance	2 July 2021
	• BNM-FIDE Forum Dialogue on Risk Management in Technology: Insights 1 year on organised by FIDE	8 July 2021
	• The Malaysian Economic Summit 2021: Spurring Malaysia's Productivity and Growth After Covid-19 Pandemic organised by KSI Strategic Institute for Asia Pacific & The Club of Kuala Lumpur	13 July 2021
	• Masterclass: Digital Disruptions - Winning Strategies for Legacy Companies organised by Institute of Corporate Directors Malaysia	12 Aug 2021
	• C2ESG: Climate Change & ESG Conference organised by Malaysian Institute of Accountants	2 - 3 Sept 2021
	• BNM-FIDE Forum Dialogue on Risk-Based Capital Framework for Insurers and Takaful Operators organised by FIDE	6 Sept 2021
	• Fima's Integrity & Compliance Virtual Summit 2021 Series 1: A Call to Action organised by Kumpulan Fima Berhad	7 Sept 2021
	• Labour Rights Issue, Personal Data Protection Act 2010 Amid the Covid-19 Pandemic organised by FICS	8 Sept 2021
	• Economics Outlook & Lookout organised by FIDE	28 Sept 2021
	• 2021 Global Market & Economic Outlook: New Beginnings and Old Challenges in the New Normal organised by FIDE	28 Sept 2021
	• Capital Market Masterplan 3 organised by FIDE	11 Oct 2021
	• Net Zero Pathways for Malaysia organised by FIDE	11 Oct 2021
	• Invest Malaysia Kuala Lumpur 2021 Virtual Series 1: Rebuilding a Sustainable Economy: Economic Reform organised by Bursa Malaysia Berhad	14 Oct 2021
	• Ethics for Sustainable Artificial Intelligence (AI) Adoption: Connecting AI and ESG organised by Association of Chartered Certified Accountants	20 Oct 2021
	• International Assembly: Future Global Trends; Professional Accountants at the Heart of Sustainable Business; Skills and Capabilities: Rethinking the Role of the Accountant in a Changing World and Sustainable Recovery from Crisis organised by Association of Chartered Certified Accountants	30 Oct - 1 Nov 2021

Director	Training Attended	Date Held
Datuk Bazlan bin Osman (Cont'd)	• Chief Financial Officer Circle: Gen Z and the Future of Accountancy organised by Malaysia Institute of Accountants	9 Nov 2021
	• The 2050 Net Zero Carbon Emission Target: Role of Finance organised by FIDE	12 Nov 2021
	• FIDE Forum: Capital Market Master Plan 3 organised by FIDE	16 Nov 2021
	• Section 17A of the MACC Act 2009: Protecting You & Your Business with T.R.U.S.T and Understanding the Legal Provision organised by Bursa Malaysia Berhad	23 Nov 2021
	• How Market Infrastructures are Coping with Cyber Threat Amid Global Pandemic organised by Bursa Malaysia Berhad	23 Nov 2021
	• Audit Oversight Board Conversation with Audit Committees organised by Securities Commission of Malaysia	6 Dec 2021
	• Cybersecurity Awareness Program organised by Cybersecurity Malaysia & Vigilant Asia	22 Dec 2021
Dato' Roslan bin Hamir	• Fima's Integrity & Compliance Virtual Summit 2021 organised by Kumpulan Fima Berhad:	
	- Series 1: A Call to Action	7 - 8 Sept 2021
	- Series 2: Taxability of Benefits-in-Kind	27 Sept 2021
	- Series 4: Misconduct of Employee - Steps to be taken by Company	14 Oct 2021
	- Series 5: Individual Zakat Briefing	18 Oct 2021
	- Series 6: Standard Operating Procedures	28 Oct 2021
	- Series 7: Investing in Indonesia after the Enactment of the Omnibus Law, Laws of Financing in Indonesia, Indonesian Labour Law and Port and Shipping Business in Indonesia	11 Nov 2021
	• Global Minimum Tax organised by Deloitte Malaysia	28 Oct 2021
	• Value Creation Model Workshop organised by Nova Fusion Sdn Bhd (in-house)	3 Mar 2022
Rosely bin Kusip	• MIA Virtual Conference: Risk Management Conference organised by Malaysian Institute of Corporate Governance	21 - 22 Apr 2021
	• One Year On: Taking your MACC Act Section 17A Programme to the Next Level organised by Institute of Corporate Directors Malaysia	7 May 2021
	• The Updated Malaysian Code on Corporate Governance April 2021 - Implications to Listed Corporations, Directors & Management organised by Malaysian Institute of Corporate Governance	30 June 2021
	• Fima's Integrity & Compliance Virtual Summit 2021 organised by Kumpulan Fima Berhad:	
	- Series 1: A Call to Action	7 - 8 Sept 2021
	- Series 2: Taxability of Benefits-in-Kind	27 Sept 2021
	- Series 3: MSPO - Guidelines & Compliances	11 Oct 2021
	- Series 7: Investing in Indonesia after the Enactment of the Omnibus Law, Laws of Financing in Indonesia, Indonesian Labour Law and Port and Shipping Business in Indonesia	11 Nov 2021
	• Audit Oversight Board Conversation with Audit Committees organised by Securities Commission of Malaysia	6 Dec 2021
	• 2022 ASEAN Board Trends: What Keeps You Awake at Night? organised by Institute of Corporate Directors Malaysia	13 Dec 2021
	• Your Biggest "S" in ESG: Sustainable Human Capital Management & Workplace Transformation organised by Institute of Corporate Directors Malaysia	14 Dec 2021
	• Demystifying Investors' ESG Expectations, the Do's & Don'ts organised by Institute of Corporate Directors Malaysia	15 Dec 2021
	• Rethink, Reimagine & Redesign: Business Model of the Future organised by Institute of Corporate Directors Malaysia	16 Dec 2021
	• Becoming a Boardroom Star organised by Institute of Corporate Directors Malaysia	17 Dec 2021

Director	Training Attended	Date Held
Rosely bin Kusip (Cont'd)	• 2022 Economic & Market Outlook organised by Malaysian Investor Relations Association	14 Jan 2022
	• Economic Outlook - Taking Temperature for 2022 and Beyond organised by Securities Industry Development Corporation	2 Mar 2022
Rezal Zain bin Abdul Rashid	• MIA Virtual Conference: Risk Management Conference organised by Malaysian Institute of Corporate Governance	21 - 22 Apr 2021
	• The Updated Malaysian Code on Corporate Governance April 2021 - Implications to Listed Corporations, Directors & Management organised by Malaysian Institute of Corporate Governance	30 June 2021
	• Corruption Risk Management organised by Asia School of Business/Iclif Executive Education Centre	14 - 15 July 2021
	• Executing Business Transformation for Sustainable Performance organised by Malaysian Investor Relations Association Berhad	27 Aug 2021
	• Fima's Integrity & Compliance Virtual Summit 2021 Series 1: A Call to Action organised by Kumpulan Fima Berhad	7 - 8 Sept 2021
	• Board Assessment - A Key Cog in an Effective Governance Structure organised by Malaysian Institute of Corporate Governance	25 Oct 2021
	• Audit Oversight Board Conversation with Audit Committees organised by Securities Commission of Malaysia	29 Nov 2021
	• Covid Creates Unique Governance Issues organised by Minority Shareholders Watch Group	20 Dec 2021
	• 2022 Economic & Market Outlook organised by Malaysian Investor Relations Association	14 Jan 2022
	• Economic Outlook - Taking Temperature for 2022 and Beyond organised by Securities Industry Development Corporation	2 Mar 2022
	• Value Creation Model Workshop organised by Nova Fusion Sdn Bhd (in-house)	3 Mar 2022
	• Digital Awareness and Upskilling for Board organised by Institute of Corporate Directors Malaysia	23 Mar 2022
Dr. Roshayati binti Basir	• MIA Virtual Conference: Risk Management Conference organised by Malaysian Institute of Corporate Governance	21 - 22 Apr 2021
	• Fima's Integrity & Compliance Virtual Summit 2021 organised by Kumpulan Fima Berhad:	
	- Series 1: A Call to Action	7 - 8 Sept 2021
	- Series 2: Taxability of Benefits-in-Kind	27 Sept 2021
	- Series 3: MSPO - Guidelines & Compliances	11 Oct 2021
	• 2022 Economic & Market Outlook organised by Malaysian Investor Relations Association	14 Jan 2022
	• Economic Outlook - Taking Temperature for 2022 and Beyond organised by Securities Industry Development Corporation	2 Mar 2022
	• Sustainability for the Palm Oil Sector organised by Iclif Executive Education Centre	17 Mar 2022
Nik Feizal Haidi bin Hanafi *(Appointed to the Board on 3 August 2021)*	• Fima's Integrity & Compliance Virtual Summit 2021 organised by Kumpulan Fima Berhad:	
	- Series 1: A Call to Action	7 - 8 Sept 2021
	- Series 2: Taxability of Benefits-in-Kind	27 Sept 2021
	- Series 7: Investing in Indonesia after the Enactment of the Omnibus Law, Laws of Financing in Indonesia, Indonesian Labour Law and Port and Shipping Business in Indonesia	11 Nov 2021
	• Understanding Board Decision-Making Process organised by Asia School of Business/ Iclif Executive Education Centre	12 - 13 Oct 2021
	• Audit Oversight Board Conversation with Audit Committees organised by Securities Commission of Malaysia	29 Nov 2021

Director	Training Attended	Date Held
Nik Feizal Haidi bin Hanafi (Cont'd)	• Bursa Malaysia's Mandatory Accreditation Programme organised by Asia School of Business/Iclif Executive Education Centre in collaboration with MIT Sloan	6 - 9 Dec 2021
	• Rethink, Reimagine & Redesign: Business Model of the Future organised by Institute of Corporate Directors Malaysia	16 Dec 2021
	• 2022 Economic & Market Outlook organised by Malaysian Investor Relations Association	14 Jan 2022

The Board is briefed on the strategic and business development of the Group at each Board meeting by the Managing Director/Financial Controller. To ensure that Directors maintain up-to-date knowledge of the Group, the Board receives presentations and updates on different aspects of the Group's business and on financial, legal/regulatory issues.

The Company also organises offsite retreat for the Board with the management in every 2 years to discuss the strategic and business development, trends, challenges impacting the Group and potential opportunities. Unfortunately, the offsite retreat for FYE2022 had to be put on hold due to the mandated social restrictions brought about by Covid-19. The last offsite retreat was conducted in FYE2019.

Role of the Chairman and the Managing Director

The positions of Chairman and the Managing Director are held by different individuals. The Chairman, Datuk Bazlan bin Osman, who is an Independent Non-Executive Director leads the Board and is responsible for the efficient organisation and effective functioning of the Board, ensuring that Directors have the opportunity to contribute to Board deliberations. He communicates with the Managing Director to discuss issues affecting the Group and performance trends. The Managing Director, Dato' Roslan bin Hamir is responsible for the day-to-day management of the Company and its businesses. There is a clear division of responsibilities between the Chairman and the Managing Director, with no one individual has unfettered power of decision.

KEY RESPONSIBILITIES OF CHAIRMAN AND MANAGING DIRECTOR

Chairman (INED)
- Provides leadership to the Board.
- Monitors Board effectiveness.
- Fosters constructive relationships among Directors.
- Act as Company representative.

- Promote integrity and probity.
- Ensure effective stakeholder communication.

Managing Director
- Develops strategies for the Board's approval.
- Executes strategies agreed upon by the Board.
- Leads day-to-day management of the Group.
- Monitors operational and financial performance.

Access to information, independent advice and indemnification

The Board is supplied with the information it needs to discharge its duties. The Company Secretaries are responsible for ensuring good information flows within the Board and Committees and between senior management and the Board. The Directors also have the opportunity to visit the Group's operational facilities to better understand the Group's business operations. Directors may, at any time, request for further explanations, briefings or informal discussions on any aspect of the Group's operations or business issues from management. Directors, after consultation with the Chairman, may also seek independent advice in furtherance of their duties at the Company's expense.

Under the Company's Constitution and to the extent permitted by law, the Company indemnifies Directors and its officers against liabilities to third parties in their capacity as officers of the Company and against certain legal costs incurred in defending an action for such a liability.

Company Secretaries

The Company Secretaries play an advisory role to the Board in relation to the Company's Constitution, proceedings of meetings, policies and procedures and compliance with the relevant statutory and regulatory requirements and guidelines, as well as the principles and recommendations of best practices set out in the MCCG. The Company Secretaries are also responsible for, among other things, ensuring that Board procedures are observed and that the Company's Constitution and applicable laws and regulations are complied with.

The Company had two (2) Company Secretaries during the financial year. The Company Secretaries report directly to the Board, through the Chairman, on all matters to do with the proper functioning of the Board. This includes advising the Board and its Committees on governance matters, coordinating Board business and providing a point of reference for dealings between the Board and management. The Company Secretaries inform the Directors of upcoming conferences and seminars relevant to their roles as Directors of the Company. Each Director has the ability to communicate with the Company Secretaries. Decisions to appoint or remove the Company Secretaries are made or approved by the Board.

The Company Secretaries' profiles are available under Our Senior Management profile section of this Annual Report.

Board Charter

The Board has a charter that outlines its responsibilities, including powers that are expressly reserved to the Board, and powers that are specifically delegated to the Board Committees, individual Directors, Chairman and the Managing Director. The Board Charter also defines the relationship and interaction between the Board and management. The Board Charter was reviewed and updated in FYE2022 and is available on the Company's website under 'Investors' page.

The Board Charter will be reviewed annually to align with the relevant regulatory updates.

Policies

The Board has implemented policies and practices that are considered appropriate for the Group given its current size and complexity. The Board will continue to review and amend its policies as appropriate to reflect changes in the Group's overall growth, operational status, legislation and accepted good practices. The following section sets out the policies that the Company has in place to promote ethical and responsible business practices in the organisation. Each of these policies are available on the Company's website.

Anti-Bribery Policy

The Company has an Anti-Bribery Policy which sets out the Company's zero tolerance against all forms of bribery and corruption. Directors, employees and others acting for and on behalf of the Company are strictly prohibited from directly or indirectly soliciting, accepting or offering bribes in relation to the Company's business and operations. The policy is in line with section 17A of the Malaysian Anti-Corruption Commission Act 2009 and the Guidelines on Adequate Procedures issued by the Prime Minister's Department, as well as other international best practices.

Whistle-Blowing Policy

The Whistle-Blowing Policy has been in place since 2011. The policy provides a safe environment where information regarding misconduct, including unethical, dishonest, illegal, bribery, corrupt, fraudulent or unsafe actions or practices, within the Group may be disclosed confidentially and without fear of reprisal or detrimental treatment for the person making the disclosure. The policy has been updated to meet the requirements of the Bursa Listing Requirements in relation to anti-corruption as well as the Guidelines on Adequate Procedures issued by the Prime Minister's Department and the Malaysian Anti-Corruption Commission Act 2009.

All whistle-blowing reports are addressed to the Managing Director or Chairman of the ARC. The ARC has oversight of incidents reported under the Whistle-Blowing Policy.

Board Diversity Policy

The Board Diversity Policy sets out the principles adopted by FimaCorp to maintain diversity on the appointment and composition of its Board of Directors. The Company sees diversity at the Board level as an essential element to ensuring the achievement of its strategic objectives and meeting the future needs of the Company. The diversity collectively represented on the Board should also reflect the diverse nature of the business environment in which the Company operates. A diverse Board will include and make good use of differences between the directors in terms of skills, experiences, industry background, genders, ages and other relevant factors. These differences will be considered in determining the optimum composition of the Board and when possible, should be balanced appropriately.

Directors' Fit and Proper Policy

The Directors' Fit and Proper Policy provides the criteria for the appointment and re-election/re-appointment of Directors of FimaCorp and its subsidiaries. This policy serves to guide the NRC and the FimaCorp Board in their review and assessment of candidates that are to be appointed onto the Board of FimaCorp and its subsidiaries as well as Directors who are seeking for re-election/re-appointment.

Other Policies

The Company has a number of other policies which define the Company's commitment to good corporate governance and responsible business practices. Among them are Escalation Policy, Corporate Disclosure Policy, Environmental Policy, Good Social Practices Policy, Occupational Safety and Health Policy, Quality Policy, Sexual Harassment Policy, Malaysian Sustainable Palm Oil Policy and Dividend Policy.

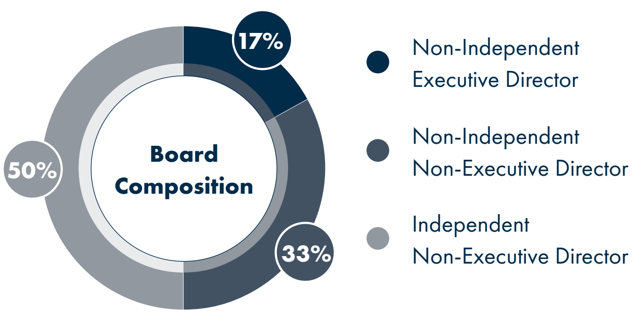
II. COMPOSITION OF THE BOARD

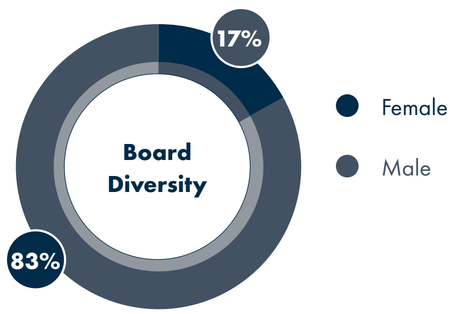
The Board, through annual reviews by the NRC, seeks to ensure an appropriate balance of experience, competencies and knowledge as well as diversity among the Directors to provide effective leadership to the Company and is guided by its Board Diversity Policy and Directors' Fit and Proper Policy, which were approved by the Board on 24 May 2022.

The Board currently comprises six (6) Directors, three (3) of which are Independent Non-Executive Directors and one (1) female Director. The current Directors possess an appropriate mix of skills, commitment, experience, gender diversity and independence to enable the Board to discharge its responsibilities effectively and deliver the Company's strategic priorities as a diversified Company. In addition, the composition of the Board also meets the requirement for independent directors provided for in the Bursa Listing Requirements. Details of Directors, including their qualifications, experience, directorship and date of appointment to the Board are set out in Our Board of Directors section of this Annual Report and is also available on the Company's website.

Following a board refresh exercise undertaken during FYE2022, several changes were made to the Board:

- Dato' Adnan bin Shamsuddin retired from the Board upon the conclusion of the Company's 46th AGM held on 21 September 2021 after having faithfully served as Independent Director for 18 years.
- Datuk Bazlan bin Osman was appointed as Chairman of the Board on 21 September 2021.
- Encik Rezal Zain bin Abdul Rashid, who has served on the Board as an Independent Director since June 2002 was redesignated as Non-Independent Non-Executive Director on 18 August 2021.
- Encik Nik Feizal Haidi bin Hanafi was appointed as an Independent Non-Executive Director on 3 August 2021.





Appointment Process for Nomination and Selection of New Directors

The Board renewal process is overseen by the NRC and involves regularly reviewing the composition of the Board to ensure that the Directors bring to the table an appropriate mix of background, skills, experience and diversity relevant to the Group's businesses. In doing so, where necessary or appropriate, the NRC and Board may tap on its networking contacts and/or engage external professional agencies to assist with identifying and shortlisting candidates. The NRC then meets the shortlisted potential candidates before recommending the most suitable candidate to the Board for appointment as Director. The new Directors will be provided with a Director's Kit containing the Company's Constitution, Board Charter and Board Committees' Terms of Reference, Group policies and other key information.

During the FYE2022, the NRC's focus has been to refresh the composition of the Board; with the overriding aim of appointing the best talent to the Board based on merit and assessed against objective criteria of skills and experience.

The NRC considers the following factors in its selection of new Board members and when making their recommendation to the Board for appointment:

- balance of diversity, skills, experience and independence;
- the skillsets and experience of the current Board, and the criteria set by the Board with focus on competencies that are relevant to FimaCorp's present and future businesses;
- any potential conflict of interests; and
- the ability of the candidate to devote sufficient time to meet his/her commitments as a Director of the Company as well as the personality "fit" with the Board and the culture of the Group.

Details of the different stages of the appointment process that the NRC followed are set out below:

Step 1	• List of prospective new candidates were provided to the NRC.
Step 2	• NRC reviewed and evaluated the candidates taking into account relevant factors such as experience, skills, diversity, conflict of interest, time commitment as well as the personality fit with the existing Board and the culture of the Group. • NRC shortlists candidates.
Step 3	• NRC and Managing Director interview the shortlisted candidates virtually.
Step 4	• NRC formalised their recommendations to the Board on the selected candidates.
Step 5	• Board considered and approved NRC's recommendations. The appointment of the new Director took effect upon his acceptance of the letter of appointment from the Company.

The Board had on 30 July 2021 approved the NRC's recommendation on the appointment of Encik Nik Feizal Haidi bin Hanafi as an Independent Non-Executive Director of the Company effective 3 August 2021. Encik Nik Feizal Haidi has significant technology-oriented and international experience, thus further broadening the Board's skillsets.

Independence of Directors

Name	Date of Appointment
Rosely bin Kusip	14 March 2019
Datuk Bazlan bin Osman	5 April 2019
Nik Feizal Haidi bin Hanafi	3 August 2021

The Independent Directors are expected to bring views and judgement to Board deliberations that are independent of management and free of any business, interest, position, association or other relationship or circumstance that could materially interfere with the exercise of objective, unfettered or independent judgement, having regard to the best interests of the Company as a whole.

The Independent Directors are appointed to offer a wide range of skills and experience which enable them to advise, support and constructively challenge management, provide independent judgement on the Board's discussions and help with the development of the Company's strategy. A Director is considered independent if he/she is independent of management and free of any business or other relationship that could, or reasonably be perceived to, materially interfere with his/her capacity to bring independent judgement on issues before the Board, and his/her ability to act in the best interests of the Company.

The independence of Independent Non-Executive Director is assessed prior to appointment and reviewed annually by the NRC as part of its annual evaluation of Board effectiveness, having regard to:

- any disclosures made by Directors regarding their independence.
- the definition of independence set out in the Bursa Listing Requirements.
- the relationships affecting the independent status of a Director as described in the Bursa Listing Requirements.
- any other matters the Board considers relevant.

Where a material personal interest arises with respect to a matter that is to be considered by the Board, the Director is required to declare that interest and must not take part in any Board discussion or vote in relation to that matter, unless permitted by law.

The Board will continue to review the independence of the Company's Independent Directors from time to time to ensure that they have the necessary competencies, skills and knowledge, and continue to exercise independent and objective judgement, play their part effectively on the Board in the best interest of the Company and satisfy the independence criteria. In addition, each Director must immediately disclose to the Board if a Director is, or becomes aware of, any information, facts or circumstances that will or may affect that Director's independence.

Independence Assessment

Before and on appointment

- NRC will evaluate the suitability of the candidates, including an assessment of their independence.
- Upon accepting the Letter of Appointment, he/she is required to disclose to the Company all relevant information of entities of which he/she has a direct/indirect material interest, is an executive director or is a director.
- Upon appointment, a director is also required to confirm with Bursa his/her independence, having regard to the criteria of independence as prescribed in the Bursa Listing Requirements.

Ongoing process

- An independent non-executive director is required to inform the Company as soon as practicable if there is any change in his/her own personal particulars that may affect his/her independence.
- All directors have a continuing duty to update the Company on any changes to their other appointments, which will be reviewed by the Board.

Annual assessment

- Each independent non-executive director is required to confirm with the Company his/her independence having regard to the criteria of independence as set out in the Bursa Listing Requirements.
- NRC assesses and reviews the independence of independent non-executive directors annually.

Board Diversity

The Company sees diversity at the Board level as an essential element to ensuring the achievement of its strategic objectives and meeting the future needs of the Company. Under the Company's Board Diversity Policy, the NRC is empowered to review and assess the composition and performance of the Board annually, as well as identifying qualified candidates to occupy Board positions.

We believe that a balanced Board is stronger and better equipped to consider matters from a broader perspective and to understand the views of our stakeholders as well as our shareholders.

The Board Diversity Policy is available on the Company's website under the 'Investors' page.

Re-election and Re-appointment of Directors

The Constitution of the Company states that one-third or the number nearest to one-third of the Directors must retire by rotation at each AGM at least once every 3 years. These Directors are eligible for re-election, subject to approval by shareholders at the AGM. The Directors who are retiring and wish to be re-elected are required to give consent to seek re-election at the AGM.

Under Article 88 of the Company's Constitution, a new Director appointed by the Board during the period since the last AGM shall hold office only until the next AGM following his/her appointment and shall be eligible for re-election. Newly appointed Director is not taken into account in determining the number of Directors who are to retire by rotation.

At the forthcoming AGM of the Company, Datuk Bazlan bin Osman and Encik Rezal Zain bin Abdul Rashid are to retire by rotation in accordance with Article 108 of the Company's Constitution.

The profiles of Directors seeking re-election are set out in Our Board of Directors section of this Annual Report.

Performance Evaluation

The annual Board evaluation provides the Board and its Committees with an opportunity to consider and reflect on the quality and effectiveness of its decision making, the range and level of discussion and for each Director to consider their peer's contribution and performance.

The NRC is responsible for overseeing the implementation of the evaluation process, identifying the issues and making appropriate recommendations to the Board. Every 3 years, the Board engages an external consultant to undertake a review of the effectiveness and structure of the Board and the Board Committees. In the intervening years, the performance evaluation process is internally facilitated by the Company Secretary. The process involved Directors completing of a questionnaire covering various aspects of Board, Board Committees and Director's effectiveness.

2018	2019	2020	2021	2022
Internal performance review	Internal performance review	Independent, externally facilitated review	Internal performance review	Internal performance review

Key Areas Covered in the Questionnaire

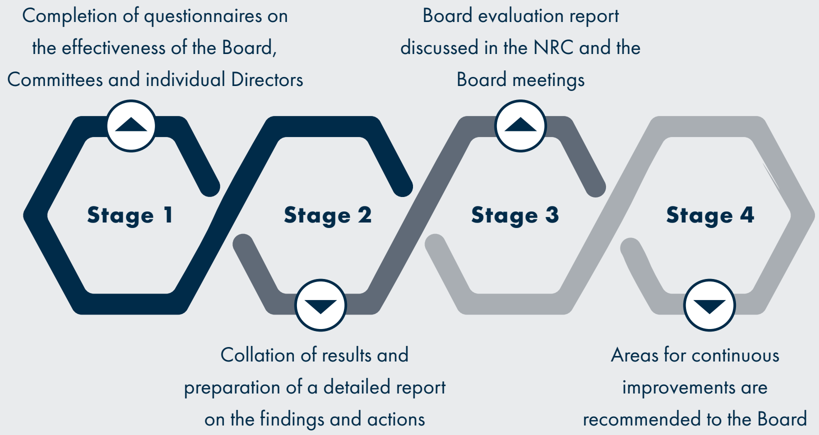
Board Evaluation Assessment
- Composition & quality of the Board
- Assessment of Board Chairman
- Boardroom activities
- ESG or sustainability
- Ethics and compliance
- Board meeting process and procedures

Individual Board Evaluation Assessment
- Fit and proper
- Contribution and performance
- Calibre and personality

Audit and Risk Committee Evaluation Assessment
- Composition and quality of the Committee
- Oversight of the financial reporting and internal controls
- Risk Management
- Audit and Risk Committee meeting process and procedures
- Ethics and compliance

Nomination and Remuneration Committee Evaluation Assessment
- Composition and quality of the Committee
- Oversight of appointment/election and performance evaluation of director and senior management
- Oversight of remuneration roles and responsibilities
- Committee meeting process and procedures

Evaluation Process



Based on the evaluation conducted for FYE2022, the Board is satisfied of its existing number and composition and of the view that, with current mix of skills, knowledge, experience and strength, the Board as a whole is able to discharge its duties effectively.

III. REMUNERATION

The Board believes that the existing remuneration structure is appropriate for the requirements of the Company, taking into account factors such as effort and time spent as well as responsibilities of the Directors.

The Board has established guidelines for the NRC and the Board in determining the level of remuneration for Executive Director and Non-Executive Directors. The guidelines have been defined in the Terms of Reference of the NRC which is available on the Company's website.

The aggregate amount of remuneration paid to the Directors for FYE2022 is set out below:

	Executive Director	Non-Executive Directors					
	Dato' Roslan bin Hamir	Datuk Bazlan bin Osman	Rezal Zain bin Abdul Rashid	Dr. Roshayati binti Basir	Rosely bin Kusip	Nik Feizal Haidi bin Hanafi*	Dato' Adnan bin Shamsuddin*
Company	**RM**	**RM**	**RM**	**RM**	**RM**	**RM**	**RM**
Directors' fees	-	67,011	61,915	50,000	60,000	42,309	39,498
Meeting allowance	-	26,000	52,000	22,000	38,000	18,000	28,000
Salaries	271,332	-	-	-	-	-	-
Bonus	231,818	-	-	-	-	-	-
Benefits-in-kind	56,822	16,862	40,020	36,589	25,444	-	5,654
Others	97,954	-	-	-	-	-	-
TOTAL	**657,926**	**109,873**	**153,935**	**108,589**	**123,444**	**60,309**	**73,152**
Subsidiaries	**RM**	**RM**	**RM**	**RM**	**RM**	**RM**	**RM**
Directors' fees	-	-	30,000	-	-	4,207	17,162
Meeting allowance	-	-	5,000	-	-	1,000	2,000
Salaries	271,332	-	-	-	-	-	-
Bonus	347,726	-	-	-	-	-	-
Benefits-in-kind	35,200	-	-	-	-	-	-
Others	118,556	-	-	-	-	-	-
TOTAL	**772,814**	**0**	**35,000**	**0**	**0**	**5,207**	**19,162**

* *Nik Feizal Haidi bin Hanafi joined the Board on 3 August 2021. Dato' Adnan bin Shamsuddin retired from the Board on 21 September 2021.*

In addition to directors' fees, additional fees are paid to the Chair and members for work carried out by Directors on various Board Committees to reflect the additional time involved and responsibilities of these positions. The Company will be requesting shareholders' approval for the payment of Non-Executive Directors' fees and benefits-in-kind for the ensuing financial year and the period commencing from the conclusion of the forthcoming AGM until the conclusion of the next AGM of the Company in year 2023, respectively.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

I. AUDIT AND RISK COMMITTEE

The Audit and Risk Committee comprises 3 members, majority of whom are Independent Non-Executive Directors. Since the last report, the following changes in ARC composition were recorded:

- Retirement of Dato' Adnan bin Shamsuddin as ARC member on 18 August 2021.
- Redesignation of Encik Rezal Zain bin Abdul Rashid as ARC member on 18 August 2021. Previously, he was the Chairman of ARC.
- Appointment of Encik Nik Feizal Haidi bin Hanafi as Chairman of ARC on 18 August 2021.
- Resignation of Datuk Bazlan bin Osman as ARC member on 18 August 2021.

The qualifications and experience of members of the Committee are disclosed in Our Board of Directors section of this Annual Report. The ARC has a written Terms of Reference which is available on the 'Investors' section of the Company's website.

The particulars in relation to the audit and non-audit fees incurred by the Company and its subsidiaries in FYE2022 are as follows:

	Audit Fees (RM'000)		Non-Audit Fees (RM'000)	
	2022	2021	2022	2021
Company	87	87	11	11
Subsidiaries	274	272	166	227
TOTAL	**361**	**359**	**177**	**238**

Information about the Committee, including its work in FYE2022 are set out in the Audit and Risk Committee Report contained in this Annual Report.

II. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

The Board recognises the importance of effective risk oversight, risk management and internal control for good corporate governance and is committed to embedding risk management practices to support the achievement of business objectives and fulfil corporate governance obligations. The Board is responsible for reviewing and overseeing the risk management and internal control framework for the Group and for ensuring the Group has an appropriate risk management and internal control process and procedures. The ARC provides advice and assistance to the Board in meeting that responsibility and the role of the former in relation thereto is described in the Statement on Risk Management and Internal Control of this Annual Report.

Details of the Risk Management and Internal Control Framework are also disclosed in the Statement on Risk Management and Internal Control of this Annual Report.

Related Party Transactions

An internal compliance framework exists to ensure its obligations under the Bursa Listing Requirements are met including obligations to related party transactions and recurrent related party transactions. The Board, through its ARC, reviews and monitors all related party transactions and conflicts of interest situation, if any, on a quarterly basis. A Director who has an interest in a transaction must abstain from deliberating and voting on the relevant resolutions in respect of such a transaction at the meeting of the Board and the AGM.

Details of the proposed renewal of shareholders' mandate for recurrent related party transaction are set out in the Circular/Statement to Shareholders dated 28 July 2022.

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

I. COMMUNICATION WITH STAKEHOLDERS

The Company seeks to ensure that the internal and external communications of the Company are open, transparent, accurate and timely. The Company has in place a Corporate Disclosure Policy to define how and when information should be given and by whom it is given. It is also defines the accuracy and comprehensiveness of the information in order to fulfil the relevant regulatory requirements. The Company's Corporate Disclosure Policy is available on the Company's website.

Shareholders and other stakeholders are informed of all material matters affecting the Company through Bursa announcements, including the Company's quarterly financial results. All market announcements are available on the Company's website as soon as practicable after they have been released to the market. The Company's website www.fimacorp.com forms part of the Company's communication with shareholders and the wider investment community. It houses the Company's corporate profile, individual profiles of Directors and senior management, financial results, annual reports, corporate governance-related policies and the Company's operations and major subsidiaries.

II. CONDUCT OF GENERAL MEETINGS

The Board views the Company's general meetings as a valuable opportunity for shareholders to exchange views and engage in active dialogue with the Board. In view of the Covid-19 pandemic, the 46th AGM of the Company was held fully virtual through live streaming and using Remote Participation and Voting ("RPEV") facilities provided by Boardroom Share Registrars Sdn Bhd in Malaysia, on 21 September 2021.

During the 46th AGM, shareholders were given the opportunity to engage with the Board members and senior management via RPEV facilities. All resolutions were passed by the shareholders via RPEV platform. The voting process for the 46th AGM was conducted via RPEV facilities, and the results of the votes were scrutinised by an independent scrutineer. The proceedings at the 46th AGM were recorded in the minutes of meeting and disclosed to shareholders through the Company's website.

The AGM notice includes details of the resolutions proposed along with any relevant background information or recommendations. The Notice of 46th AGM of the Company was delivered to the shareholders on 27 August 2021 and was also published in the local English newspapers and made available on the Company's website.

This Corporate Governance Overview Statement was approved by the Board of Directors on 27 June 2022.

Financial Calendar
1 April 2021 to 31 March 2022

First Quarter Announced	17 August 2021
Second Quarter Announced	24 November 2021
Third Quarter Announced	22 February 2022
Fourth Quarter Announced	24 May 2022

Annual Report

Issued 28 July 2022

Annual General Meeting

To be held 23 August 2022

Interim & Special Dividends

First Interim Dividend

Announced	Entitlement date	Payment date
24 November 2021	14 December 2021	30 December 2021

Second Interim & Special Dividends

Announced	Entitlement date	Payment date
24 May 2022	22 July 2022	12 August 2022

COMPOSITION

The members of the Audit and Risk Committee ("ARC") as at the date of this Report are:

Nik Feizal Haidi bin Hanafi
Chairman
> *Independent Non-Executive Director*

Rosely bin Kusip
Member
> *Senior Independent Non-Executive Director*

Rezal Zain bin Abdul Rashid
Member
> *Non-Independent Non-Executive Director*
> Member, Malaysian Institute of Accountants
> Member, Certified Practising Accountant (CPA Australia)

The ARC is chaired by and comprise a majority of Independent Non-Executive Directors. The ARC meets the requirements of paragraph 15.09(1)(c) of the Bursa Listing Requirements which stipulates that at least one member of the ARC must be a qualified accountant.

ROLES OF THE COMMITTEE

The role of the ARC is to assist the Board in fulfilling the following key responsibilities:

- assessing the risks and control environment;
- overseeing financial reporting;
- evaluating the internal and external audit processes and outcomes;
- reviewing conflict of interest situations and related party transactions; and
- providing oversight on the Risk Steering Committee and Group Sustainability Committee.

The roles and responsibilities of the ARC are set out in its written Terms of Reference which is available on the Company's website.

MEETINGS

The ARC's meetings are generally scheduled in line with the Group's financial reporting calendar. The Committee met 6 times during the financial year ended 31 March 2022 ("FYE2022") and attendance at these meetings is disclosed as follows:

Members	Meeting Attendance
Nik Feizal Haidi bin Hanafi	2/2
Rosely bin Kusip	6/6*
Rezal Zain bin Abdul Rashid	6/6

* *Nik Feizal Haidi bin Hanafi was appointed as Chairman of ARC on 18 August 2021.*
> *Datuk Bazlan bin Osman resigned as ARC member on 18 August 2021.*

An annual outline agenda which provides an overview of the ARC's focus areas at each of its meetings is also circulated to the ARC members annually in advance.

The ARC meetings are attended by the Managing Director, Financial Controller and Head of Group Internal Audit ("GIA") to facilitate deliberations as well as to provide clarification on audit issues. The ARC may also invite senior management to participate in the meetings, when necessary. In addition, the ARC held 2 private sessions with GIA on 20 May 2021 and 24 November 2021.

The external auditors are invited to the meetings to discuss their key audit findings/matters, management letters, audit planning memorandum and other matters deemed relevant. As at the date of this Report, the ARC had 2 private sessions without management presence with the external auditors on 17 August 2021 and 27 June 2022, to discuss key issues within their audit of interest and responsibility.

The Company Secretaries act as the secretaries to the ARC. The Company Secretaries shall cause minutes to be entered in the books provided for the purpose of recording all resolutions and proceedings of minutes and shall be kept at the registered office of the Company for inspection by any member of the ARC or the Board. Such minutes shall be signed by the Chairman of the next succeeding meeting and if so signed, shall be conclusive evidence without any further proof of the facts. Minutes of each meeting are also distributed to all ARC members and presented to the members of the Board at the Board meeting for noting.

The ARC keeps the Board informed of its activities and recommendations, and the Chairman of the ARC provides an update to the Board after every ARC meeting. When presenting any recommendation to the Board, the ARC will provide such background and supporting information as may be necessary for the Board to make an informed decision.

SUMMARY OF ACTIVITIES

The following summarises the key activities of the ARC during FYE2022:

Area of focus	Matters considered/reviewed/deliberated/approved
Financial Reporting	• Quarterly financial results before submission to the Board for approval. • Annual Audited Financial Statements and the Directors' Report for recommendation to the Board for approval. • Proposal of dividend payments and solvency of the Company before recommending for Board's approval. • Changes to the accounting policies and practices and accounting treatments used in the financial statements. • Recurrent related party transactions ("RRPT")/related party transactions at every quarterly meeting.
Risk Management and Internal Control	• Review of Enterprise Risk Management ("ERM") Report in relation to the updates of the Group's risk profile. • Updates on material litigation. • Summary of industrial relation/accidents cases and whistle-blowing complaints received through the whistle-blowing channels. • Audit Plan which outlined the audit strategy and approach for FYE2022 by the external auditors, Messrs. Ernst & Young PLT ("EY PLT"). • External auditors' fees and non-audit services before recommending to the Board for approval. • Major issues that arose during the course of the audit and their resolution. • Key accounting policies and audit judgements. • Recommendations made by EY PLT in their management letters and the adequacy of Management's response. • Recommendation to the Board on the re-appointment of EY PLT as the Company's auditors and for the same to be put for shareholders' approval at the 46th AGM. • Annual assessment of EY PLT's performance, including independence, objectivity and professionalism.
Internal Audit	• Internal Audit Plan for FYE2022 and progress of the implementation thereof. • Internal audit reports (including investigations and special assignments), main observations made by GIA, and the management's responses. • Structure of GIA, its independence and adequacy of its resources and budget. • Nature and extent of the non-audit activities performed by GIA. • Met GIA without management presence to discuss key issues within their audit of interest. • Outcome of the annual assessment of the effectiveness of the internal auditors was conducted via a detailed questionnaire.
Compliance, Governance and Other Matters	• Company's compliance with the Bursa Listing Requirements, Malaysian Accounting Standards Board and other relevant legal and regulatory requirements regarding the Quarterly and year-end financial statements. • Audit and Risk Committee Report, together with the Statement on Risk Management and Internal Control, before submission to the Board for approval. • Circular to Shareholders in relation to the proposed renewal of shareholders' mandate for RRPT and shares buy-back. • Quarterly review of the Group's sustainability performance. • Results of the Malaysian Sustainability Palm Oil surveillance audit and the key observations therefrom.

During FYE2022, the ARC members attended various training programmes to keep them abreast of new developments pertaining to legislation, regulations, current commercial issues and risks in order to effectively discharge their duties. Details of the training programmes attended by ARC members are set out in the Corporate Governance Overview Statement section of this Annual Report.

EVALUATION OF THE AUDIT AND RISK COMMITTEE

For the FYE2022, the annual assessment and evaluation of the performance of the ARC was conducted in-house by the Company Secretaries. The key areas covered in the evaluation questionnaires were:

- composition and quality of the ARC.
- oversight of the financial reporting and internal controls.
- risk management.
- ARC meeting process and procedures.
- ethics and compliance.

The Nomination and Remuneration Committee discussed the findings from the evaluation and the results of the evaluation and findings, together with areas of improvement, were presented to the Board for deliberation. Overall, the Board is satisfied that the ARC and its members have discharged their functions, duties and responsibilities in accordance with the ARC's Terms of Reference.

RELATIONSHIP WITH EXTERNAL AUDITORS

The ARC is provided with reports, reviews, information and advice throughout the year, as set out in the terms of engagement of EY PLT. The performance of EY PLT is formally assessed by the ARC on an annual basis. The ARC is satisfied that EY PLT is effective and has provided appropriate independent challenge to the Company's management.

EY PLT has declared and confirmed that it is, and has been, independent throughout the conduct of the audit engagement for FYE2022, in accordance with the terms of all relevant professional and regulatory requirements. EY PLT is also not aware of any relationships or other matters that may reasonably be thought to bear on their independence.

This Statement on Risk Management and Internal Control is set by the Board of Directors of Fima Corporation Berhad ("the Company" or "FimaCorp") made in compliance with the Bursa Listing Requirements and as guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers.

RESPONSIBILITIES OF THE BOARD

The Board affirms its overall responsibility for the Group in maintaining a sound system of risk management and internal control. The Board, through its Audit and Risk Committee ("ARC"), regularly reviews, identify, evaluate and manage the relevant and key risks identified by the Group. The risk management framework and internal control systems are designed to identify, assess and manage risks that may impede the achievement of business objectives and strategies. The Board also acknowledges that the internal control systems are designed to manage and minimise, rather than eliminate, occurrences of material misstatement, financial losses or fraud.

The ARC assists the Board to oversee the management of all key risks including review of the adequacy and effectiveness of the Group's risk management and internal control system to ensure that appropriate measures are carried out by the management to obtain the level of assurance required by the Board. The ARC, with the assistance of the Risk Steering Committee ("RSC"), has oversight over the Group's risk management framework and obtains assurance through the Group Internal Audit Department ("GIA"), on the adequacy and effectiveness of the risk management and internal control systems.

INTERNAL CONTROL

The key processes that the Board has established in reviewing the adequacy and integrity of the system of internal control and risk management systems include the following:

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

2. Heads of Divisions' meetings, which are held by the holding company, Kumpulan Fima Berhad ("KFima") and chaired by the Group Managing Director, are convened on a monthly basis to deliberate on the Group's financial performance and internal audit reports as well as business development, legal/litigation, operational, and corporate issues. Minutes of the HOD meetings are tabled to the Board every quarter and the Managing Director will update the Board of any significant matters that require the Board's immediate attention.

3. The Managing Director actively participates and involves in the day-to-day running of the major businesses and regular discussions with the senior management.

4. 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 a timely manner. The Group's strategic directions are also reviewed annually taking into account changes in market conditions and significant business risks.

5. 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 facilitates quality, well-informed and timely corporate decision making at the appropriate level in the organisation's hierarchy.

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

7. The ARC convenes regular meetings to deliberate on findings and recommendations for improvement by both the internal and external auditors on the state of the system of internal control, reviews and recommends the risk management policies, strategies, key risk profiles and risk mitigation actions for the Group and reports to the Board. Minutes of the ARC meetings are tabled to the Board.

8. Review and award of major contracts which exceed the limits delegated to Managing Director or senior management are undertaken by the Board.

9. Clearly documented standard operating procedure manuals set out the policies and procedures for day-to-day operations to be carried out. Periodic reviews are performed to ensure that documentation remains current, relevant and aligned with evolving business and operational needs.

10. The competency of staff is enhanced through a rigorous recruitment process and development programmes. A performance appraisal system of staff is in place, with established targets and accountability and is reviewed annually.

11. The ARC met the external auditors without management presence on 17 August 2021 and 27 June 2022 to discuss key issues within their audit of interest and responsibility.

INTERNAL AUDIT FUNCTION

The Group's internal audit function is undertaken by GIA of KFima, which provides the Board, through the ARC, with independent assurance on the efficiency and effectiveness of the Group's governance, risk management and internal controls and its processes are adequate and are operating effectively and efficiently. To ensure independence and objectivity, GIA reports directly to the ARC and administratively to the Managing Director. GIA is guided by its Internal Audit Charter that provides independence and reflects the roles, responsibilities, accountability and scope of work of GIA.

GIA reports to the ARC and communicates to management on audit observations noted in the course of their review, as well as monitors the status of actions taken by the operating units. It conducts independent reviews of the key activities within the Group's operating units based on a detailed annual audit plan developed using a risk-based methodology including input from senior management and the ARC, and approved by the ARC. Any concerns raised by the ARC are addressed by GIA. The ARC follows through on any unresolved matters as part of the agenda in the next ARC meeting. GIA's evaluations include the following:

(a) Adequacy, integrity, effectiveness of the Company and the Group's internal controls in safeguarding shareholders' investments and the Group's assets. The internal controls cover financial, operational, information technology, compliance controls and enterprise risk management.

(b) The extent of compliance with established policies, procedures and statutory requirements.

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

Summary of the key activities of the GIA during FYE2022 are as follows:

(a) Prepared the annual audit plan for approval by the ARC.

(b) Performed risk-based audits based on the approved annual audit plan, including follow-up of matters from previous internal audit reports as well as any unplanned/special assignments undertaken by GIA.

(c) Issued internal audit reports to the management on risk management, control and governance issues identified from the risk-based audits, together with recommendations for improvements in these processes.

(d) Reported on a quarterly basis to the ARC on significant risk management, control and governance issues from the internal audit reports issued, the results of investigations and special reviews undertaken and the results of follow-up of matters.

(e) Reported on a quarterly basis to the ARC the achievement of the audit plan and status of resources of the GIA function.

(f) Reported on a quarterly basis to the ARC the audit conclusion or opinion on the adequacy and operating effectiveness of the business units including the recommended process improvement action plans.

(g) Conducted regular follow-up and monitoring on the implementation of recommendations made by the GIA function to ensure that appropriate corrective actions are taken on a timely basis or within agreed timelines.

(h) Reviewed the procedures relating to related party transactions entered into by the Group to ensure that the related party transactions were conducted on the Group's normal commercial terms and were not to the detriment of the Group's minority shareholders.

(i) Reviewed the Internal Audit Standard Operating Procedures.

(j) Reviewed compliance with MS2530-3:2013 Malaysian Sustainable Palm Oil Certification Standard of Part 3: General Principles for Oil Palm Plantations and Organised Smallholders requirements for all estates operated by the Group.

(k) Coordinated and facilitated the review of the Group's risk management framework.

(l) Assist in the preparation of Audit and Risk Committee Report and Statement on Risk Management and Internal Control for the Company's 2021 Annual Report.

In FYE2022, GIA completed eleven (11) internal audit reports covering the activities of the Group. These were reports from assignments undertaken based on the approved internal audit plan as well as any unplanned investigation and special assignments undertaken by GIA.

The total costs incurred by GIA in discharging its functions and responsibilities in FYE2022 amounted to RM150,864.24 compared to RM176,433.22 in FYE2021. This amount mainly comprised staff cost, general and travelling expenses. Further information on GIA is provided in the Corporate Governance Report.

ENTERPRISE RISK MANAGEMENT

The Group's Enterprise Risk Management ("ERM") Framework provides a standardised and systematic approach for the identification, evaluation, monitoring and reporting of key risks, controls and ensuring that there are adequate measures to implement, track and review the action plans. The ERM Framework is aligned with the ISO 31000:2018, and is adopted across the operating companies within the Group. The importance of aligning the ERM Framework is to manage existing and emerging risks to protect our key stakeholders' and shareholders' interests.

Risk Appetite Statement

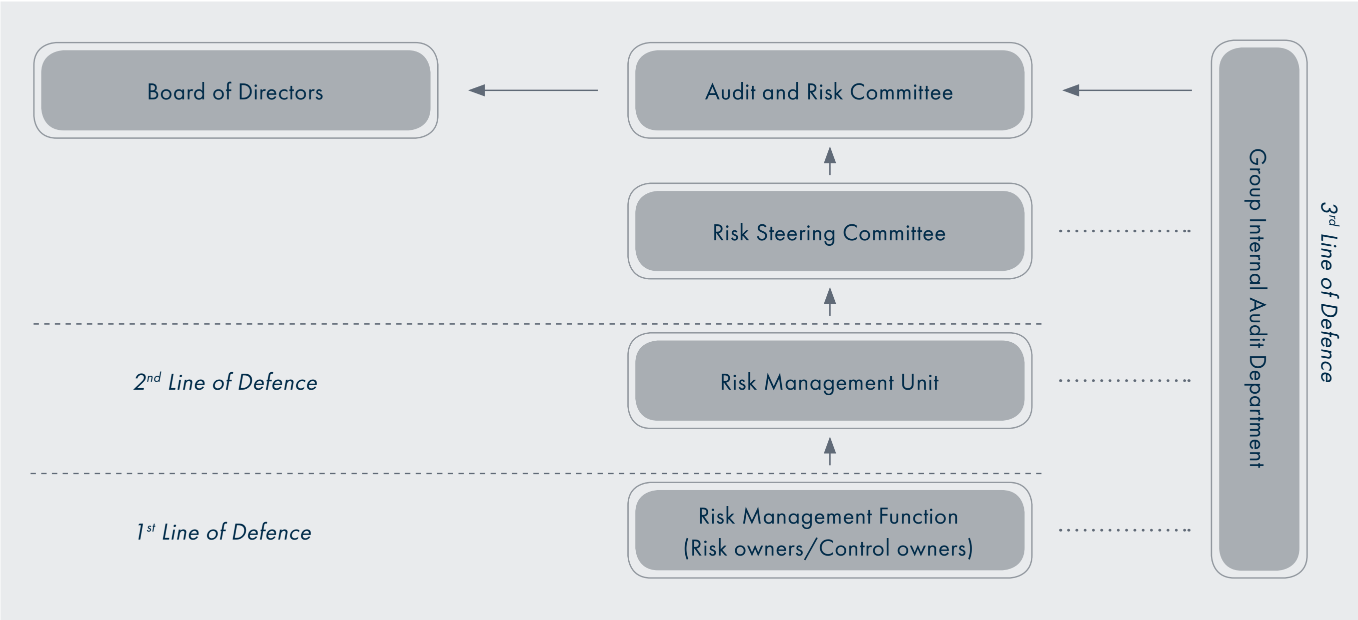
The Risk Appetite Statement includes measurable guidelines demonstrating the Group's risk tolerance levels. Risk tolerance levels are risk-taking boundaries that the Group will not accept if they are exceeded. Any critical breach of risk tolerance limits will be reported (as soon as practicable) to the Board directly by the Chairman of the RSC.

The Risk Appetite Statement is crafted at Group level and cascaded down to divisions, departments and operating unit levels through policies, procedures, practices and decision making. Monitoring of the risk appetite occurs within the risk management framework and through periodic risk assessment by the RSC, with reporting to the Board via the ARC.

ERM Reporting Structure and Process

The management of risks is considered as an integral part of the Group's management process. Accordingly, it is incorporated into the operational processes of the Group. The current reporting/governance structure that assumes the roles of risk practices across the Group is shown below:

ENTERPRISE RISK MANAGEMENT REPORTING STRUCTURE



The Group adopts a 3 lines of defence approach for its risk management. It provides an overview of the Group's operations from a risk management perspective while assuring the ongoing success of risk management initiatives.

1st line of defence

- Line management (staff/support functions) is the first line of defence in the risk management framework. They have ownership of risk whereby they manage the day-to-day operational risks that they incur in conducting their activities and are responsible for identifying and managing the inherent operational risks in activities, processes and systems for which they are accountable, consistent with the Group's policies and procedures, objectives and risk appetite.
- Information that first line management should report to the second line of defence, i.e. Risk Management Unit ("RMU"), includes, among others, key risk issues, incidents and near misses (including historical/trend analysis/statistics, status of remediation/mitigation actions and lessons learned).

2nd line of defence

- The RMU is the second line of defence that oversees risk and monitors the first line of defence controls. The RMU comprises executives/management of the respective business units and is responsible for monitoring and measuring the operational risks, especially the critical and highly rated residual risks areas, to determine if the processes and systems implemented by the first line are working effectively. This provides the RMU with a mechanism for discussion and effective escalation of issues leading to better risk management over time and increased enterprise resilience.
- RMU has a reporting line to the RSC.

3rd line of defence

- GIA regularly reviews first and second line of defence activities and results, including the risk management functions involved. GIA provides independent assurance through a risk-based approach to the ARC and the Board on the adequacy and effectiveness of the system of internal controls, risk management, and governance processes and recommends the appropriate improvement actions, where necessary.

The RSC was established to assist the ARC and the Board in the continuous process of identifying, measuring, controlling, monitoring, and reporting significant and materials risks affecting the achievement of the Group's business objectives. It provides the Board and the Group's divisional heads with a tool to anticipate and manage both the existing and potential risks, taking into consideration the changing risk profiles as dictated by changes in business and regulatory environment, the Group's strategies and functional activities throughout the year. The RSC's duties and responsibilities are set out in its Terms of Reference which is available on the Company's website under 'Investors' page.

The responsibility for day-to-day risk management resides with the management of each business unit where they are the risk owners and are accountable for managing the risks identified and assessed. In managing the risks of the Group, GIA collaborates with the management to review and ensure that there is on-going monitoring of risks, the adequacy and effectiveness of related controls and that action plans are developed and implemented to manage the risks within the acceptable level by the Group. A Risk Coordinator, who is a member of senior management, acts as a central contact and guide for ERM-related issues within the Group, including but not limited to:

- coordinating ERM routinely within the Group;
- facilitating and supervising the development and implementation of policy, procedures and strategies relating to ERM; and
- ERM training and communication.

Two (2) RSC meetings were conducted during the year, i.e. on 5 August 2021 and 21 March 2022. The meetings discussed among others the following:

- progress of ERM activities including the updated risk profiles, as changing circumstances has resulted on some risks increasing/decreasing in significance.
- progress of key initiatives and roadmap proposed by the consultant.
- review of the ERM standard operating procedures and RSC Terms of Reference whereupon no changes have been proposed.
- there were no bribery/whistleblowing reports received during the period under review.
- the Group's sustainability reports and updates.

The Risk Coordinator presents the ERM Report to the Board annually. This allows the Board to keep abreast and updated on the major risks within the Group. In FYE2022, the ERM Report was presented to the Board in March 2022 where the Board was updated on the key changes made to the residual risk ratings of the risk areas as well as details of emerging risks of the Group.

Risk Management Practices and Processes

The risk management practices and processes enable a systematic identification, analysis, evaluation, treatment, and monitoring and reporting of risk exposures in FimaCorp Group. The following illustrates the key processes involved in the risk profiling processes:

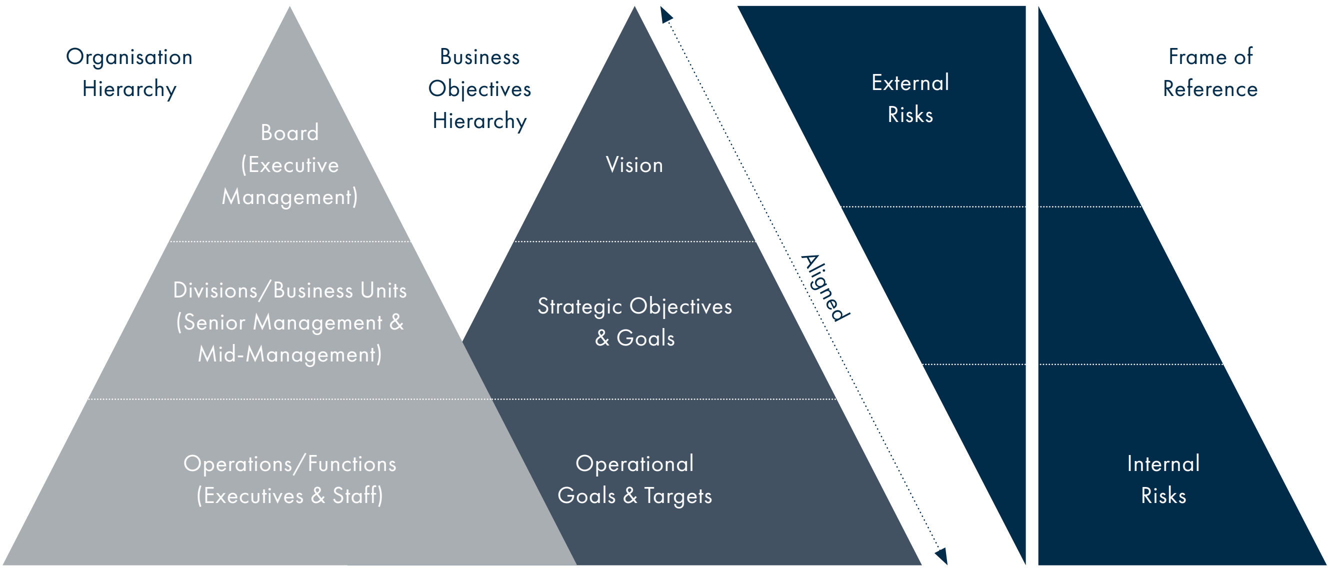
Risk identification	• The sessions involved identifying the sources of risks (both internal and external) faced by each division/department, the causes and consequences of the risks and the existence of controls currently in place to manage those risks identified.
Risk analysis	• The purpose of risk analysis is to prioritise the risk by evaluating the potential impact and likelihood of the risk occurring which could affect the business objective should the risk arise.
Risk evaluation	• The risk evaluation process involves the identification of existing key controls and assessments on the effectiveness level which shall define the residual rating of the risks following the development and implementation of the existing controls.
Risk treatment	• Risk treatment process involves identifying the range of options for treating risks, assessing these options, and prioritising the implementation of treatment plans.
Monitoring and reporting	• Monitor forward looking key risk indicators and early warning signals to ensure that sufficient and timely action is in place to mitigate any potential risk to the Company. • Report the key risk indicators to the ARC and the Board on a regular basis.

Below are the steps taken to compile risk information within the Group:

1-Prepare	2-Compile	3-Review	4-Update	5-Monitor
RMU prepares the Risk Register indicating the current condition of each risk and plan	Risk Coordinator compiles all Risk Registers from Divisions/Business Units	RSC reviews Risk Register together with RMU annually	Risk Register is updated based on the latest risk information	RMU monitors and reports risk information

Monitoring and Review

The Board retains the overall risk management responsibility in accordance with best practices of the Malaysian Institute of Corporate Governance, which requires the Board to identify principal risks and ensure the implementation of appropriate systems to manage these risks.



The Board reviews the effectiveness of the risk management and internal control system through the following monitoring and assessment mechanisms:

- Quarterly reviews of the Group's actual financial and operational performance versus planned performance and other key financial and operational performance indicators.
- Reviews of specific transactions, projects or opportunities are also discussed between the management and the Board as and when required. This allows the Board and management to manage potential risks.
- The ARC deliberates and discusses reports issued by GIA and the external auditors pertaining to financial, operational, governance, risk management and control matters. The status of preventive and corrective actions for issues discussed is also updated to the ARC to enable monitoring of the actions.

Review of Key Enterprise Risks

During the year we have reviewed our key enterprise risks and the current assessment of the residual risks in respect of the Group's key risk categories and mitigating actions are as set out below:

Key Enterprise Risk	Risk Appetite Statement	Change from FYE2021 Reporting/Causes	Mitigation Actions in FYE2022	Connection	
				Material Matters	Stakeholders
Health & Safety	FimaCorp regards health and safety (H&S) as core indicator of its business success. FimaCorp does not tolerate any activities where adequate measures to prevent foreseeable death/ debilitating injuries weren't deployed effectively.	**Heightened Risk** FYE2021 FYE2022 Accidents caused by non-compliance to H&S policies and SOPs **Exposure:**	1. Conducting more regular reviews / audit of processes and sharing learnings from H&S incidents 2. Reinforcing safety culture through various programs	Occupational Safety & Health and Well-being	a. Employees b. Suppliers
Integrity	FimaCorp will not tolerate any breach of its Code of Ethics and Conduct and has zero-tolerance for bribery and corruption.	**Stable Risk**	1. Rolled out Group-wide awareness and training programmes to reinforce integrity culture e.g FIMA Virtual Summit Series which had strong focus on compliance and integrity topics 2. Escalation Policy for the reporting and escalation of incidents, allegations etc implemented	• Anti-Fraud Bribery & Corruption • Code of Ethics & Governance	a. Employees b. Shareholders & Investors c. Customers d. Communities e. Memberships & Association f. Suppliers g. National & Local Governments
Regulatory	FimaCorp will comply with all relevant legislation; and does not tolerate any non-compliance that leads to loss of trust/reputation and/or imprisonment of officials in relation to their duty in/for FimaCorp.	**Stable Risk**	1. Regular reviews/ audit of processes and policies 2. Accreditation of MSPO, ISCC, ISO certifications	• Anti-Fraud Bribery & Corruption • Code of Ethics & Governance	a. Shareholders & Investors b. Customers c. Memberships & Association d. Suppliers e. National & Local Governments
Natural Environment	FimaCorp is committed to minimising the environmental impact of its operations through sustainable and responsible business practices. FimaCorp does not tolerate non-compliances i.e. behaviour and practices that pollute the environment or endanger any wildlife contrary to environmental and conservation standards prescribed by local laws and/or may cause public outrage.	**Heightened Risk** FYE2021 FYE2022 There have outbreaks of diseases (Ganoderma and Nematodes) during FYE2022 **Exposure:**	More frequent onsite monitoring and control, and utilisation of disease tolerant planting materials	• Water Impact • GHG Emission, Discharge & Waste Management • Climate Risk	a. Communities b. Memberships & Association c. National & Local Governments

Key Enterprise Risk	Risk Appetite Statement	Change from FYE2021 Reporting/Causes	Mitigation Actions in FYE2022	Connection	
				Material Matters	Stakeholders
Technology Disruption	FimaCorp will seek to minimise the risk of technological disruption by continuously exploring synergetic opportunities with technological partners or other means to innovate its product offering as part of its digital-proofing strategies.	**Stable Risk**		Innovation & Technology Excellence	a. Employees b. Shareholders & Investors c. National & Local Governments
Data Protection	FimaCorp does not tolerate any leakages of confidential information and/or illegal manipulation of legal information (e.g. tax, accounting records).	**Stable Risk**	Enhanced controls to minimise risk, including vulnerability testing of IT systems and procedures	• Innovation & Technology Excellence • Code of Ethics & Governance	a. Employees b. Shareholders & Investors c. National & Local Governments
Investment: Acquisitions, Divestment, Joint Ventures and Projects	FimaCorp has a low tolerance for investment, which adversely affect its reputation.	**Stable Risk**		• Innovation & Technology Excellence • Sustainability & Traceability Supply Chains • Anti-Fraud Bribery & Corruption	a. Employees b. Shareholders & Investors c. Suppliers
Socio-Political Risk	FimaCorp seeks to minimise exposures in regions whereby a sudden and significant change of government policies or significant and prolonged social unrests which could disrupt operations are high.	**Heightened Risk** FYE2021 FYE2022 1. The implementation of the Minimum Wage Order by the Malaysian government with effect from 1 May 2022 will impact on the financial performance of our more labour-intensive businesses 2. Borders closed to foreign workers **Exposure:**	1. Intensified mechanisation initiatives to reduce dependency on manual labour and drive productivity 2. Reskilling estate workers, which in turn can help increase their wage-earning potential 3. Established relationships with contractors to provide additional contingency workforce	• Innovation & Technology Excellence	a. Our People b. Shareholders & Investors

Key Enterprise Risk	Risk Appetite Statement	Change from FYE2021 Reporting/Causes	Mitigation Actions in FYE2022	Connection	
				Material Matters	Stakeholders
Sustainability	FimaCorp is committed to consistently practising good corporate citizenship and stewardship in its practices and decisions. FimaCorp seeks to forward its sustainability values in all aspects of its business, which is guided by local industry standards (MSPO, etc.).	**New Risk** NEW Potential allegations of forced labour **Exposure:**	1. Assessment of internal HR practices on, inter alia, recruitment and overtimes 2. Child Labour Policy formalised 3. Proper channels to report on any violations or risks established	• Sustainability & Traceability Supply Chains • Equal Treatment / Gender Equality • Human & Worker's Rights Protections	a. Our People b. Shareholders & Investors c. Suppliers d. National & Local Governments
Climate Risk NEW	FimaCorp is committed to measure and respond to the effects of climate change.	**New Risk** NEW The Group has encountered significant operational impacts from climatic events during FYE2022 including flood, drought and irregular weather patterns **Exposure:**	1. Strategic investments in resources and infrastructure adaptation have been made to improve resilience 2. Close monitoring and measurement of the intensity of production and consumption of resources (energy, labour, water) to evaluate efficiency of our activities	• Climate Risk • Innovation & Technology Excellence • GHG Emission, Discharge & Waste Management	a. Our People b. Communities c. National & Local Governments d. Shareholders & Investors

New Low Medium High Very High

Risk Movement: Increasing Risk Stable Risk Decreasing Risk

Emerging risks

The Board and divisional management also take emerging risks into account when considering potentially adverse outcomes and appropriate management action. An emerging risk (or opportunity) is defined as an event that is perceived to be potentially significant but is not yet fully understood. Emerging risks could either be completely new risks or connected with existing risks in unfamiliar conditions. Mitigating action may not be necessary until further information is known about the possible impact. Some emerging risks that the Group has identified during the year and are monitoring closely include:

- impact of possible increased inflation on the Group's businesses and markets caused by fuel, fertilizer, and food price increases;
- further supply chain disruptions due to the shipping and airfreight post-pandemic, as well as impacts of the ongoing geopolitical conflicts;
- acute labour shortage in the plantation sector largely as a result of border closures;
- foreign exchange volatility and currency control measures, as exports from Indonesia and Malaysia are mostly denominated in USD while the majority of our expenses and sales are denominated in the respective local currency.

ANTI-BRIBERY

In order to strengthen the Group's internal control system, particularly in relation to corporate liability risk, the Group has adopted an Anti-Bribery Policy which sets out the Group's expectations for internal and external parties working with and for the Group in upholding the Group's commitment and stance against bribery. The Policy is in line with section 17A of the Malaysian Anti-Corruption Commission Act 2009 and the Guidelines on Adequate Procedures issued by the Prime Minister's Department, as well as other international best practices. During the FYE2022, the Directors and relevant employees have attended anti-bribery training (either by e-learning or workshops).

WHISTLE-BLOWING POLICY

A Whistle-Blowing Policy is available which provides all employees and third parties with a grievance mechanism to disclose and report improper conduct. It provides protection for the whistle-blowers from any reprisals as a direct consequence of making such disclosures. It also covers the procedures for disclosures, investigations and the respective outcomes of such investigations. The Policy can be accessed under the 'Investors' section of the Company's website.

Procedures

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

Name	:	Dato' Roslan bin Hamir
Via Email	:	whistleblowing@fimacorp.com
Via Mail	:	Fima Corporation Berhad Suite 4.1, Level 4, Block C, Plaza Damansara No. 45, Jalan Medan Setia 1, Bukit Damansara 50490 Kuala Lumpur Attention: Managing Director (*to mark as "Strictly Confidential"*)

If reporting to management is a concern, then the report should be made to the Chairman of ARC. Channel of reporting to the Chairman of ARC is as follows:

Via Email	:	ac.chairman@fimacorp.com
Via Mail	:	Fima Corporation 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 and Risk Committee (*to mark as "Strictly Confidential"*)

The above mechanism protects employees and stakeholders who contemplate to "blowing the whistle" on any improper conduct or wrongdoing. The confidentiality of all matters raised and the identity of the whistleblower are protected under the policy. There were no whistle-blowing cases reported in FYE2022.

ADEQUACY AND EFFECTIVENESS OF THE GROUP'S RISK MANAGEMENT AND INTERNAL CONTROL SYSTEMS

The Board is of the view that the system of internal control and risk management is in place for the year under review, and up to the date of approval of this Statement on Risk Management and Internal Control, is sound and sufficient to safeguard the Group's assets, as well as the shareholders' investments, and the interest of other stakeholders. The Board has received assurances from the Managing Director and the Financial Controller that the Group's risk management and internal control systems are operating adequately and effectively, in all material aspects, during the financial year under review and up to the date of this Statement. The Group will continue to take measures to preserve, protect and strengthen the risk management and internal control environment. The internal control systems do not apply to the Group's associate companies, which fall within the control of the associates.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

This Statement has been reviewed by external auditors in accordance with paragraph 15.23 of the Listing Requirements for inclusion in the Annual Report for FYE2022. The limited assurance review was conducted in accordance with the Audit and Assurance Practice Guide 3 (AAPG3) issued by the Malaysian Institute of Accountants. The AAPG3 does not require the external auditors to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system. The external auditors have reported to the Board that nothing had come to their attention which could lead them to conclude that this Statement is inconsistent with their understanding of the processes adopted by the Board in the review of the adequacy and integrity of the Group's risk management and internal control system.

This statement has been reviewed and approved by the Board of Directors on 27 June 2022.

NIK FEIZAL HAIDI BIN HANAFI
Chairman of Audit and Risk Committee

Pursuant to the Bursa Listing Requirements, additional disclosure by the Company is as follows:

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

RRPT of the Company for the FYE 2022 was as follows:

Name of Subsidiary	Related Party	Nature of RRPT	Interested Major Shareholder and Director of Subsidiary	Estimated Annual Value Disclosed in the Preceding Year's Circular (RM'000)	Actual Value of Transactions during the Financial Year (RM'000)
PT Nunukan Jaya Lestari ("PTNJL")[1]	PT Pohon Emas Lestari ("PTPEL")[2]	Purchase of fresh fruit bunches Buyer: PTNJL Seller: PTPEL	Muhammad Ramli[3] Asmi Andi Yakin[4]	11,000	9,403

Notes:

[1] *PTNJL's principal activities are in the oil palm production and processing. FimaCorp effectively owns 80% of PTNJL;*

[2] *PTPEL's principal activity is oil palm production;*

[3] *Muhammad Ramli is a Director of PTNJL and has 5% direct shareholding in PTNJL. He is also a Director of PTPEL and has 99% direct shareholding in PTPEL; and*

[4] *Asmi Andi Yakin is a member of the Board of Commissioner of PTNJL and has 15% direct shareholding in PTNJL. She is also a Director of PTPEL.*

STATEMENT OF DIRECTORS' RESPONSIBILITIES

In Relation to the Audited Financial Statements

The Directors are required by the Companies Act, 2016 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, 2016.

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 27 June 2022.

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 2022.

Principal activities

The principal activities of the Company are those of property management, oil palm plantation and investment holding.

The principal activities of the subsidiaries and associate are those of production of security and confidential documents, oil palm production and processing, and printing of bank notes. Information on the subsidiaries and associate are described in Notes 17 and 18 to the financial statements, respectively.

Results

	Group RM'000	Company RM'000
Profit for the year	75,431	78,906
Profit attributable to:		
- Equity holders of the Company	60,561	78,906
- Non-controlling interests	14,870	-
	75,431	78,906

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, other than as disclosed in the financial statements.

Dividends

The amounts of dividends paid by the Company since 31 March 2021 were as follows:

	RM'000
In respect of the financial year ended 31 March 2021 as reported in the directors' report for that year:	
Single-tier interim dividend of 7.5 sen per share, paid on 3 September 2021	17,831
In respect of the financial year ended 31 March 2022:	
Single-tier first interim dividend of 5.0 sen, paid on 30 December 2021	11,872
	29,703

Subsequent to the financial year end, on 24 May 2022, the directors declared a single-tier second interim dividend of 7.5 sen and a single-tier special dividend of 2.5 sen in respect of the current financial year ended 31 March 2022 on 237,380,430 shares, amounting to a total of RM23,738,000 payable on 12 August 2022.

The financial statements for the current financial year ended 31 March 2022 do not reflect these dividends. These dividends will be accounted for in the statement of changes in equity as an appropriation of retained earnings in the next financial year ending 31 March 2023.

The directors do not recommend the payment of any final dividend in respect of the current financial year.

Directors

The names of the directors of the Company in office since the beginning of the financial year to the date of this report are:

Datuk Bazlan bin Osman	(Chairman)
Dato' Roslan bin Hamir *	(Managing Director)
Rezal Zain bin Abdul Rashid *	
Dr. Roshayati binti Basir	
Rosely bin Kusip	
Nik Feizal Haidi bin Hanafi *	(Appointed on 3 August 2021)
Dato' Adnan bin Shamsuddin *	(Retired on 21 September 2021)

* Directors of the Company and subsidiaries

In accordance with Article 108 of the Company's Constitution, Datuk Bazlan bin Osman and Rezal Zain bin Abdul Rashid shall retire from the Board at the forthcoming Annual General Meeting and being eligible, offer themselves for re-election.

The names of the directors of the subsidiaries of the Company in office since the beginning of the financial year to the date of this report are:

Dato' Adnan bin Shamsuddin	
Dzakwan bin Mansori	
Mohd Yusof bin Pandak Yatim	
Jasmin binti Hood	
Che Norudin bin Che Alli	
Muhammad Ramli	
Asmi binti Andi Yakin	
Abdul Khudus bin Mohd Naaim	
Ab Aziz bin Yunus	
Irman bin Abdul Shukor	
Muhammad Fadzlilah bin Abdul Ra'far	
Hamka bin Usman	
Nazaruddin bin Mohd Hadri	(Resigned on 10 September 2021)
Mohd Adizuraimin bin Mohd Affandi	(Deceased on 18 October 2021)

Directors' benefits

Neither at the end of the financial year, nor at anytime during that year, did there subsist any arrangement to which the Company was a party, whereby the directors might acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

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 or the fixed salary of a full-time employee of the Company and/or related companies as disclosed below) 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, except as disclosed in Note 37 to the financial statements.

The Company's directors' remuneration receivable from the Group and from the Company are as follows:

	Group RM'000	Company RM'000
Directors' remuneration	2,119	1,288

Indemnities to directors or officers

During the financial year, the directors and officers of the Group and of the Company are covered under the Kumpulan Fima Berhad ("the Group") Group Directors & Officers Management Liability Insurance ("D&O Insurance") in respect of liabilities arising from acts committed in their respective capacity as, inter alia, the directors and officers of the Group and of the Company subject to the terms of the D&O Insurance.

The total insured limit of D&O Insurance effected for the directors and officers of the Group and of the Company was RM20 million in any one claim and in aggregate for all claims. Expenses incurred on indemnity given or insurance effected for any director and officer of the Group and of the Company during the financial year amounted to RM15,000.

Directors' interests

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

	Number of ordinary shares			
	1 April 2021	Bought	Sold	31 March 2022
The Company				
Direct interest				
Datuk Bazlan bin Osman	10,000	-	-	10,000
Rezal Zain bin Abdul Rashid	10,000	4,000	-	14,000
Dr. Roshayati binti Basir	167,600	8,000	-	175,600
Indirect interest				
Dato' Roslan bin Hamir (1)	601,800	-	-	601,800
Dr. Roshayati binti Basir (2)(3)(4)	150,383,658	-	-	150,383,658

Directors' interests (cont'd.)

	Number of ordinary shares			
	1 April 2021	**Bought**	**Sold**	**31 March 2022**
Kumpulan Fima Berhad				
- Ultimate holding company				
Direct interest				
Datuk Bazlan bin Osman	-	5,000	-	5,000
Dato' Roslan bin Hamir	320,000	-	-	320,000
Dr. Roshayati binti Basir	49,857,400	49,000	-	49,906,400
Rezal Zain bin Abdul Rashid	11,000	-	(11,000)	-
Indirect interest				
Dato' Roslan bin Hamir [(1)]	1,291,000	-	-	1,291,000
Dr. Roshayati binti Basir [(5)]	119,343,500	999,200	-	120,342,700
BHR Enterprise Sdn. Bhd.				
- Corporate shareholder				
Direct interest				
Dr. Roshayati binti Basir	19,060,163	-	-	19,060,163
Indirect interest				
Dr. Roshayati binti Basir [(6)]	38,120,326	-	-	38,120,326

	Number of preference shares			
	1 April 2021	**Bought**	**Sold**	**31 March 2022**
BHR Enterprise Sdn. Bhd.				
- Corporate shareholder				
Indirect interest				
Dr. Roshayati binti Basir [(7)]	4	-	-	4

	Number of ordinary shares			
	1 April 2021	**Bought**	**Sold**	**31 March 2022**
Nationwide Express Holdings Berhad - Related company				
Direct interest				
Director of the Company:				
Dr. Roshayati binti Basir	27,334,700	19,400	-	27,354,100
Indirect interest				
Director of the Company:				
Dr. Roshayati binti Basir [(8)]	45,761,870	-	(3,000,000)	42,761,870

Directors' interests (cont'd.)

Deemed interested by virtue of the following:

(1) 601,800 and 1,291,000 ordinary shares are held under Maybank Nominees (Tempatan) Sdn. Bhd..

(2) Her sister, Datin Rozilawati binti Haji Basir's indirect shareholding in the Company which is held under Maybank Nominees (Tempatan) Sdn. Bhd..

(3) Her mother, Puan Sri Datin Hamidah binti Abdul Rahman's direct shareholding in the Company.

(4) Fima Metal Box Holdings Sdn. Bhd. ("Fima Metal Box")'s direct shareholding in the Company. Fima Metal Box is a major shareholder of the Company and a wholly-owned subsidiary of Kumpulan Fima Berhad ("KFIMA").

(5) Dr. Roshayati binti Basir is deemed interested in KFIMA by virtue of the following:

(i) Her shareholding in BHR Enterprise Sdn. Bhd. ("BHR") of more than 20%. BHR is a major shareholder of KFIMA;

(ii) Her mother, Puan Sri Datin Hamidah binti Abdul Rahman's shareholding in KFIMA and her shareholding of preference shares in BHR;

(iii) Her sister, Rozana Zeti binti Basir's direct shareholding in KFIMA, her direct shareholding in RZB Holdings Sdn. Bhd. and her shareholding in BHR being more than 20%. Rozana Zeti binti Basir is the major shareholder of KFIMA;

(iv) Her sister, Datin Rozilawati binti Haji Basir's direct and indirect shareholdings in KFIMA and her shareholding in BHR being more than 20%; and

(v) Her brother, Ahmad Riza bin Basir ("Ahmad Riza"), his wife, Zailini binti Zainal Abidin and their children's indirect shareholdings in KFIMA. Subur Rahmat Sdn. Bhd.'s ("SRSB") direct shareholding in KFIMA. Ahmad Riza and his wife are deemed interested in SRSB pursuant to Section 8 of the Companies Act, 2016.

(6) Deemed interested by virtue of Datin Rozilawati binti Haji Basir and Rozana Zeti binti Basir's direct shareholdings in BHR. Datin Rozilawati binti Haji Basir and Rozana Zeti binti Basir are sisters of Dr. Roshayati binti Basir.

(7) Her mother, Puan Sri Datin Hamidah binti Abdul Rahman's shareholding in KFIMA and her shareholding of preference shares in BHR.

(8) Dr. Roshayati binti Basir is deemed interested in Nationwide Holding Berhad ("NEHB") by virtue of the following:

(i) Her shareholdings in BHR of more than 20%. BHR is a corporate shareholder of NEHB;

(ii) Her mother, Puan Sri Datin Hamidah binti Abdul Rahman and her sister, Rozana Zeti binti Basir's direct shareholdings in NEHB. Rozana Zeti binti Basir is the major shareholder of NEHB; and

(iii) Her sister, Datin Rozilawati binti Haji Basir's indirect shareholdings in NEHB which is held under M&A Nominees (Tempatan) Sdn. Bhd..

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

Treasury shares

During the financial year, the Company bought back 712,100 of its issued ordinary shares.

As at 31 March 2022, the Company held as treasury shares a total of 7,943,900 of its 245,324,330 issued ordinary shares. Such treasury shares are held at a carrying amount of approximately RM10,858,000. Further details are disclosed in Note 28 to the financial statements.

Immediate and ultimate holding companies

The immediate and ultimate holding companies are Fima Metal Box Holdings Sdn. Bhd. and Kumpulan Fima Berhad respectively, both of which were incorporated in Malaysia. The ultimate holding company is listed on the Main Market of Bursa Malaysia Securities Berhad.

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 provision for doubtful debts and satisfied themselves that there were no known bad debts and that adequate provision 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) it is necessary to write off any bad debts or the amount of the provision for doubtful debts 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 would 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 which would render any amount stated in the financial statements of the Group and of the Company misleading.

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

  (i) any charge on the assets of the Group and 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 in respect of the Group or of the Company which has arisen since the end of the financial year.

(f) In the opinion of the directors:

  (i) no contingent liability 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 and of the Company to meet their 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 and of the Company for the financial year in which this report is made.

Significant event

Details of the significant event are disclosed in Note 43 to the financial statements.

Auditors

The auditors, Ernst & Young PLT, have expressed their willingness to continue in office.

The auditors' remuneration in respect of the statutory audit of the Group and of the Company are as follows:

	Group RM'000	Company RM'000
Ernst & Young PLT	246	87
Other member firm of Ernst & Young Global	115	-
	361	87

Signed on behalf of the Board in accordance with a resolution of the directors dated 27 June 2022.

Datuk Bazlan bin Osman

Dato' Roslan bin Hamir

STATEMENT BY DIRECTORS

Persuant to Section 251(2) of the Companies Act, 2016

We, Datuk Bazlan bin Osman and Dato' Roslan bin Hamir, being two of the directors of Fima Corporation Berhad, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 119 to 188 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 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 2022 and of their financial performance and cash flows for the year then ended.

Signed on behalf of the Board in accordance with a resolution of the directors dated 27 June 2022.

Datuk Bazlan bin Osman

Dato' Roslan bin Hamir

STATUTORY DECLARATION

Pursuant to Section 251(1)(B) of the Companies Act, 2016

I, Muhammad Fadzlilah bin Abdul Ra'far, being the officer primarily responsible for the financial management of Fima Corporation Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 119 to 188 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 Muhammad Fadzlilah bin Abdul Ra'far
at Kuala Lumpur in the Federal
Territory on 27 June 2022.

Muhammad Fadzlilah bin Abdul Ra'far
CA 39941

Before me,

REPORT ON THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of the Fima Corporation Berhad, which comprise the statements of financial position as at 31 March 2022 of the Group and of the Company, and 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 notes to the financial statements, including a summary of significant accounting policies, as set out on pages 119 to 188.

In our opinion, the accompanying financial statements of the Group and of the Company give a true and fair view of the financial position of the Group and of the Company as at 31 March 2022 and of their financial performance and their cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards ("IFRS") and the requirements of the Companies Act, 2016 in Malaysia.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence and other ethical responsibilities

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. We have determined that there are no key audit matters to communicate in our report on the financial statements of the Company. The key audit matter for the financial statements of the Group is described below. This matter was addressed in the context of our audit of the financial statements of the Group as a whole and in forming our opinion thereon, and we do not provide a separate opinion on this matter. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditors' responsibilities for the audit of the financial statements* section of our report, including in relation to this matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis of our audit opinion on the accompanying financial statements.

Revenue recognition
(Refer to Note 3 to the financial statements)

During the financial year, the Group recognised total revenue of RM300.6 million consisting of mainly revenue from production of security documents and sales of oil palm products which amounted to approximately RM104.1 million and RM189.4 million, respectively.

We identified revenue recognition to be an area of audit focus as we consider the magnitude and high volume of transactions to be a possible cause of a higher risk of material misstatements in respect of the timing and amount of revenue recognised. Specifically, we focused our audit efforts to determine the possibility of overstatement of revenue.

Revenue recognition (cont'd.)
(Refer to Note 3 to the financial statements)

Our audit procedures include, amongst others, the following:

(a) We obtained an understanding of the Group's internal controls over the timing and amount of revenue recognised;

(b) We tested the relevant internal controls in place to address the timing and amount of revenue recognised;

(c) We inspected the terms of sales contracts on a sampling basis to determine the point of transfer of control to customers in order to assess the appropriateness of the timing of revenue recognised;

(d) For production of security documents revenue and certain sale of oil palm and local fruits products, we used data analytics to perform correlation analysis between revenue, trade receivables and cash and bank balances. For other sale of oil palm and local fruits products, we inspected documents evidencing the delivery of goods to customers on a sampling basis; and

(e) We also focused on testing the recording of sales transactions close to the year end, including credit notes issued after year end, to establish whether the transactions were recorded in the correct accounting period.

Information other than the financial statements and auditors' report thereon

The directors of the Company are responsible for the other information. The other information comprises the directors' report and the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon. The annual report is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of the auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors of the Company and take appropriate action.

Responsibilities of the directors for the financial statements

The directors of the Company are responsible for the preparation of financial statements of the Group and of the Company so as to give a true and fair view in accordance with MFRS, IFRS and the requirements of the Companies Act, 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors, either intend to liquidate the Group or the Company or cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards in Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding on internal control relevant to the audit 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 Group's and of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine a matter that is of most significance in the audit of the financial statements of the Group for the current financial year and is therefore a key audit matter. We describe this matter in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In accordance with the requirements of the Companies Act, 2016 in Malaysia, we report that the subsidiary of which we have not acted as auditors, is disclosed in Note 17 to the financial statements.

Other matters

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act, 2016 in Malaysia and for no other purposes. We do not assume responsibility to any other person for the content of this report.

Ernst & Young PLT
202006000003 (LLP0022760-LCA) & AF 0039
Chartered Accountants

Wan Daneena Liza binti Wan
Abdul Rahman
No. 02978/03/2024 J
Chartered Accountant

Kuala Lumpur, Malaysia
27 June 2022

	Note	Group 2022 RM'000	Group 2021 RM'000 Restated	Company 2022 RM'000	Company 2021 RM'000
Revenue	3	**300,591**	232,174	**90,777**	90,481
Cost of sales/services	4	**(149,712)**	(131,100)	**(5,791)**	(3,288)
Gross profit		**150,879**	101,074	**84,986**	87,193
Other income	5	**6,731**	9,813	**690**	1,394
Other items of expense					
Administrative expenses		**(26,395)**	(30,856)	**(3,996)**	(3,783)
Selling and marketing expenses		**(16,511)**	(26,335)	**(119)**	-
Other operating expenses		**(21,185)**	(19,101)	**(1,935)**	(67)
Net (charge)/writeback of expected credit losses ("ECLs")	6	**(212)**	394	**(32)**	(2,418)
		(64,303)	(75,898)	**(6,082)**	(6,268)
Profit from operations		**93,307**	34,989	**79,594**	82,319
Finance costs	7	**(518)**	(645)	**(49)**	-
Share of results from associate		**2,278**	4,126	**-**	-
Profit before tax and zakat	8	**95,067**	38,470	**79,545**	82,319
Income tax expense	11	**(19,528)**	(7,335)	**(616)**	(295)
Zakat paid		**(108)**	-	**(23)**	-
Profit for the year		**75,431**	31,135	**78,906**	82,024
Other comprehensive income, net of tax					
Item that will be subsequently reclassified to profit or loss					
Foreign currency translation gain		**1,767**	6,802	**-**	-
Item that will not be subsequently reclassified to profit or loss					
Remeasurement of defined benefit liability		**51**	179	**-**	-
Total comprehensive income for the year		**77,249**	38,116	**78,906**	82,024
Profit attributable to:					
Equity holders of the Company		**60,561**	27,133	**78,906**	82,024
Non-controlling interests		**14,870**	4,002	**-**	-
Profit for the year		**75,431**	31,135	**78,906**	82,024
Total comprehensive income attributable to:					
Equity holders of the Company		**62,015**	32,718	**78,906**	82,024
Non-controlling interests		**15,234**	5,398	**-**	-
Total comprehensive income for the year		**77,249**	38,116	**78,906**	82,024
Earnings per share attributable to equity holders of the Company (sen per share)					
Basic/diluted earnings per share	13	**25.48**	11.37		

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

STATEMENTS OF FINANCIAL POSITION

as at 31 March 2022

	Note	Group 2022 RM'000	Group 2021 RM'000	Company 2022 RM'000	Company 2021 RM'000
Assets					
Non-current assets					
Property, plant and equipment	14	**91,568**	87,083	**4,524**	2,325
Right-of-use assets	15	**214,016**	97,591	**117,525**	-
Investment properties	16	**55,091**	56,149	**44,789**	45,951
Investments in subsidiaries	17	**-**	-	**151,849**	148,049
Investment in associate	18	**36,092**	37,363	**10,000**	10,000
Goodwill on consolidation	19	**510**	510	**-**	-
Deferred tax assets	33	**9,931**	6,612	**134**	-
		407,208	285,308	**328,821**	206,325
Current assets					
Inventories	20	**47,174**	29,094	**27**	-
Biological assets	21	**4,143**	1,844	**155**	-
Trade receivables	22	**41,806**	56,967	**564**	207
Other receivables	23	**9,282**	56,961	**970**	39,735
Due from related companies	24	**813**	2,382	**145**	3,041
Financial investments	25	**153,324**	144,563	**44,638**	20,208
Cash and bank balances	26	**66,102**	51,009	**779**	1,185
Tax recoverable		**1,711**	7,483	**-**	-
		324,355	350,303	**47,278**	64,376
Total assets		**731,563**	635,611	**376,099**	270,701
Equity and liabilities					
Equity attributable to equity holders of the Company					
Share capital	27	**122,662**	122,662	**122,662**	122,662
Treasury shares	28	**(10,858)**	(9,495)	**(10,858)**	(9,495)
Other reserves	29	**(2,919)**	(4,332)	**539**	539
Retained earnings	30	**470,344**	439,445	**197,879**	148,676
		579,229	548,280	**310,222**	262,382
Non-controlling interests		**21,997**	22,221	**-**	-
Total equity		**601,226**	570,501	**310,222**	262,382

	Note	Group 2022 RM'000	Group 2021 RM'000	Company 2022 RM'000	Company 2021 RM'000
Non-current liabilities					
Lease liabilities	31	**76,043**	15,049	**60,570**	-
Retirement benefit obligation	32	**1,801**	1,657	**-**	-
Deferred tax liabilities	33	**4,781**	4,538	**-**	102
		82,625	21,244	**60,570**	102
Current liabilities					
Lease liabilities	31	**5,963**	3,699	**2,436**	-
Trade and other payables	34	**25,076**	36,636	**1,856**	1,832
Provision for warranty	35	**1,023**	3,115	**-**	-
Due to related companies	24	**164**	361	**344**	6,339
Tax payable		**15,486**	55	**671**	46
		47,712	43,866	**5,307**	8,217
Total liabilities		**130,337**	65,110	**65,877**	8,319
Total equity and liabilities		**731,563**	635,611	**376,099**	270,701
Net assets per share (RM)		**2.44**	2.30	**1.30**	1.10

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

STATEMENTS OF CHANGES IN EQUITY

for the Financial Year Ended 31 March 2022

			Attributable to equity holders of the Company							
				Non-distributable		Distributable	Non-distributable			
Group	Note	Total equity RM'000	Equity attributable to the equity holders of the Company total RM'000	Share capital RM'000	Treasury shares RM'000	Retained earnings RM'000	Other reserves, total (Note 29) RM'000	Foreign currency translation deficit RM'000	Equity contribution from parent RM'000	Non-controlling interests RM'000
2022										
At 1 April 2021		570,501	548,280	122,662	(9,495)	439,445	(4,332)	(8,582)	4,250	22,221
Profit for the year		75,431	60,561	-	-	60,561	-	-	-	14,870
Remeasurement of defined benefit liability		51	41	-	-	41	-	-	-	10
Foreign currency translation gain		1,767	1,413	-	-	-	1,413	1,413	-	354
Total comprehensive income for the year		77,249	62,015	-	-	60,602	1,413	1,413	-	15,234
Transactions with equity holders										
Purchase of treasury shares	28	(1,363)	(1,363)	-	(1,363)	-	-	-	-	-
Dividends	12	(45,161)	(29,703)	-	-	(29,703)	-	-	-	(15,458)
Total transactions with equity holders		(46,524)	(31,066)	-	(1,363)	(29,703)	-	-	-	(15,458)
At 31 March 2022		601,226	579,229	122,662	(10,858)	470,344	(2,919)	(7,169)	4,250	21,997

			Attributable to equity holders of the Company							
				Non-distributable		Distributable	Non-distributable			
Group (cont'd.)	Note	Total equity RM'000	Equity attributable to the equity holders of the Company total RM'000	Share capital RM'000	Treasury shares RM'000	Retained earnings RM'000	Other reserves, total (Note 29) RM'000	Foreign currency translation deficit RM'000	Equity contribution from parent RM'000	Non-controlling interests RM'000
2021										
At 1 April 2020		565,990	547,243	122,662	(7,631)	441,986	(9,774)	(14,024)	4,250	18,747
Profit for the year		31,135	27,133	-	-	27,133	-	-	-	4,002
Remeasurement of defined benefit liability		179	143	-	-	143	-	-	-	36
Foreign currency translation gain		6,802	5,442	-	-	-	5,442	5,442	-	1,360
Total comprehensive income for the year		38,116	32,718	-	-	27,276	5,442	5,442	-	5,398
Transactions with equity holders										
Purchase of treasury shares	28	(1,864)	(1,864)	-	(1,864)	-	-	-	-	-
Dividends	12	(31,741)	(29,817)	-	-	(29,817)	-	-	-	(1,924)
Total transactions with equity holders		(33,605)	(31,681)	-	(1,864)	(29,817)	-	-	-	(1,924)
At 31 March 2021		570,501	548,280	122,662	(9,495)	439,445	(4,332)	(8,582)	4,250	22,221

			← Non-distributable	→	Distributable	Non-distributable
Company	**Note**	**Total equity RM'000**	**Share capital RM'000**	**Treasury shares RM'000**	**Retained earnings RM'000**	**Equity contribution from parent representing other reserves (Note 29) RM'000**
2022						
At 1 April 2021		**262,382**	**122,662**	**(9,495)**	**148,676**	**539**
Total comprehensive income for the year		**78,906**	**-**	**-**	**78,906**	**-**
Transactions with equity holders						
Purchase of treasury shares	28	**(1,363)**	**-**	**(1,363)**	**-**	**-**
Dividends	12	**(29,703)**	**-**	**-**	**(29,703)**	**-**
Total transactions with equity holders		**(31,066)**	**-**	**(1,363)**	**(29,703)**	**-**
At 31 March 2022		**310,222**	**122,662**	**(10,858)**	**197,879**	**539**
2021						
At 1 April 2020		212,039	122,662	(7,631)	96,469	539
Total comprehensive income for the year		82,024	-	-	82,024	-
Transactions with equity holders						
Purchase of treasury shares	28	(1,864)	-	(1,864)	-	-
Dividends	12	(29,817)	-	-	(29,817)	-
Total transactions with equity holders		(31,681)	-	(1,864)	(29,817)	-
At 31 March 2021		262,382	122,662	(9,495)	148,676	539

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

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Cash flows from operating activities				
Profit before tax and zakat	**95,067**	38,470	**79,545**	82,319
Adjustments for:				
Depreciation of:				
- property, plant and equipment	**8,265**	6,599	**645**	152
- right-of-use assets	**7,430**	5,520	**1,813**	-
- investment properties	**1,508**	1,507	**1,162**	1,164
Expected credit losses ("ECLs") on:				
- trade receivables	**606**	115	**32**	56
- other receivables	**432**	-	**-**	-
- due from related companies	**-**	-	**-**	2,362
Write back of ECLs on:				
- trade receivables	**(93)**	(58)	**-**	-
- other receivables	**(733)**	(451)	**-**	-
Changes in fair value of biological assets	**(2,249)**	1,781	**(155)**	-
Provision/(reversal of provision) for retirement benefit obligation	**301**	(180)	**-**	-
Inventories written down/(back)	**77**	(1,760)	**-**	-
Gain on disposal of property, plant and equipment	**-**	(21)	**-**	-
Net reversal of provision for warranty	**(2,092)**	(4,963)	**-**	-
Share of results of associate	**(2,278)**	(4,126)	**-**	-
Dividend income	**-**	-	**(84,399)**	(86,325)
Income from rent concession	**(392)**	(588)	**-**	-
Interest expense on lease liabilities	**518**	645	**49**	-
Interest income on fixed deposits	**(124)**	(47)	**(66)**	(42)
Profit income on Islamic fixed deposits	**(1,599)**	(1,295)	**-**	-
Distribution from financial investments	**(1,720)**	(2,924)	**(281)**	(178)
Unrealised foreign exchange gain	**(4)**	(220)	**-**	-
Operating profit/(loss) before working	**102,920**	38,004	**(1,655)**	(492)
Decrease/(increase) in trade and and other receivables	**24,134**	50,851	**(817)**	138
(Increase)/decrease in inventories	**(17,899)**	15,309	**(27)**	-
(Decrease)/increase in trade and other payables	**(11,817)**	6,449	**24**	116
Decrease/(increase) in related company balances	**1,372**	(1,042)	**777**	(87)
Cash generated from/(used in) operations	**98,710**	109,571	**(1,698)**	(325)
Taxes paid, net of tax refund	**(1,328)**	(9,195)	**(227)**	(402)
Zakat paid	**(108)**	-	**(23)**	-
Retirement benefits paid	**(102)**	(183)	**-**	-
Net cash generated from/(used in) operating activities	**97,172**	100,193	**(1,948)**	(727)

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Cash flows from investing activities				
Purchase of property, plant and equipment	**(12,410)**	(10,729)	**(2,844)**	(118)
Purchase of investment properties	**(450)**	-	**-**	-
Proceeds from disposal of property, plant and equipment	**-**	23	**-**	-
Payment/deposit paid for acquisition of leasehold land	**(15,430)**	(38,163)	**(15,430)**	(38,163)
Distribution received from financial investments	**1,720**	2,924	**281**	178
Interest income received	**124**	47	**66**	42
Profit income received	**1,599**	1,295	**-**	-
Net purchase of financial investments	**(8,761)**	(17,533)	**(24,430)**	(9,628)
Net dividends received	**-**	-	**84,399**	86,325
Net dividends received from an associated company	**3,549**	-	**-**	-
Subscription of unquoted shares from a subsidiary	**-**	-	**-**	(450)
Subscription of redeemable preference shares	**-**	-	**(7,800)**	(19,000)
Redemption of redeemable preference shares	**-**	-	**4,000**	-
(Advances to)/repayment of advances by subsidiary	**-**	-	**(3,876)**	13,780
Net cash (used in)/generated from investing activities	**(30,059)**	(62,136)	**34,366**	32,966
Cash flows from financing activities				
Dividends paid to equity holders	**(29,703)**	(29,817)	**(29,703)**	(29,817)
Dividends paid by a subsidiary to non-controlling interests	**(15,458)**	(1,924)	**-**	-
Acquisition of treasury shares	**(1,363)**	(1,864)	**(1,363)**	(1,864)
Repayment of lease liabilities	**(6,096)**	(2,940)	**(1,758)**	-
Net cash used in financing activities	**(52,620)**	(36,545)	**(32,824)**	(31,681)
Net increase/(decrease) in cash and cash equivalents	**14,493**	1,512	**(406)**	558
Effect of exchange rate changes in cash and cash equivalents	**600**	1,946	**-**	-
Cash and cash equivalents at beginning of year	**51,009**	47,551	**1,185**	627
Cash and cash equivalents at end of year (Note 26)	**66,102**	51,009	**779**	1,185

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 property management, oil palm plantation and investment holding. The principal activities of the subsidiaries and associate are described in Notes 17 and 18, 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 immediate and ultimate holding companies are Fima Metal Box Holdings Sdn. Bhd. and Kumpulan Fima Berhad, respectively, both of which were incorporated in Malaysia. The ultimate holding company is listed on the Main Market of Bursa Malaysia Securities Berhad.

2. Significant accounting policies

2.1 Basis of preparation

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards ("IFRSs") and the requirements of the Companies Act, 2016 in Malaysia.

The financial statements of the Group and of the Company have been prepared on a historical cost basis except as disclosed in the accounting policies below.

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

2.2 Changes in accounting policies arising from adoption of new MFRSs, amendments to MFRSs and IC Interpretations

(a) Changes in accounting policies

On 1 April 2021, the Group and the Company adopted the following new amendments to MFRSs mandatory for annual financial periods beginning on or after 1 January 2021.

Description	Effective for financial periods beginning on or after
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

The adoption of the above amendments to standards are not expected to have material impact on the financial statements in the period of initial application.

2. Significant accounting policies (cont'd.)

2.3 Standards issued but not yet effective

The standards and interpretations that are issued but not yet effective up to the date of issuance of the Group's and the Company's financial statements are disclosed below. The Group and the Company intend to adopt these standards, if applicable, when they become effective.

Description	Effective for annual periods beginning on or after
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 17: Initial Application of MFRS 17 and MFRS 9 - Comparative Information	1 January 2023
Amendments to 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 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	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 will have no material impact on the financial statements in the period of initial application.

2.4 Summary of significant accounting policies

(a) Basis of consolidation

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

The Company controls an investee if and only if the Company has the following:

(i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);

(ii) Exposure, or rights, to variable returns from its investment with the investee; and

(iii) The ability to use its power over the investee to affects its returns.

Subsidiary companies are consolidated when the Company obtains control over the subsidiary company and ceases when the Company loses control of the subsidiary company. All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated in full.

Profit or loss and each component of other comprehensive income are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

2. Significant accounting policies (cont'd.)

2.4 Summary of significant accounting policies (cont'd.)

(a) Basis of consolidation (cont'd.)

Changes in the Group's ownership interests in subsidiary companies that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary company. The resulting difference is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary company, a gain or loss calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets and liabilities of the subsidiary company and any non-controlling interest, is recognised in profit or loss. The subsidiary company's cumulative gain or loss which has been recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss or where applicable, transferred directly to retained earnings. The fair value of any investment retained in the former subsidiary company at the date control is lost is regarded as the cost on initial recognition of the investment.

Business combinations

Acquisitions of subsidiaries are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. The Group elects on a transaction-by-transaction basis whether to measure the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Transaction costs incurred are expensed off and included in administrative expenses.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes in the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in accordance with MFRS 9 Financial Instruments either in profit or loss or as a change to other comprehensive income. If the contingent consideration is classified as equity, it will not be remeasured. Subsequent settlement is accounted for within equity. In instances where the contingent consideration does not fall within the scope of MFRS 9, it is measured in accordance with the appropriate MFRS.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the acquisition date of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than fair value of the net assets of the subsidiary company acquired, the difference is recognised in profit or loss. The accounting policy for goodwill is set out in Note 2.4(h).

(b) Subsidiaries

In the Company's separate financial statements, investments in subsidiary companies are accounted for at cost less impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

2. Significant accounting policies (cont'd.)

2.4 Summary of significant accounting policies (cont'd.)

(c) Transactions with non-controlling interests

Non-controlling interests at the reporting date, being the portion of the net assets of subsidiary companies attributable to equity interests that are not owned by the Company, whether directly or indirectly through subsidiary companies, are presented in the consolidated statement of financial position and statement of changes in equity within equity, separately from equity attributable to the equity shareholders of the Company. Non-controlling interests in the results of the Group are presented in the consolidated statement of profit or loss and other comprehensive income as an allocation of the profit or loss and the comprehensive income for the year between the non-controlling interests and the equity shareholders of the Company.

Losses applicable to the non-controlling interest in subsidiary companies are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

The Group treats all changes in its ownership interest in subsidiary companies that do not result in a loss of control as equity transactions between the Group and its non-controlling interest holders. Any difference between the Group's share of net assets before and after the change, and any consideration received or paid, is adjusted to or against Group reserves.

(d) Investment in associate companies

An associate is an entity, not being a subsidiary or a joint venture, in which the Group has significant influence. An 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.

The Group's investment in associate is accounted for using the equity method. Under the equity method, the investment in the associate is measured in the statement of financial position at cost plus post-acquisition changes in the Group's share of net assets of the associate. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment individually. 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 for 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, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in its associates. The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in profit or loss.

The financial statements of the associate are prepared as of the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

In the Company's separate financial statements, investments in associate 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 profit or loss.

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.

2. Significant accounting policies (cont'd.)

2.4 Summary of significant accounting policies (cont'd.)

(e) Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset, if and only if, it is probable that future economic benefits associated with the item will flow to the Group and to the Company and the cost of the item can be measured reliably.

Bearer plants are living plants used in the production or supply of agricultural produce; are expected to bear produce for more than one period; and have a remote likelihood of being sold as agricultural produce, except for incidental scrap sales.

Bearer plants mainly include mature and immature oil palm plantations. Immature plantations includes costs incurred for field preparation, planting, fertilising and maintenance, capitalisation of borrowing costs incurred on loans used to finance the developments of immature plantations and an allocation of other indirect costs based on planted hectares. Depreciation for bearer plants commence when the oil palms reach maturity.

Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced in intervals, the Group and the Company recognise such parts as individual assets with specific useful life and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria is satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Freehold land has an unlimited useful life and therefore is not depreciated.

Other property, plant and equipment is depreciated 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% to 10%
Plant and machinery	10% to 50%
Factory and office renovations	2% to 20%
Equipment, furniture and fittings and motor vehicles	10% to 33.3%
Bearer plants and infrastructure	25 years

Assets under construction or capital work-in-progress included in property, plant and equipment are not depreciated as these assets are not yet available for use. Immature plantations, which in general will mature 36 months after field planting are not depreciated until maturity.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in the profit or loss in the year the asset is derecognised.

2. Significant accounting policies (cont'd.)

2.4 Summary of significant accounting policies (cont'd.)

(f) Biological assets

Biological assets comprise produce growing on bearer plants. Biological assets are classified as current assets for bearer plants that are expected to be harvested and sold or used for production on a date not more than 15 days after the reporting date.

Biological assets are measured at fair value less costs to sell. Any gains or losses arising from changes in the fair value less costs to sell are recognised in profit or loss. Fair value is determined based on the present value of expected net cash flows from the biological assets. The expected net cash flows are estimated using the expected output (FFB harvest) and market price at reporting date of crude palm oil and palm kernel adjusted for extraction rates less processing, harvesting and transportation costs.

(g) Investment properties

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Such property is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment property except for freehold land is 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:

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

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.

An investment property is derecognised when either it has 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.

(h) 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.

2. Significant accounting policies (cont'd.)

2.4 Summary of significant accounting policies (cont'd.)

(i) Impairment of non-financial assets

The Group and the Company assess 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 and the Company make 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")).

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.

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.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

(j) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost or fair value through profit or loss ("FVTPL"), or fair value through other comprehensive income ("FVTOCI").

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group and the Company have applied the practical expedient, the Group and the Company initially measure a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group and the Company have applied the practical expedient are measured at the transaction price determined under MFRS 15 *Revenue from Contracts with Customers*.

In order for a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are 'solely payments of principal and interest ("SPPI")' on the principal amount outstanding. The assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's and the Company's business model for managing financial assets refer to how they manage their financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

2. Significant accounting policies (cont'd.)

2.4 Summary of significant accounting policies (cont'd.)

(i) Financial assets (cont'd.)

Initial recognition and measurement (cont'd.)

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group and the Company commit to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets of the Group and of the Company are classified as either:

- Financial assets at amortised cost (debt instruments) ("AC");
- Financial assets at FVTPL;
- Financial assets at FVTOCI with recycling of cumulative gains and losses (debt instruments); or
- Financial assets designated at FVTOCI with no recycling of cumulative gains and losses upon derecognition (equity instruments).

Financial assets at amortised cost (debt instruments)

This category is the most relevant to the Group and the Company. The Group and the Company measure financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's and the Company's financial assets at amortised cost include trade and other receivables, amount due from related companies and cash and bank balances.

Financial assets at FVTPL

Financial assets at FVTPL include financial assets held for trading, financial assets designated upon initial recognition at FVTPL, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at FVTPL, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at FVTOCI, as described above, debt instruments may be designated at FVTPL on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at FVTPL are carried in the statements of financial position at fair value with net changes in fair value recognised in the statements of profit or loss.

As at 31 March 2022, the Group or the Company measure their financial investments, which comprise of money market unit trust funds, at FVTPL.

2. Significant accounting policies (cont'd.)

2.4 Summary of significant accounting policies (cont'd.)

(i) Financial assets (cont'd.)

Subsequent measurement (cont'd.)

Financial assets at FVTOCI (debt instruments)

For debt instruments at FVTOCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statements of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

The Group and the Company have not designated any financial assets as at FVTOCI (debt instruments).

Financial assets at FVTOCI (equity instruments)

Upon initial recognition, the Group and the Company can elect to classify irrevocably its equity instruments as equity instruments designated at FVTOCI when they meet the definition of equity under MFRS 132 *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statements of profit or loss when the right of payment has been established, except when the Group and the Company benefit from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at FVTOCI are not subject to impairment assessment.

The Group and the Company have not designated any financial assets as at FVTOCI (equity instruments).

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's and the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or

- The Group and the Company have transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group and the Company have transferred substantially all the risks and rewards of the asset, or (b) the Group and the Company have neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group and the Company have transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, they evaluate if, and to what extent, they have retained the risks and rewards of ownership. When they have neither nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group and the Company continue to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group and the Company also recognise an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group and the Company have retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group and the Company could be required to repay.

2. Significant accounting policies (cont'd.)

2.4 Summary of significant accounting policies (cont'd.)

(k) Impairment of financial assets

The Group and the Company recognise an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVTPL. ECLs are based on difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group and the Company expect to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For trade receivables, contract assets and other financial assets at amortised cost, the Group and the Company apply a simplified approach in calculating ECLs. Therefore, the Group and Company do not track changes in credit risk, but instead recognise a loss allowance based on lifetime ECLs at each reporting date. The Group and the Company have established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group and the Company consider a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group and the Company may also consider a financial asset to be in default when internal or external information indicates that the Group and the Company are unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group and the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

(l) Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost of direct materials such as printing materials, consumables, oil palm products and fertilizer based on a weighted average basis and first-in-first-out ("FIFO") basis.

Cost of finished goods and work-in-progress includes direct materials, direct labour, other direct costs and appropriate production overheads.

Net realisable value represents the estimated selling price in the ordinary course of business less all estimated costs to completion and the estimated costs necessary to make the sale.

(m) Cash and cash equivalents

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term highly liquid deposits with a maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

(n) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL or other financial liabilities, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade payables, other payables, amount due to related companies and lease liabilities.

As at 31 March 2022, the Group and the Company have not designated any financial liabilities at FVTPL.

2. Significant accounting policies (cont'd.)

2.4 Summary of significant accounting policies (cont'd.)

(n) Financial liabilities (cont'd.)

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

(i) Other financial liabilities

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

Derecognition

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.

(o) Provision for liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations and the amount of the obligation can be estimated reliably.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(i) Warranty claim

The Group has contracts with government agencies and third parties for the supply of security and confidential documents. Under these contracts, the Group provides warranty for defective products claimable within 3 to 5 years from the point of sale.

(p) Share capital

An equity instrument is any contract that evidences a residual interest in the assets of the Group and the Company after deducting all of its liabilities. Ordinary shares are equity instruments.

Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

2. Significant accounting policies (cont'd.)

2.4 Summary of significant accounting policies (cont'd.)

(q) Revenue recognition

Revenue from contracts with customers

The Group is in the business of production of security and confidential documents and oil palm production. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

(i) Sale of security and confidential documents

Revenue is recognised at point of time, net of sales taxes and upon transfer of control to the buyer. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

(ii) Net sale of oil palm products

Revenue is recognised at the point in time when control of the goods is transferred to the customer.

(iii) Property management services

Revenue are recognised as and when service are rendered.

(iv) Engineering consultancy services

Revenue are recognised at the point in time when the performance obligations in a contract with customer is satisfied i.e. when the control of the goods or services underlying the performance obligation is transferred to the customer.

(v) Receipts in advance

Receipts in advance are deferred and classified under current liabilities in the statement of financial position.

Other revenue

(i) Rental income

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

(ii) Dividend income and distribution from financial investments

Dividend income and distribution from financial investments are recognised when the right to receive payment is established.

(iii) Management fees

Management fees are recognised as and when services are rendered.

(iv) Interest and profit income

Interest and profit income are recognised using the effective interest/profit method.

2. Significant accounting policies (cont'd.)

2.4 Summary of significant accounting policies (cont'd.)

(r) Segment reporting

For management purposes, the Group is organised into operating segments based on their products and services/business activities. An operating segment's operating results are reviewed regularly by the chief operating decision maker, who will make decisions to allocate resources to the segments and assess the segment performance.

(s) 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 RM, which is also the Company's functional currency.

(ii) Foreign currency transactions

Transactions in foreign currencies other than the Company's functional currency (foreign currencies) are recorded in the functional currencies at exchange rates approximating those ruling at the transaction dates. At each reporting date, monetary items denominated in foreign currencies are translated at the rates prevailing on the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated 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 translated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are included in profit or loss for the period except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operation. These are initially taken directly to the foreign currency translation reserve within equity until the disposal of the foreign operations, at which time they are recognised in profit or loss. Exchange differences arising on monetary items that form part of the Company's net investment in foreign operation are recognised in profit or loss in the Company's separate financial statements or the individual financial statements of the foreign operation, as appropriate.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation 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;

- 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.

2. Significant accounting policies (cont'd.)

2.4 Summary of significant accounting policies (cont'd.)

(t) 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. 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 state 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 foreign subsidiary in Indonesia, operates an unfunded, defined benefit Retirement Benefit Scheme ("the Scheme") for its eligible employees. The foreign subsidiary's obligation under the Scheme, calculated using the Projected Unit Credit Method, is determined based on actuarial assumptions by independent actuaries, through which the amount of benefit that employees have earned in return for their services in the current and prior years is estimated. That benefit is discounted in order to determine its present value. Actuarial gains and losses are recognised immediately through other comprehensive income in order for the net pension assets or liability recognised in the statement of financial position to reflect the full value of the plan deficit or surplus. Past service costs are recognised immediately to the extent that the benefits are already vested, and otherwise are amortised on a straight-line basis over the average period until the amended benefits become vested.

The amount recognised in the statement of financial position represents the present value of the defined benefit obligations adjusted for unrecognised past service costs, and reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to the net total of any past service costs, and the present value of any economic benefits in the form of refunds or reductions in future contributions to the plan.

The latest actuarial valuation was carried out using the employee data as at 31 March 2022 by Kantor Konsultan Aktuaria Yusi dan Rekan, an independent actuary, who issued a valuation report on 28 April 2022.

(u) Leases

(i) As lessee

The Group and the Company apply a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group and the Company recognise lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

2. Significant accounting policies (cont'd.)

2.4 Summary of significant accounting policies (cont'd.)

(u) Leases (cont'd.)

(i) As lessee (cont'd.)

Right-of-use assets

The Group and the Company recognise a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of the right-of-use assets are determined on the same basis as those of plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurement of the lease liability.

Lease liabilities

At the commencement date of the lease, the Group and the Company recognise lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and the Company and payments of penalties for terminating the lease, if the lease term reflects the Group and the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group and the Company use its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(ii) As lessor

Leases in which the Group and the Company do not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

2. Significant accounting policies (cont'd.)

2.4 Summary of significant accounting policies (cont'd.)

(v) Income taxes

(i) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

(ii) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of taxable temporary differences associated with investments in subsidiary companies, associated companies and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of deductible temporary differences associated with investments in subsidiary companies, associated companies and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be utilised.

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2. Significant accounting policies (cont'd.)

2.4 Summary of significant accounting policies (cont'd.)

(w) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Group and the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group and the Company use valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2 - Valuation technique for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation technique that use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group and the Company determine whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.5 Significant accounting estimates and judgements

Estimates, assumptions concerning the future and judgements are made in the preparation of the financial statements. They affect the application of the Group's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an on-going basis and are based on experience and other relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. The significant 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) ECLs on trade and other receivables

For financial assets, the Group and the Company apply a simplified approach in calculating allowance for ECLs in respect of trade and other receivables. The Group and the Company consider amongst others, its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The carrying amount of the Group's and the Company's trade and other receivables as at 31 March 2022 are disclosed in Note 22 and Note 23, respectively.

2. Significant accounting policies (cont'd.)

2.5 Significant accounting estimates and judgements (cont'd.)

(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 and the Company's deferred tax assets as at 31 March 2022 are disclosed in Note 33.

(iii) Provision for warranty

Provision for warranty is based on volumes of products sold still under warranty and on historical rate of return, as well as estimates and assumptions regarding the future rate of return for new products.

The Group's provision for warranty as at 31 March 2022 is disclosed in Note 35.

3. Revenue

	Group		Company	
	2022 RM'000	2021 RM'000 Restated	2022 RM'000	2021 RM'000
Revenue from contracts with customers	**296,121**	227,302	**2,729**	384
Rental income	**4,470**	4,872	**3,649**	3,772
Dividend income from subsidiaries	**-**	-	**80,850**	86,325
Dividend income from associate	**-**	-	**3,549**	-
	300,591	232,174	**90,777**	90,481

(a) Disaggregation of revenue from contracts with customers:

	Group		Company	
	2022 RM'000	2021 RM'000 Restated	2022 RM'000	2021 RM'000
Production and trading of security and confidential documents	**104,126**	101,934	**-**	-
Net sale of oil palm products	**189,405**	123,273	**2,253**	-
Property management services	**482**	391	**476**	384
Engineering consultancy services	**2,108**	1,704	**-**	-
	296,121	227,302	**2,729**	384
Timing of revenue recognition:				
Transferred at a point in time	**296,121**	227,302	**2,729**	384
Geographical market:				
Malaysia	**126,841**	112,287	**2,729**	384
Indonesia	**169,280**	115,015	**-**	-
	296,121	227,302	**2,729**	384

3. Revenue (cont'd.)

(b) Performance obligations

Production and trading of security and confidential documents

Contracts with customers are mainly for the sales of security and confidential documents. Performance obligation is satisfied upon delivery of the documents to the customers.

Net sale of oil palm products

Contracts with customers are mainly for sales of fresh fruit bunches ("FFB"), crude palm oil and crude palm kernel oil. Performance obligation is satisfied upon delivery of the oil palm products to the customers.

Property management and engineering consultancy services

Performance obligation is satisfied upon completion and services rendered to the customers.

4. Cost of sales/services

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Manufacturing	**79,322**	73,821	**-**	-
Sale of oil palm products	**65,066**	51,944	**2,607**	-
Investment property related expenses	**3,500**	3,592	**3,184**	3,288
Engineering consultancy services	**1,824**	1,743	**-**	-
	149,712	131,100	**5,791**	3,288

5. Other income

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Interest income on fixed deposits	**124**	47	**66**	42
Profit income on Islamic fixed deposits	**1,599**	1,295	**-**	-
Distribution from financial investments	**1,720**	2,924	**281**	178
Gain on disposal of property, plant and equipment	**-**	21	**-**	-
Management fees	**548**	547	**343**	1,174
By-product and scrap sales	**290**	1,627	**-**	-
Income from rent concession	**392**	588	**-**	-
Others	**2,058**	2,764	**-**	-
	6,731	9,813	**690**	1,394

6. Net charge/(writeback) of expected credit losses ("ECLs")

	Group		Company	
	2022 RM'000	**2021 RM'000**	**2022 RM'000**	**2021 RM'000**
ECLs on:				
- trade receivables (Note 22)	**606**	115	**32**	56
- other receivables (Note 23)	**432**	-	**-**	-
- due from subsidiary (Note 24)	**-**	-	**-**	2,362
Writeback of ECLs on:				
- trade receivables (Note 22)	**(93)**	(58)	**-**	-
- other receivables (Note 23)	**(733)**	(451)	**-**	-
	212	(394)	**32**	2,418

7. Finance costs

	Group		Company	
	2022 RM'000	**2021 RM'000**	**2022 RM'000**	**2021 RM'000**
Interest expense on lease liabilities	**518**	645	**49**	-

8. Profit before tax and zakat

The following amounts have been debited/(credited) in arriving at profit before tax and zakat:

	Group		Company	
	2022 RM'000	**2021 RM'000**	**2022 RM'000**	**2021 RM'000**
Staff costs (Note 9)	**29,886**	27,695	**1,547**	2,455
Non-executive directors' remuneration (Note 10)	**689**	625	**630**	553
Auditors' remuneration:				
- Statutory audit				
(i) Ernst & Young PLT	**246**	246	**87**	87
(ii)Other member firm of Ernst & Young Global	**115**	113	**-**	-
- Other services				
(i) Ernst & Young PLT	**11**	11	**11**	11
(ii)Ernst & Young Global	**166**	227	**-**	-
Depreciation of:				
- property, plant and equipment (Note 14)	**8,265**	6,599	**645**	152
- right-of-use assets (Note 15)	**7,430**	5,520	**1,813**	-
- investment properties (Note 16)	**1,508**	1,507	**1,162**	1,164
Changes in fair value of biological assets (Note 21)	**(2,249)**	1,781	**(155)**	-
Provision/(reversal of provision) for retirement benefit obligations	**301**	(180)	**-**	-
Inventories written down/(back)	**77**	(1,760)	**-**	-
Net reversal of provision for warranty (Note 35)	**(2,092)**	(4,963)	**-**	-
Unrealised foreign exchange gain	**(4)**	(220)	**-**	-
Realised foreign exchange loss	**877**	5,251	**-**	-

9. Staff costs

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Wages and salaries	**24,303**	22,788	**1,213**	1,989
Social security costs	**234**	242	**10**	20
Pension costs:				
- Defined contribution plan	**3,435**	3,315	**208**	333
- Defined benefit plan (Note 32)	**301**	(180)	**-**	-
Other staff related expenses	**1,613**	1,530	**116**	113
	29,886	27,695	**1,547**	2,455

Included in staff costs of the Group and of the Company is the Managing Director's remuneration amounting to RM1,430,000 (2021: RM1,593,000) and RM658,000 (2021: RM623,000) respectively as further disclosed in Note 10.

10. Directors' remuneration

The Company's directors' remuneration receivable from the Group and from the Company are as follows:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Executive:				
Salaries and other emoluments	**544**	793	**272**	315
Bonus	**579**	513	**232**	205
Pension costs - defined contribution plan	**215**	248	**97**	99
Total excluding benefits-in-kind	**1,338**	1,554	**601**	619
Benefits-in-kind	**92**	39	**57**	4
	1,430	1,593	**658**	623
Non-executive:				
Fees	**372**	386	**321**	320
Other emoluments	**192**	156	**184**	150
Total excluding benefits-in-kind	**564**	542	**505**	470
Benefits-in-kind	**125**	83	**125**	83
	689	625	**630**	553
Total	**2,119**	2,218	**1,288**	1,176
Analysis excluding benefits-in-kind:				
Total executive director's remuneration	**1,338**	1,554	**601**	619
Total non-executive directors' remuneration	**564**	542	**505**	470
Total directors' remuneration	**1,902**	2,096	**1,106**	1,089

The total remuneration of the directors of the subsidiaries of the Group is disclosed in Note 37(b).

11. Income tax expense

Major components of income tax expense

The major components of income tax expense for the years ended are as follows:

	Group		Company	
	2022 RM'000	**2021 RM'000**	**2022 RM'000**	**2021 RM'000**
Current income tax:				
- Malaysian income tax	**20,494**	7,834	**-**	418
- Under/(over) provision in prior years	**2,037**	113	**852**	(27)
	22,531	7,947	**852**	391
Deferred taxation (Note 33):				
- Relating to reversal and origination of temporary differences	**(2,556)**	2,134	**(248)**	1
- Relating to changes in tax rate	**548**	381	**-**	-
- (Over)/under provision in prior years	**(995)**	(3,127)	**12**	(97)
	(3,003)	(612)	**(236)**	(96)
Total income tax expense	**19,528**	7,335	**616**	295

Domestic income tax is calculated at the statutory tax rate of 24% (2021: 24%) of the estimated assessable profit for the year. The corporate rate tax applicable to the Indonesian subsidiary of the Group is 22% (2021: 22%).

Reconciliation between tax expense and accounting profit

A reconciliation of income tax expense applicable to profit before tax and zakat 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		Company	
	2022 RM'000	**2021 RM'000**	**2022 RM'000**	**2021 RM'000**
Profit before tax and zakat	**95,067**	38,470	**79,545**	82,319
Taxation at Malaysian statutory tax rate of 24% (2021: 24%)	**22,816**	9,233	**19,091**	19,757
Effect of tax rates in foreign jurisdiction	**(1,776)**	(472)	**-**	-
Effect of expenses not deductible for tax purposes	**3,656**	3,152	**984**	1,424
Effect of partial tax exemption	**(22)**	(20)	**-**	-
Deferred tax assets not recognised	**941**	1,265	**-**	-
Effects from utilisation of previously unrecognised tax losses	**(4,689)**	-	**-**	-
Effect of share of results of associate	**(547)**	(990)	**-**	-
Effect of income and/or other items not subject to tax	**(1,893)**	(1,819)	**(20,323)**	(20,762)
Under/(over) provision of income tax expense in prior years	**2,037**	113	**852**	(27)
(Over)/under provision of deferred tax in prior years	**(995)**	(3,127)	**12**	(97)
	19,528	7,335	**616**	295

12. Dividends

	Dividends in respect of year		Dividends recognised in year	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
First interim				
Recognised during the financial year:				
Single-tier first interim dividend for year ended 31 March 2022 of 5.0 sen paid on 30 December 2021	**11,872**	-	**11,872**	-
Single-tier first interim dividend for year ended 31 March 2021 of 5.0 sen paid on 30 December 2020	**-**	11,918	**-**	11,918
Second interim				
Single tier second interim dividend for year ended 31 March 2021 of 7.5 sen paid on 3 September 2021	**-**	17,831	**17,831**	-
Single tier second interim dividend for year ended 31 March 2020 of 7.5 sen paid on 7 September 2020	**-**	-	**-**	17,899
	11,872	29,749	**29,703**	29,817

Subsequent to the financial year end, on 24 May 2022, the directors declared a single-tier second interim dividend of 7.5 sen and a single-tier special dividend of 2.5 sen in respect of the current financial year ended 31 March 2022 on 237,380,430 shares, amounting to a total of RM23,738,000 payable on 12 August 2022.

The financial statements for the current financial year ended 31 March 2022 do not reflect these dividends. These dividends will be accounted for in the statements of changes in equity as an appropriation of retained earnings in the next financial year ending 31 March 2023.

The directors do not recommend the payment of any final dividend in respect of the current financial year.

13. Earnings per share

(a) Basic

Basic earnings per share is calculated by dividing the Group's profit for the year, net of tax, attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the financial year, excluding treasury shares held by the Company.

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 2022 and 2021:

	Group	
	2022	**2021**
Profit attributable to equity holders of the Company used in the computation of basic/ diluted earnings per share (RM'000)	**60,561**	27,133
Weighted average number of ordinary shares for basic earnings per share computation ('000)	**237,637**	238,578
Basic earnings per share for the year (sen)	**25.48**	11.37

(b) Diluted

Diluted earnings per share is the same as basic earnings per share as the Company has no potentially dilutive shares in issue.

14. Property, plant and equipment

Group	Freehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Factory and office renovations RM'000	Equipment, furniture and fittings and motor vehicles RM'000	Bearer plant and infrastructure RM'000	Work in progress RM'000	Total RM'000
At 31 March 2022								
Cost								
At 1 April 2021	1,550	18,867	90,254	20,320	50,085	128,417	998	310,491
Additions	-	426	536	273	1,918	8,860	397	12,410
Disposals	-	-	(705)	-	(665)	-	-	(1,370)
Reclassification	-	344	415	-	313	-	(1,072)	-
Write-offs	-	-	(73)	-	-	-	-	(73)
Exchange differences	-	372	664	243	318	1,303	11	2,911
At 31 March 2022	1,550	20,009	91,091	20,836	51,969	138,580	334	324,369
Accumulated depreciation and impairment loss								
At 1 April 2021	-	13,821	83,525	20,202	45,631	60,229	-	223,408
Depreciation charge for the year	-	749	2,152	71	2,154	3,139	-	8,265
Disposals	-	-	(705)	-	(665)	-	-	(1,370)
Write-offs	-	-	(73)	-	-	-	-	(73)
Exchange differences	-	324	528	244	306	1,169	-	2,571
At 31 March 2022	-	14,894	85,427	20,517	47,426	64,537	-	232,801
Analysed as:								
Accumulated depreciation	-	10,828	85,362	20,517	47,426	48,779	-	212,912
Accumulated impairment loss	-	4,066	65	-	-	15,758	-	19,889
	-	14,894	85,427	20,517	47,426	64,537	-	232,801
Net carrying amount	1,550	5,115	5,664	319	4,543	74,043	334	91,568

14. Property, plant and equipment (cont'd.)

Group (cont'd.)	Freehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Factory and office renovations RM'000	Equipment, furniture and fittings and motor vehicles RM'000	Bearer plant and infrastructure RM'000	Work in progress RM'000	Total RM'000
At 31 March 2021								
Cost								
At 1 April 2020	1,550	16,786	88,059	19,565	48,686	116,882	970	292,498
Additions	-	187	956	46	1,596	7,253	691	10,729
Disposals	-	(70)	(922)	-	(1,209)	-	-	(2,201)
Reclassification	-	831	-	-	-	-	(831)	-
Exchange differences	-	1,133	2,161	709	1,012	4,282	168	9,465
At 31 March 2022	1,550	18,867	90,254	20,320	50,085	128,417	998	310,491
Accumulated depreciation and impairment loss								
At 1 April 2020	-	11,980	80,983	19,362	43,568	55,075	-	210,968
Depreciation charge for the year	-	919	1,863	131	2,360	1,326	-	6,599
Disposals	-	(69)	(922)	-	(1,208)	-	-	(2,199)
Exchange differences	-	991	1,601	709	911	3,828	-	8,040
At 31 March 2022	-	13,821	83,525	20,202	45,631	60,229	-	223,408
Analysed as:								
Accumulated depreciation	-	9,853	83,462	20,202	45,631	44,830	-	203,978
Accumulated impairment loss	-	3,968	63	-	-	15,399	-	19,430
	-	13,821	83,525	20,202	45,631	60,229	-	223,408
Net carrying amount	1,550	5,046	6,729	118	4,454	68,188	998	87,083

14. Property, plant and equipment (cont'd.)

Company	Freehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Factory and office renovations RM'000	Equipment, furniture and fittings and motor vehicles RM'000	Bearer plant and infrastructure RM'000	Work in progress RM'000	Total RM'000
At 31 March 2022								
Cost								
At 1 April 2021	**1,550**	**219**	**5**	**510**	**1,391**	**-**	**-**	**3,675**
Additions	**-**	**218**	**-**	**236**	**571**	**1,744**	**75**	**2,844**
At 31 March 2022	**1,550**	**437**	**5**	**746**	**1,962**	**1,744**	**75**	**6,519**
Accumulated depreciation								
At 1 April 2021	**-**	**156**	**4**	**410**	**780**	**-**	**-**	**1,350**
Charge for the year	**-**	**25**	**-**	**59**	**186**	**375**	**-**	**645**
At 31 March 2022	**-**	**181**	**4**	**469**	**966**	**375**	**-**	**1,995**
Net carrying amount	**1,550**	**63**	**1**	**277**	**996**	**1,396**	**75**	**4,524**
At 31 March 2021								
Cost								
At 1 April 2020	1,550	219	5	464	1,319	-	-	3,557
Additions	-	-	-	46	72	-	-	118
At 31 March 2021	1,550	219	5	510	1,391	-	-	3,675
Accumulated depreciation								
At 1 April 2020	-	142	3	382	671	-	-	1,198
Charge for the year	-	14	1	28	109	-	-	152
At 31 March 2021	-	156	4	410	780	-	-	1,350
Net carrying amount	1,550	63	1	100	611	-	-	2,325

14. Property, plant and equipment (cont'd.)

(a) The factory extension of the Group with a net book value of RM12,000 (2021: RM16,000) was constructed on a piece of land leased from a lessor. The lease will expire on 30 April 2023.

(b) Included in the property, plant and equipment of the Group and the Company are cost of fully depreciated assets still in use of RM147,576,000 (2021: RM145,285,000) and RM883,000 (2021: RM872,000) respectively.

15. Right-of-use assets

As lessee

The carrying amount and the movement of right-of-use assets for the year ended 31 March 2022 and 2021 are as follows:

Group	Leasehold land RM'000	Buildings RM'000	Barge RM'000	Total RM'000
At 31 March 2022				
Cost				
At 1 April 2021	128,017	3,691	5,103	136,811
Additions	120,849	-	2,952	123,801
Termination	-	-	(5,191)	(5,191)
Exchange differences	2	-	111	113
At 31 March 2022	248,868	3,691	2,975	255,534
Accumulated depreciation and impairment loss				
At 1 April 2021	34,443	1,370	3,407	39,220
Depreciation charge for the year	4,591	1,114	1,725	7,430
Termination	-	-	(5,191)	(5,191)
Exchange differences	-	-	59	59
At 31 March 2022	39,034	2,484	-	41,518
Analysed as:				
Accumulated depreciation	27,058	2,484	-	29,542
Accumulated impairment loss	11,976	-	-	11,976
	39,034	2,484	-	41,518
Net carrying amount	209,834	1,207	2,975	214,016

15. Right-of-use assets (cont'd.)

As lessee (cont'd.)

Group (cont'd.)	Leasehold land RM'000	Buildings RM'000	Barge RM'000	Total RM'000
At 31 March 2021				
Cost				
At 1 April 2020	128,008	349	3,277	131,634
Additions	-	3,342	1,542	4,884
Exchange differences	9	-	284	293
At 31 March 2021	128,017	3,691	5,103	136,811
Accumulated depreciation and impairment loss				
At 1 April 2020	31,673	322	1,574	33,569
Depreciation charge for the year	2,770	1,048	1,702	5,520
Exchange differences	-	-	131	131
At 31 March 2021	34,443	1,370	3,407	39,220
Analysed as:				
Accumulated depreciation	22,467	1,370	3,407	27,244
Accumulated impairment loss	11,976	-	-	11,976
	34,443	1,370	3,407	39,220
Net carrying amount	93,574	2,321	1,696	97,591

Company	Leasehold land RM'000
At 31 March 2022	
Cost	
At 1 April 2021	-
Additions	119,338
At 31 March 2022	119,338
Accumulated depreciation	
At 1 April 2021	-
Depreciation charge for the year	1,813
At 31 March 2022	1,813
Net carrying amount	117,525

Right-of-use assets of the Group and of the Company are mainly in relation to lease of land from state governments and lease of office building and barge from third parties.

16. Investment properties

Group	Leasehold land RM'000	Freehold land RM'000	Building RM'000	Total RM'000
At 31 March 2022				
At cost				
At 1 April 2021	**6,813**	**14,270**	**66,476**	**87,559**
Additions	**-**	**-**	**450**	**450**
At 31 March 2022	**6,813**	**14,270**	**66,926**	**88,009**
Accumulated depreciation				
At 1 April 2021	**1,298**	**-**	**30,112**	**31,410**
Charge for the year	**85**	**-**	**1,423**	**1,508**
At 31 March 2022	**1,383**	**-**	**31,535**	**32,918**
Net carrying amount	**5,430**	**14,270**	**35,391**	**55,091**
At 31 March 2021				
At cost				
At 1 April 2020/31 March 2021	6,813	14,270	66,476	87,559
Accumulated depreciation				
At 1 April 2020	1,213	-	28,690	29,903
Charge for the year	85	-	1,422	1,507
At 31 March 2021	1,298	-	30,112	31,410
Net carrying amount	5,515	14,270	36,364	56,149

16. Investment properties (cont'd.)

Company	Freehold land RM'000	Building RM'000	Total RM'000
At 31 March 2022			
At cost			
At 1 April 2021/31 March 2022	**14,270**	**57,846**	**72,116**
Accumulated depreciation			
At 1 April 2021	**-**	**26,165**	**26,165**
Charge for the year	**-**	**1,162**	**1,162**
At 31 March 2022	**-**	**27,327**	**27,327**
Net carrying amount	**14,270**	**30,519**	**44,789**
At 31 March 2021			
At cost			
At 1 April 2020/31 March 2021	14,270	57,846	72,116
Accumulated depreciation			
At 1 April 2020	-	25,001	25,001
Charge for the year	-	1,164	1,164
At 31 March 2021	-	26,165	26,165
Net carrying amount	14,270	31,681	45,951

(a) The land title of a freehold land and building of the Company with a net book value of approximately RM45,054,000 (2021: RM45,199,000) is pledged as security for certain unutilised credit facilities of the Group.

(b) The transfer of the land title of a building of the Company which is located at Pekan Nenas, Johor with a net book value of approximately RM735,000 (2021: RM753,000) has yet to be finalised.

(c) Certain buildings of a subsidiary, Percetakan Keselamatan Nasional Sdn. Bhd. with a net book value of RM4,872,000 (2021: RM4,683,000) are situated on a piece of leasehold land which will expire on 29 September 2086.

16. Investment properties (cont'd.)

(d) As at 31 March 2022 and 2021, the fair values of the investment properties are based on valuation performed by an independent professional valuer. The total market value of the investment properties of the Group and the Company are RM64,218,000 and RM51,218,000 (2021: RM61,990,000 and RM50,990,00) respectively. Valuations are performed by an accredited independent valuer with recent experience in the location and category of properties being valued. The valuations are based on the comparison approach and cost approach. Under the comparison approach, a property's fair value is estimated based on the comparable transactions. The fair value of certain of the Group's and the Company's investment properties amounting to RM4,038,000 (2021: RM3,850,000) and RM50,000 (2021: RM38,000) respectively are valued under the cost approach which entails the building cost to erect equivalent buildings. The building cost reflects current estimates of finishes, contractors' overheads, fees and profits and adjusted for factors of obsolescence and existing physical condition of the building.

The fair value disclosed in the financial statements is categorised within the Level 3 fair value hierarchy which is described as inputs for the asset or liability that are based on unobservable market data. The details are as follows:

	Group		Company	
	2022	**2021**	**2022**	**2021**
Comparison approach:				
Average value (RM/psf)				
- Land	**10 - 480**	8 - 450	**10 - 480**	8 - 450
- Buildings	**220**	200	**220**	200
Cost approach:				
- Buildings cost (RM/psf)	**100 - 120**	50 - 100	**100 - 120**	70-80

The estimated fair value would increase/(decrease) if the average value per square foot and building cost per square foot were higher/(lower), respectively.

(e) Rental income generated from and direct operating expenses incurred on the investment properties are as follows:

	Group		Company	
	2022 RM'000	**2021 RM'000**	**2022 RM'000**	**2021 RM'000**
Rental income	**4,470**	4,872	**3,649**	3,772
Direct operating expenses	**(3,500)**	(3,592)	**(3, 184)**	(3,288)

(f) Other details of future minimum rental receivable under non-cancellable operating leases are disclosed in Note 36(b).

17. Investments in subsidiaries

	Company	
	2022 RM'000	**2021 RM'000**
Unquoted ordinary shares, at cost	**27,449**	27,449
Redeemable preference shares	**124,400**	120,600
	151,849	148,049

(a) Details of subsidiaries are as follows:

Name of subsidiaries	Country of incorporation	Effective ownership interest 2022 %	Effective ownership interest 2021 %	Principal activities
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
Fima Technology Sdn. Bhd.	Malaysia	**100**	100	Property management and engineering consultation services
FCB Plantation Holdings Sdn. Bhd.	Malaysia	**100**	100	Investment holding and plantation management/ advisory services
Gabungan Warisan Sdn. Bhd.	Malaysia	**100**	100	Oil palm plantation
Subsidiary of FCB Plantation Holdings Sdn. Bhd.				
Cendana Laksana Sdn. Bhd.	Malaysia	**100**	100	Oil palm plantation
Next Oasis Sdn. Bhd.	Malaysia	**100**	100	Investment holding
PT Nunukan Jaya Lestari*	Indonesia	**80**	80	Oil palm production and processing
Fima Sg. Siput Estate Sdn. Bhd.	Malaysia	**70**	70	Oil palm plantation
FCB Eastern Plantations Sdn. Bhd.	Malaysia	**100**	100	Oil palm plantation

17. Investments in subsidiaries (cont'd.)

(a) Details of subsidiaries are as follows: (cont'd.)

Name of subsidiaries	Country of incorporation	Effective ownership interest 2022 %	2021 %	Principal activities
Subsidiary of Next Oasis Sdn. Bhd.				
Taka Worldwide Trading Sdn. Bhd.	Malaysia	**100**	100	Oil palm plantation
Etika Gangsa Sdn. Bhd.	Malaysia	**100**	100	Oil palm plantation
Subsidiary of FCB Eastern Plantations Sdn. Bhd.				
Ladang Bunga Tanjong Sdn. Bhd.	Malaysia	**80**	80	Oil palm plantation

* Audited by a member firm of Ernst & Young Global in Jakarta

(b) Financial information of a material subsidiary, PT Nunukan Jaya Lestari ("PTNJL"), which has a non-controlling interest is set out below. The summarised financial information presented below is the amount before inter-company elimination.

(i) Summarised statement of financial position

	2022 RM'000	2021 RM'000
Non-current assets - Property, plant and equipment	**12,133**	14,765
Non-current assets - Right-of-use assets	**12,245**	11,569
Non-current assets - Others	**3,933**	4,546
Current assets - Cash and cash equivalents	**58,034**	46,348
Current assets - Others	**21,869**	45,603
Total assets	**108,214**	122,831
Current liabilities	**21,746**	16,061
Non-current liabilities	**2,875**	1,085
Total liabilities	**24,621**	17,146
Net assets	**83,593**	105,685
Equity attributable to equity holders of the Company	**66,874**	84,548

17. Investments in subsidiaries (cont'd.)

(b) Financial information of a material subsidiary, PT Nunukan Jaya Lestari ("PTNJL"), which has a non-controlling interest is set out below. The summarised financial information presented below is the amount before inter-company elimination. (cont'd.)

(ii) Summarised statement of comprehensive income

	2022 RM'000	2021 RM'000
Revenue	**169,280**	115,015
Profit for the year	**67,888**	19,863
Other comprehensive income	**51**	179
Total comprehensive income for the year	**67,939**	20,042
Dividend paid to non-controlling interests	**15,458**	1,924

(iii) Summarised statement of cash flows

	2022 RM'000	2021 RM'000
Net cash generated from operating activities	**104,339**	28,103
Net cash generated from investing activities	**421**	186
Net cash used in financing activities	**(93,674)**	(11,075)
Net increase in cash and cash equivalents	**11,086**	17,214
Cash and cash equivalents at beginning of the year	**46,348**	27,188
Effect of exchange rate changes	**600**	1,946
Cash and cash equivalents at end of the year	**58,034**	46,348

(c) During the year, the Company subscribed to 78 units (2021: 190 units) of redeemable preference shares at RM100,000 each, issued by the following subsidiaries, for a total cash consideration of RM7,800,000 (2021 : RM19,000,000):

	2022 RM'000	2021 RM'000
Gabungan Warisan Sdn. Bhd.	**1,000**	1,100
Taka Worldwide Trading Sdn. Bhd.	**800**	800
Etika Gangsa Sdn. Bhd.	**300**	900
Ladang Bunga Tanjong Sdn. Bhd.	**1,000**	3,000
Fima Sg. Siput Estate Sdn. Bhd.	**4,700**	13,200
	7,800	19,000

(d) During the year, the Company has redeemed 40 units of redeemable preference shares RM100,000 each from a subsidiary, Cendana Laksana Sdn. Bhd., for a total cash consideration of RM4,000,000.

(e) The redeemable preference shares of Ladang Bunga Tanjong Sdn. Bhd. and Fima Sg. Siput Estate Sdn. Bhd. carries cumulative dividend of 4.25% per annum. The other redeemable preference shares issued by the other subsidiaries carry non-cumulative dividend of 4.25% per annum. All the redeemable preference shares issued by the subsidiaries have no fixed redemption period.

(f) During the previous financial year, the Company subscribed to 450,000 ordinary shares at RM1 each, issued by Fima Technology Sdn. Bhd. for a cash consideration of RM450,000.

18. Investment in associate

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Unquoted shares, at cost	**10,000**	10,000	**10,000**	10,000
Share of post acquisition results	**26,092**	27,363	**-**	-
	36,092	37,363	**10,000**	10,000

Details of the associate, which is incorporated in Malaysia, are as follows:

	Group's effective interest		
Name of associate	2022 %	2021 %	Principal activities
Giesecke & Devrient Malaysia Sdn. Bhd. *	**20**	20	Printing of bank notes

* Audited by a firm of auditors other than Ernst & Young PLT.

The financial statements of Giesecke & Devrient Malaysia Sdn. Bhd. ("G&D") is not coterminous with those of the Group as G&D 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 2021 have been used and appropriate adjustments have been made for the effects of transactions between 31 December 2021 and 31 March 2022.

Summarised financial information in respect of G&D is set out below. The summarised financial information represents the amounts in the financial statements of the associate and not the Group's share of those amounts.

(i) Summarised statement of financial position

	2022 RM'000	2021 RM'000
Current assets	**82,250**	86,939
Non-current assets	**164,487**	183,989
Total assets	**246,737**	270,928
Current liabilities	**36,165**	49,652
Non-current liabilities	**30,108**	34,459
Total liabilities	**66,273**	84,111
Net assets	**180,464**	186,817

(ii) Summarised statement of comprehensive income

	2022 RM'000	2021 RM'000
Revenue	**193,599**	225,482
Profit for the year, representing total comprehensive income for the year	**11,391**	20,630

18. Investment in associate (cont'd.)

(iii) Reconciliation of the summarised financial information presented above to the carrying amount of the Group's interest in associate

	2022 RM'000	2021 RM'000
Net assets at 1 April 2021/2020	**186,817**	166,187
Total comprehensive income for the year	**11,391**	20,630
Dividend paid	**(17,747)**	-
Net assets at 31 March	**180,461**	186,817
Interest in associate	**20%**	20%
Carrying value of Group's interest in associate	**36,092**	37,363

19. Goodwill on consolidation

	Group	
	2022 RM'000	2021 RM'000
At 1 April 2021/2020 and 31 March	**510**	510

Goodwill on consolidation is in respect of the acquisition of PT Nunukan Jaya Lestari.

(a) Impairment test for goodwill

The Group performs a review on the recoverable amount of goodwill on consolidation on an annual basis. At reporting date, the recoverable amount of goodwill was determined on the basis of value-in-use calculation for the CGU using a five-year cash flow projection approved by the Board of Directors.

(b) Key assumptions used in the value-in-use calculation

Revenue
Revenue is estimated based on future expected yield and price.

Discount rate
Discount rate of 15.5% (2021: 15.5%) is used based on the risk specific to the CGU.

(c) Sensitivity analysis

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 value of the goodwill to materially exceed its recoverable amount.

20. Inventories

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
At cost:				
Work-in-progress	**18,686**	5,683	**-**	-
Oil palm products	**7,214**	5,917	**-**	-
Printing materials	**14,878**	11,616	**-**	-
Fertilizer	**2,197**	1,354	**14**	-
Consumables	**4,199**	4,524	**13**	-
	47,174	29,094	**27**	-

During the year, the amount of inventories recognised as an expense in cost of sales of the Group was RM81,415,000 (2021: RM78,784,000).

21. Biological assets

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
At 1 April 2021/2020	**1,844**	3,347	**-**	-
Changes in fair value less cost to sell (Note 8)	**2,249**	(1,781)	**155**	-
Exchange differences	**50**	278	**-**	-
At 31 March	**4,143**	1,844	**155**	-

The fair value of biological assets is based on the actual quantity of fresh fruit bunches ("FFB") for 15 days period after the financial year and the observable current market price of FFB at reporting period less processing, harvesting and transportation costs. The quantity of unharvested FFB included in the valuation for the Group and the Company are 4,965 (2021: 4,754) and 147 (2021: Nil) metric tonnes respectively. The fair value disclosed in the financial statements is categorised within the Level 3 fair value hierarchy.

Sensitivity analysis

A 10% increase/(decrease) in the average of FFB selling price (RM/MT) would result in the following to the fair value change of the biological assets:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
10% increase	**454**	247	**20**	-
10% decrease	**(454)**	(247)	**(20)**	-

22. Trade receivables

	Group		Company	
	2022 RM'000	**2021 RM'000**	**2022 RM'000**	**2021 RM'000**
Third parties	**43,327**	57,975	**944**	555
Less: Allowance for ECLs	**(1,521)**	(1,008)	**(380)**	(348)
Trade receivables, net	**41,806**	56,967	**564**	207

Trade receivables are non-interest bearing. The Group's normal trade credit term ranges from 30 to 90 days (2021: from 30 to 90 days). Other credit terms are assessed and approved on a case-by-case basis. Overdue balances are reviewed regularly by senior management. Trade receivables are recognised at original invoice amounts which represent their fair values on initial recognition.

At the reporting date, approximately RM28,825,000 (2021: RM22,830,000) of the Group's trade receivables was due from the Government of Malaysia.

The ageing analysis of the Group's and the Company's trade receivables are further disclosed in Note 40(d).

Movements in allowance accounts are as follows:

	Group		Company	
	2022 RM'000	**2021 RM'000**	**2022 RM'000**	**2021 RM'000**
At 1 April 2021/2020	**1,008**	951	**348**	292
Charge for the year (Note 6)	**606**	115	**32**	56
Write back of ECLs (Note 6)	**(93)**	(58)	**-**	-
As 31 March	**1,521**	1,008	**380**	348

23. Other receivables

	Group		Company	
	2022 RM'000	**2021 RM'000**	**2022 RM'000**	**2021 RM'000**
Deposits	**723**	39,594	**165**	39,336
Sundry receivables	**2,214**	5,153	**5**	21
Prepayments	**6,794**	3,298	**900**	478
VAT receivables	**-**	9,512	**-**	-
Staff loan	**86**	225	**-**	-
	9,817	57,782	**1,070**	39,835
Less: Allowance for ECLs	**(535)**	(821)	**(100)**	(100)
	9,282	56,961	**970**	39,735

Included in the deposits of the Group and the Company in prior year was RM39,193,000 in relation to the acquisition of plantation lands as further disclosed in Note 43.

23. Other receivables (cont'd.)

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.

Movements in allowance accounts are as follows:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
At 1 April 2021/2020	**821**	1,175	**100**	100
Charge for the year (Note 6)	**432**	-	**-**	-
Write back of ECLs (Note 6)	**(733)**	(451)	**-**	-
Exchange differences	**15**	97	**-**	-
As 31 March	**535**	821	**100**	100

24. Due from/(to) related companies

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Due from ultimate holding company	**103**	20	**3**	-
Due from subsidiaries	**-**	-	**2,504**	4,888
Due from other related companies	**710**	2,362	**-**	515
Less: Allowance for impairment	**-**	-	**(2,362)**	(2,362)
	813	2,382	**145**	3,041
Due to ultimate holding company	**(61)**	(358)	**-**	(74)
Due to subsidiaries	**-**	-	**(4)**	(6,264)
Due to other related companies	**(103)**	(3)	**(340)**	(1)
	(164)	(361)	**(344)**	(6,339)

The amounts due from/(to) ultimate holding company, subsidiaries and related companies are non-trade, unsecured, non-interest bearing, repayable upon demand and all settlement occurs in cash.

Movement in allowance account is as follows:

	Company	
	2022 RM'000	2021 RM'000
At 1 April 2021/2020	**2,362**	-
Charge for the year (Note 6)	**-**	2,362
As 31 March	**2,362**	2,362

25. Financial investments

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
At FVTPL:				
Islamic money market unit trust funds, in Malaysia	**153,324**	144,563	**44,638**	20,208

Other details of the fair value of the Group's and the Company's financial investments are further disclosed in Note 39.

26. Cash and bank balances

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Cash and bank balances	**28,305**	15,830	**756**	1,162
Fixed deposits with licensed banks	**37,797**	35,179	**23**	23
Total cash and cash equivalents	**66,102**	51,009	**779**	1,185

The weighted average effective interest rates ("WAEIR") per annum of deposits at the reporting date are as follows:

	Group		Company	
	2022 %	2021 %	2022 %	2021 %
Licensed banks	**2.27**	3.17	**1.35**	1.35

The average maturity of deposits as at the end of the financial year are as follows:

	Group		Company	
	2022 Days	2021 Days	2022 Days	2021 Days
Licensed banks	**31**	31	**31**	30

27. Share capital

	Number of shares		Amount	
	2022 '000	2021 '000	2022 RM'000	2021 RM'000
Issued and fully paid at RM1 each:				
At 1 April 2021/2020 and at 31 March	**245,324**	245,324	**122,662**	122,662

The holders of ordinary shares (except treasury shares) are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions.

28. Treasury shares

This amount relates to the acquisition cost of treasury shares.

The shareholders of the Company, by a special resolution passed in a general meeting held on 21 September 2021, gave their approval for the Company's plan to buy back its own shares. The directors of the Company are committed to enhancing the value of the Company to its shareholders and believe that the share buy back plan can be applied in the best interests of the Company and its shareholders.

During the financial year, the Company bought back 712,100 (2021: 1,161,500) of its issued ordinary shares from the open market at an average price of RM1.91 (2021: RM1.61) per ordinary share. The total consideration paid for the buy back including transactions costs was RM1,363,000 (2021: RM1,864,000). The shares bought back are being held as treasury shares in accordance with Section 127 of the Companies Act, 2016.

Of the total 245,324,330 (2021: 245,324,330) issued and fully paid ordinary shares as at 31 March 2022, 7,943,900 (2021: 7,231,800) are held as treasury shares by the Company. As at 31 March 2022, the number of outstanding ordinary shares in issue and fully paid-up is therefore 237,380,430 (2021: 238,092,530).

29. Other reserves

	Foreign currency translation deficit RM'000	Equity contribution from parent RM'000	Total RM'000
Group			
At 1 April 2020	(14,024)	4,250	(9,774)
Foreign currency translation	5,442	-	5,442
At 31 March 2021	(8,582)	4,250	(4,332)
At 1 April 2021	**(8,582)**	**4,250**	**(4,332)**
Foreign currency translation	**1,413**	**-**	**1,413**
At 31 March 2022	**(7,169)**	**4,250**	**(2,919)**
Company			
At 1 April 2020/31 March 2021/31 March 2022		**539**	**539**

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

(a) Foreign currency translation reserve/(deficit)

The foreign currency translation reserve/(deficit) is used to record exchange differences arising from the translation of the financial statements of foreign operations whose functional currency is 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.

(b) Equity contribution from parent

Equity contribution from parent represents the equity-settled share options and shares granted by ultimate holding company, Kumpulan Fima Berhad to the employees of the Group. The reserve is made up of the cumulative value of services received from the employees, which was recorded upon the grant of the share options and shares by Kumpulan Fima Berhad.

30. Retained earnings

As at 31 March 2022, the Company may distribute the entire balance of the retained earnings under the single tier system.

31. Lease liabilities

The carrying amount and the movement of lease liabilities for the year ended 31 March 2022 and 2021 are as follows:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
At 1 April 2021/2020	**18,748**	16,641	**-**	-
Additions	**69,178**	4,884	**64,715**	-
Payments	**(6,096)**	(2,940)	**(1,758)**	-
Rent concession (Note 8)	**(392)**	(588)	**-**	-
Interest expense (Note 7)	**518**	645	**49**	-
Exchange differences	**50**	106	**-**	-
At 31 March	**82,006**	18,748	**63,006**	-
Analysed as:				
Current	**5,963**	3,699	**2,436**	-
Non-current	**76,043**	15,049	**60,570**	-

32. Retirement benefit obligation

	Group	
	2022 RM'000	2021 RM'000
At 1 April 2021/2020	**1,657**	2,073
Recognised in profit or loss (Note 9)	**301**	(180)
Benefits paid	**(102)**	(183)
Remeasurement of defined benefit liability	**(81)**	(196)
Exchange differences	**26**	143
At 31 March	**1,801**	1,657

The foreign subsidiary in Indonesia operates an unfunded defined benefit plan for its eligible employees. The obligations under the retirement benefit 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 2022.

32. Retirement benefit obligation (cont'd.)

(a) The amount recognised in the statement of financial position is determined as follows:

	Group	
	2022 RM'000	**2021 RM'000**
Present value of unfunded defined benefits obligations	**1,801**	1,657
Analysed as:		
Non-current	**1,801**	1,657

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

	Group	
	2022 RM'000	**2021 RM'000**
Current service cost	**222**	(313)
Interest cost	**79**	133
Total, included in staff costs (Note 9)	**301**	(180)

(c) Principal assumptions used by the foreign subsidiary in Indonesia in determining the employee benefits liability as of 31 March 2022 and 2021 are as follows:

	Group	
	2022	**2021**
Discount rate	**5.50%**	6.16%
Annual salary increase	**7.00%**	7.00%
Retirement age	**57 to 65**	57 to 65

The discount rate is determined based on the Indonesian Government Bond Spot Rate at the end of reporting period in accordance with the estimated maturity of post-employment benefits obligations for the remaining of the working period of each employee.

Significant actuarial assumptions for determination of the defined benefit obligation are in respect of the discount rate and expected salary increase. The sensitivity analysis below has been determined based on changes to individual assumptions, with all other assumptions held constant:

	Group	
	2022 RM'000	**2021 RM'000**
A 1% decrease/increase in discount rate will increase/decrease the defined benefit obligation by	**99**	102
A 1% increase/decrease in expected salary growth will increase/decrease the defined benefit obligation by	**126**	116

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some assumptions may be correlated.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

33. Deferred taxation

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
At 1 April 2021/2020	**(2,074)**	(1,286)	**102**	198
Recognised in:				
- profit or loss (Note 11)	**(3,003)**	(612)	**(236)**	(96)
- other comprehensive income	**30**	17	**-**	-
Exchange differences	**(103)**	(193)	**-**	-
At 31 March	**(5,150)**	(2,074)	**(134)**	102
Presented after appropriate offsetting as follows:				
Deferred tax assets	**(9,931)**	(6,612)	**(134)**	-
Deferred tax liabilities	**4,781**	4,538	**-**	102
	(5,150)	(2,074)	**(134)**	102

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

Deferred tax liabilities of the Group:

	Accelerated capital allowances RM'000	Others RM'000	Total RM'000
At 1 April 2020	9,707	3,076	12,783
Recognised in profit or loss	3,342	(400)	2,942
Changes in tax rate	-	(102)	(102)
Exchange differences	-	71	71
At 31 March 2021	**13,049**	**2,645**	**15,694**
Recognised in profit or loss	**514**	**369**	**883**
Exchange differences	**-**	**11**	**11**
At 31 March 2022	**13,563**	**3,025**	**16,588**

33. Deferred taxation (cont'd.)

The components and movements of deferred tax liabilities and assets during the financial year prior to offsetting are as follows: (cont'd.)

Deferred tax assets of the Group:

	Tax losses and unabsorbed capital allowances RM'000	Retirement benefit obligations RM'000	Provision for liabilities RM'000	Others RM'000	Total RM'000
At 1 April 2020	(6,127)	(512)	(4,752)	(2,678)	(14,069)
Recognised in:					
- profit or loss	(3,022)	69	1,018	(2,022)	(3,957)
- other comprehensive income	-	17	-	-	17
Changes in tax rate	-	109	-	396	505
Exchange differences	-	(36)	-	(228)	(264)
At 31 March 2021	**(9,149)**	**(353)**	**(3,734)**	**(4,532)**	**(17,768)**
Recognised in:					
- profit or loss	**(3,980)**	**(77)**	**966**	**(795)**	**(3,886)**
- other comprehensive income	**-**	**30**	**-**	**-**	**30**
Exchange differences	**-**	**(6)**	**(4)**	**(104)**	**(114)**
At 31 March 2022	**(13,129)**	**(406)**	**(2,772)**	**(5,431)**	**(21,738)**

Deferred tax (assets)/liability of the Company:

	Tax losses and unabsorbed capital allowances RM'000	Provision for liabilities RM'000	Accelerated capital allowances RM'000	Total RM'000
At 1 April 2020	-	(109)	307	198
Recognised in profit or loss	-	(109)	13	(96)
At 31 March 2021	**-**	**(218)**	**320**	**102**
Recognised in profit or loss	**(336)**	**30**	**70**	**(236)**
At 31 March 2022	**(336)**	**(188)**	**390**	**(134)**

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

	Group	
	2022 RM'000	2021 RM'000
Unutilised tax losses	**20,540**	29,640
Unabsorbed capital allowances	**2,300**	8,815
	22,840	38,455

33. Deferred taxation (cont'd.)

In prior year, effective from year assessment 2019, the unabsorbed tax losses shall only be allowed to be carried forward for a maximum period of seven consecutive years of assessment. Any amount which is not utilised at the end of the period of seven years of assessment shall be disregarded.

However, based on the Finance Act 2021 which was gazetted on 31 December 2021, the period to carry forward the unabsorbed tax losses has been extended to ten years of assessment effective from the year of assessment 2019.

Certain deferred tax assets of the Group arising from unutilised tax losses and unabsorbed capital allowances have not been recognised as there may not be sufficient future taxable profits against which these items can be utilised given that the respective subsidiaries had a recent history of losses.

Pursuant to Section 44(5F) of the Income Tax Act, 1967, the unutilised tax losses only can be carried forward as follows:

	Group	
	2022 RM'000	2021 RM'000
Year of assessment 2026	**-**	24,400
Year of assessment 2027	**-**	5,240
Year of assessment 2028	**11,570**	-
Year of assessment 2029	**2,108**	-
Year of assessment 2030	**3,002**	-
Year of assessment 2031	**2,797**	-
Year of assessment 2032	**1,063**	-
	20,540	29,640

34. Trade and other payables

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Current Trade payables				
Third parties	**6,237**	15,153	**28**	154
Other payables				
Tenants' rental deposits	**1,323**	1,275	**993**	945
Accruals	**11,077**	14,383	**525**	267
Provision for bonus	**3,602**	3,261	**310**	466
Receipts in advance	**1,603**	2,324	**-**	-
VAT payables	**746**	-	**-**	-
Others	**488**	240	**-**	-
	18,839	21,483	**1,828**	1,678
Total trade and other payables	**25,076**	36,636	**1,856**	1,832

Trade payables are non-interest bearing which are normally settled within 30 to 90 days (2021: 30 to 90 days).

35. Provision for warranty

	Group	
	2022 RM'000	**2021 RM'000**
Provision for warranty	**1,023**	3,115

Provision for warranty is based on current volumes of products sold still under warranty, historic quality rates, and estimates and assumptions regarding future quality rates for new products.

Movements in the provision for warranty are as follows:

	Group	
	2022 RM'000	**2021 RM'000**
At 1 April 2021/2020	**3,115**	8,078
Charge for the year (Note 8)	**786**	799
Reversal during the year (Note 8)	**(2,878)**	(5,762)
At 31 March	**1,023**	3,115

36. Commitments

(a) Capital expenditure

	Group		Company	
	2022 RM'000	**2021 RM'000**	**2022 RM'000**	**2021 RM'000**
Approved and contracted for:				
Property, plant and equipment	**11,812**	11,939	**-**	-
Approved but not contracted for:				
Property, plant and equipment	**36,234**	41,261	**2,493**	1,419
	48,046	53,200	**2,493**	1,419

(b) Operating lease commitments - as lessor

The Group and the Company have entered into operating leases on their investment properties consisting of certain office and commercial buildings as disclosed in Note 16. These leases have terms of between one to five years. All leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions.

Future minimum rentals receivable under non-cancellable operating leases as at 31 March 2022 and 2021 for the Group and the Company are as follows:

	Group		Company	
	2022 RM'000	**2021 RM'000**	**2022 RM'000**	**2021 RM'000**
Within one year	**4,029**	3,548	**3,184**	2,181
After one year but not more than five years	**5,458**	5,950	**5,233**	3,828
	9,487	9,498	**8,417**	6,009

37. Related party disclosures

(a) 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.

	Income/(expense)	
	2022 RM'000	2021 RM'000
Group		
Ultimate holding company		
- Rental income	**878**	861
- Sales/services rendered	**326**	131
- Management fees	**(1,905)**	(1,266)
Fellow subsidiaries:		
- Rental income	**162**	190
- Sales/services rendered	**2,016**	1,774
- Management services	**548**	547
Related by virtue of common shareholder of the Company:		
- Purchases made	**(24)**	(49)
- Rental income	**89**	78
Related by virtue of Company's director, subsidiaries' director and corporate shareholder of the subsidiary:		
- Services received	**(184)**	(161)
- Purchases made	**(9,403)**	(5,859)
Company		
Ultimate holding company		
- Rental income	**878**	861
- Management fees	**(576)**	(371)
Subsidiaries:		
- Rental income	**184**	184
- Management services	**325**	660
- Purchases made	**(787)**	(798)
Fellow subsidiaries:		
- Management services	**18**	514

The directors are of the opinion that the 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.

37. Related party disclosures (cont'd.)

(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 the directors (whether executive or otherwise).

The key management personnel of the Group and of the Company include directors of the Company and subsidiaries and certain members of senior management of the Group and of the Company. Their compensation are as follows:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Salaries and other short-term employee benefits	**3,240**	3,148	**1,234**	1,416
Contributions to defined contribution plan	**414**	445	**105**	163
	3,654	3,593	**1,339**	1,579

Included in the total key management personnel above are the remuneration in respect of the directors of the Company and directors of subsidiaries:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Directors' remuneration:				
Directors of the Company (Note 10)	**2,119**	2,218	**1,288**	1,176
Directors of subsidiaries	**1,201**	1,375	**51**	403
Total directors remuneration	**3,320**	3,593	**1,339**	1,579

38. Segmental information

(a) Business segments:

The Group's major business segments are:

(i) Production and trading - Production and trading of security and confidential documents.

(ii) Plantation - Oil palm production and processing.

(iii) Investment holding and property management - Investment holding, rental and management of commercial properties.

(b) Geographical segments

The Group's geographical segments are based on the location of the Group's assets. Sales to external customers disclosed in geographical segments are based on the geographical location of its customers. The Group's three business segments predominately operate in two separate geographical areas:

(i) Malaysia - the operations in this area are principally printing and trading of security and confidential documents, oil palm production, property management and investment holding.

(ii) Indonesia - Oil palm production and processing.

38. Segmental Information (cont'd.)

Business segments

The following table provides an analysis of the Group's revenue, results, assets and liabilities and other information by business segment:

	Production and trading of security documents		Investment holding		Property management		Oil palm production		Eliminations		Consolidated	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Revenue												
External	**104, 126**	101,934	**-**	-	**7,060**	6,967	**189,405**	123,273	**-**	-	**300,591**	232,174
Inter-segment	**-**	-	**145,306**	93,931	**1,005**	1,366	**-**	-	**(146,311)**	(95,297)	**-**	-
Total revenue	**104, 126**	101,934	**145,306**	93,931	**8,065**	8,333	**189,405**	123,273	**(146,311)**	(95,297)	**300,591**	232,174
Results												
Profit from operations	**8,556**	14,691	**137,254**	90,577	**2,236**	2,153	**90,651**	21,499	**(145,390)**	(93,931)	**93,307**	34,989
Finance costs	**(66)**	(95)	**-**	-	**-**	(1)	**(452)**	(549)	**-**	-	**(518)**	(645)
Share of results of associate	**-**	-	**2,278**	4,126	**-**	-	**-**	-	**-**	-	**2,278**	4,126
Profit before tax and zakat											**95,067**	38,470
Income tax expense											**(19,528)**	(7,335)
Zakat paid											**(108)**	-
Profit for the year											**75,431**	31,135
Assets												
Segment assets	**170,155**	196,768	**289,675**	265,864	**57,261**	58,764	**382,382**	244,635	**(213,933)**	(174,395)	**685,540**	591,636
Deferred tax assets	**1,715**	1,950	**-**	404	**19**	116	**8,197**	4,546	**-**	(404)	**9,931**	6,612
Interest in associate	**-**	-	**36,092**	37,363	**-**	-	**-**	-	**-**	-	**36,092**	37,363
Consolidated total assets											**731,563**	635,611
Liabilities												
Segment liabilities	**18,859**	30,686	**2,158**	8,340	**383**	1,307	**170,267**	34,447	**(61,330)**	(9,670)	**130,337**	65,110
Consolidated total liabilities											**130,337**	65,110
Other Information												
Capital expenditure	**1,325**	858	**52**	28	**75**	332	**11,408**	9,596	**-**	(85)	**12,860**	10,729
Depreciation and amortisation	**3,397**	4,461	**86**	152	**1,611**	1,530	**13,062**	8,558	**(953)**	(1,075)	**17,203**	13,626
Net charge/(write back) of ECLs	**481**	1	**-**	2,362	**32**	56	**(301)**	(451)	**-**	(2,362)	**212**	(394)
Net reversal of provision for warranty	**(2,092)**	(4,963)	**-**	-	**-**	-	**-**	-	**-**	-	**(2,092)**	(4,963)
Fair value changes in biological assets	**-**	-	**-**	-	**-**	-	**(2,249)**	1,781	**-**	-	**(2,249)**	1,781

38. Segmental information (cont'd.)

Geographical segments

The following table provides an analysis of the Group's revenue, carrying amount of segment assets and capital expenditure, analysed by geographical segments:

	Revenue		Segment assets		Capital expenditure	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Malaysia	**131,311**	117,159	**623,349**	512,780	**12,162**	9,629
Indonesia	**169,280**	115,015	**108,214**	122,831	**698**	1,100
	300,591	232,174	**731,563**	635,611	**12,860**	10,729

39. Financial instruments

(a) Categories of financial instruments

The table below provides an analysis of financial instruments categorised as follows:

(i) Financial assets and financial liabilities measured at amortised cost ("AC"); and

(ii) Financial assets measured at fair value through profit of loss ("FVTPL").

	Note	Carrying amount RM'000	AC RM'000	FVTPL RM'000
Group				
31 March 2022				
Financial assets				
Trade receivables	22	**41,806**	**41,806**	**-**
Other receivables (less prepayments)	23	**2,488**	**2,488**	**-**
Due from related companies	24	**813**	**813**	**-**
Financial investments	25	**153,324**	**-**	**153,324**
Cash and bank balances	26	**66,102**	**66,102**	**-**
		264,533	**111,209**	**153,324**
Financial liabilities				
Trade payables	34	**6,237**	**6,237**	**-**
Other payables	34	**18,839**	**18,839**	**-**
Due to related companies	24	**164**	**164**	**-**
Lease liabilities	31	**82,006**	**82,006**	**-**
		107,246	**107,246**	**-**

39. Financial instruments (cont'd.)

(a) Categories of financial instruments (cont'd.)

	Note	Carrying amount RM'000	AC RM'000	FVTPL RM'000
Group (cont'd.)				
31 March 2021				
Financial assets				
Trade receivables	22	56,967	56,967	-
Other receivables (less prepayments)	23	53,663	53,663	-
Due from related companies	24	2,382	2,382	-
Financial investments	25	144,563	-	144,563
Cash and bank balances	26	51,009	51,009	-
		308,584	164,021	144,563
Financial liabilities				
Trade payables	34	15,153	15,153	-
Other payables	34	21,483	21,483	-
Due to related companies		361	361	-
Lease liabilities	31	18,748	18,748	-
		55,745	55,745	-
Company				
31 March 2022				
Financial assets				
Trade receivables	22	**564**	**564**	**-**
Other receivables (less prepayments)	23	**70**	**70**	**-**
Due from related companies	24	**145**	**145**	**-**
Financial investments	25	**44,638**	**-**	**44,638**
Cash and bank balances	26	**779**	**779**	**-**
		46,196	**1,558**	**44,638**
Financial liabilities				
Trade payables	34	**28**	**28**	**-**
Other payables	34	**1,828**	**1,828**	**-**
Due to related companies	24	**344**	**344**	**-**
		2,200	**2,200**	**-**

39. Financial instruments (cont'd.)

(a) Categories of financial instruments (cont'd.)

	Note	Carrying amount RM'000	AC RM'000	FVTPL RM'000
Company (cont'd.)				
31 March 2021				
Financial assets				
Trade receivables	22	207	207	-
Other receivables (less prepayments)	23	39,257	39,257	-
Due from related companies	24	3,041	3,041	-
Financial investments	25	20,208	-	20,208
Cash and bank balances	26	1,185	1,185	-
		63,898	43,690	20,208
Financial liabilities				
Trade payables	34	154	154	-
Other payables	34	1,678	1,678	-
Due to related companies	24	6,339	6,339	-
		8,171	8,171	-

(b) Determination of fair value

The fair value of financial assets and financial liabilities approximate their respective carrying values on the statement of financial position of the Group and of the Company.

The following methods and assumptions are used to estimate the fair values of the following classes of financial instruments:

(i) Cash and bank balances, borrowings, receivables and payables

The carrying amounts approximate fair values due to the relatively short term maturity of these financial instruments.

(ii) Financial investments

Financial investments relates to Islamic money market unit trust funds whose fair value is determined by reference to the fair value provided by the fund manager of the unit trust funds at the close of the business on the reporting date. The investments are classified as level 2 in the fair value hierarchy.

There were no transfer between the fair value hierarchy during the financial year (2021: no transfer in either directions).

40. 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, foreign exchange, 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

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates.

The Group does not have any interest-bearing long term debt or long term interest bearing assets as at 31 March 2022. The investment in financial assets are mainly short term in nature and they are not held for speculative purposes but have been mostly placed in fixed deposits and money market unit trust funds which yield better return than cash at bank.

(b) Foreign exchange risk

The Group is mainly exposed to the Indonesian Rupiah ("IDR"). Foreign currency denominated assets and liabilities together with expected cash flows from highly probable purchases and sales give rise to foreign exchange exposures.

Foreign exchange exposures in transactional currencies other than functional currencies of the operating entities are kept to an acceptable level.

Sensitivity analysis

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

	Group	
	2022 RM'000	**2021 RM'000**
IDR		
Financial assets		
- Trade and other receivables	**6,463**	28,561
- Cash and cash equivalents	**58,034**	46,348
	64,497	74,909
Financial liabilities		
- Trade and other payables	**5,203**	10,704
Net exposure	**59,294**	64,205

40. Financial risk management objectives and policies (cont'd.)

(b) Foreign exchange risk (cont'd.)

The following table demonstrates the sensitivity of the Group's profit net of tax to a reasonably possible change in the IDR exchange rates against the RM with all other variables held constant.

	Group	
	2022 Effect on profit net of tax/ equity RM'000	2021 Effect on profit net of tax/ equity RM'000
IDR - strengthens 1% (2021: 1%)	**451**	488
IDR - weakens 1% (2021: 1%)	**(451)**	(488)

(c) Liquidity/funding risk

The Group and the Company define liquidity/funding risk as the risk that funds will not be available to meet their liabilities as and when they fall due.

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

Analysis of financial instruments by remaining contractual maturities

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

	On demand or within			
	One year RM'000	Two to five years RM'000	Over five years RM'000	Total RM'000
Group				
As at 31 March 2022				
Financial liabilities:				
Trade and other payables (Note 34)	**25,076**	**-**	**-**	**25,076**
Amount due to related companies (Note 24)	**164**	**-**	**-**	**164**
Lease liabilities	**6,795**	**16,353**	**208,130**	**231,278**
	32,035	**16,353**	**208,130**	**256,518**
As at 31 March 2021				
Financial liabilities:				
Trade and other payables (Note 34)	36,636	-	-	36,636
Amount due to related companies (Note 24)	361	-	-	361
Lease liabilities	4,203	6,188	78,697	89,088
	41,200	6,188	78,697	126,085

40. Financial risk management objectives and policies (cont'd.)

(c) Liquidity/funding risk (cont'd.)

Analysis of financial instruments by remaining contractual maturities (cont'd.)

The table below summarises the maturity profile of the Group's and of the Company's liabilities at the reporting date based on contractual undiscounted repayment obligations. (cont'd.)

	On demand or within			
	One year RM'000	Two to five years RM'000	Over five years RM'000	Total RM'000
Company				
As at 31 March 2022				
Financial liabilities:				
Trade and other payables (Note 34)	**1,856**	**-**	**-**	**1,856**
Amount due to related companies (Note 24)	**344**	**-**	**-**	**344**
Lease liabilities	**2,529**	**9,401**	**129,091**	**141,021**
	4,729	**9,401**	**129,091**	**143,221**
As at 31 March 2021				
Financial liabilities:				
Trade and other payables (Note 34)	1,832	-	-	1,832
Amount due to related companies (Note 24)	6,339	-	-	6,339
	8,171	-	-	8,171

(d) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade receivables.

At the reporting date, the Group's and the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position as disclosed in Note 39.

40. Financial risk management objectives and policies (cont'd.)

(d) Credit risk (cont'd.)

Trade receivables

The Group and the Company minimise credit risk by entering into contracts with highly credit rated counterparties and through credit approval, financial limits and on-going monitoring procedures. Counterparties credit evaluation is done systematically using quantitative and qualitative criteria on credit risks specified by individual operating units. Depending on the creditworthiness of the counterparty, the Group and the Company may require collateral or other credit enhancements.

The Group and the Company use ageing analysis and credit limit review to monitor the credit quality of the receivables. Any customers exceeding their credit limit are monitored closely. With respect to the trade receivables that are neither impaired nor past due, there are no indications as of the reporting date that the debtors will not meet their payment obligations.

With respect to the trade receivables which have no realistic prospect of recovery, the gross carrying amounts of the credit impaired receivables will be written off (either in partial or in full).

<u>Recognition and measurement of impairment loss</u>

The Group and the Company measure their impairment losses for financial assets using a forward-looking expected credit loss ("ECL") approach. In determining the ECL, the probability of default assigned to each customer is based on their individual both quantitative and qualitative information and analysis, Group's and Company's historical experience and informed credit assessment and including forward-looking information.

The following table provides information about the exposure to credit risk and ECLs for trade receivables as at 31 March 2022 and 31 March 2021:

	Weighted average loss rate %	Gross amount RM'000	Expected credit loss RM'000
Group			
31 March 2022			
Current	**0%**	**17,648**	**-**
1 to 60 days past due	**0%**	**17,017**	**-**
61 to 120 days past due	**0%**	**2,060**	**-**
More than 121 days past due	**23%**	**6,602**	**1,521**
		43,327	**1,521**
31 March 2021			
Current	0%	21,603	-
1 to 60 days past due	0%	9,664	-
61 to 120 days past due	0%	155	-
More than 121 days past due	4%	26,553	1,008
		57,975	1,008

40. Financial risk management objectives and policies (cont'd.)

(d) Credit risk (cont'd.)

Trade receivables (cont'd.)

The following table provides information about the exposure to credit risk and ECLs for trade receivables as at 31 March 2022 and 31 March 2021: (cont'd.)

	Weighted average loss rate %	Gross amount RM'000	Expected credit loss RM'000
Company			
31 March 2022			
Current	**0%**	**402**	**-**
1 to 60 days past due	**0%**	**135**	**-**
61 to 120 days past due	**0%**	**12**	**-**
More than 121 days past due	**96%**	**395**	**380**
		944	**380**
31 March 2021			
Current	0%	61	-
1 to 60 days past due	0%	96	-
61 to 120 days past due	0%	50	-
More than 121 days past due	100%	348	348
		555	348

Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the country profile of its trade receivables on an ongoing basis. The credit risk concentration profile of the Group's net trade receivables at the reporting date are as follows:

	Group			
	2022 RM'000	% of total	2021 RM'000	% of total
Malaysia	**37,589**	**90%**	43,438	76%
Indonesia	**4,217**	**10%**	13,529	24%
	41,806	**100%**	56,967	100%

40. Financial risk management objectives and policies (cont'd.)

(d) Credit risk (cont'd.)

Exposure to expected credit losses increases with concentrations of credit risk which may exist when a number of counterparties are involved in similar activities or operate in the same industry sector or geographical area, which may result in their ability to meet contractual obligations being impacted by changes in economic, political or other conditions.

At the reporting date, approximately RM28,825,000 (2021: RM22,830,000) of the Group's trade receivables was due from the Government of Malaysia.

There are trade receivables where the Group and the Company have not recognised any loss allowance as the trade receivables are secured by collateral and/or other credit enhancements such as cash deposits, letter of credit and bank guarantees.

Fixed deposits with licensed banks are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

41. 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 shareholders' 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 and purchase of treasury shares. 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.

42. Material litigations

(i) Hak Guna Usaha No. 01/Nunukan Utara

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

Notwithstanding the HGU, the Menteri Agraria dan Tata Ruang/Kepala Badan Pertahanan Nasional ("Minister") issued a decree revoking PTNJL's land title Hak Guna Usaha No. 01/Nunukan Barat ("HGU") with immediate effect ("Ministerial Order") based on the following reasons:

- There were administrative irregularities performed by officer(s) of the Regional Land Body of East Kalimantan in respect of the HGU. Due to these irregularities, it was identified that 17,164 hectares ("Irregular Parcel") of the Total Parcel is delineated for forestry.

- 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"); and

- PTNJL to apply for a new HGU certificate for the remaining 2,809 hectares of land located at Land Allocated for Other Purposes ("APL").

On 21 October 2016, PTNJL initiated an action against the Minister, seeking an order to annul Revocation ("Lawsuit") in the Administrative Court ("State Administrative Court") of Jakarta, Indonesia seeking an court order to annul the Ministerial Order and also an order to postpone the enforcement of the Ministerial Order pending full and final determination of the matter by PTUN. The matter was brought until judicial review application.

42. Material litigations (cont'd.)

(i) Hak Guna Usaha No. 01/Nunukan Utara (cont'd.)

(a) Vide the written decision of the Jakarta State Administrative Court dated 4 August 2021 (which was received by PTNJL's solicitors on 25 November 2021 and forwarded to PTNJL on 26 November 2021), PTNJL's judicial review application was dismissed. As a result of this ruling, the Ministerial Order revoking PTNJL's HGU land title, is upheld.

Following the dismissal of PTNJL's judicial review application referred above which upheld the revocation of PTNJL's HGU, PTNJL continues to operate premised on its Izin Usaha Perkebunan. Meanwhile the HGU land title application in respect of the non-disputed areas is on-going to-date.

(b) On 28 November 2019, PTNJL has instituted a civil suit in the South Jakarta District Court ("the District Court") against the Minister and a Third Party (collectively, Defendants"). The President Republik Indonesia and Minister of Environmental Affairs and Forestry of Republic of Indonesia ("Forestry Ministry") have been named as co-defendants in the said suit.

PTNJL is inter alia seeking (i) recognition over its rights and to allow PTNJL to continue 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) to restrain Menteri Kehutanan from issuing any new licences permits or approvals to any parties on or within the HGU.

On 15 September 2020, the District Court delivered an oral judgement and dismissed the civil suit initiated by PTNJL against the Defendants on the basis that the District 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 District Court) in respect of the decision of the District Court dated 15 September 2020.

(c) Bupati Nunukan vide a letter dated 12 June 2020 ("SK Bupati"), which was received by PTNJL on 23 July 2020, revoked PTNJL's Izin Usaha Perkebunan ("IUP") with immediate effect. On 19 October 2020, PTNJL had initiated a legal action in Samarinda State Administrative Court against Bupati Nunukan to annul the SK Bupati. Subsequently, the court allowed a third party, PT. Adindo Hutani Lestari's application to be included as an intervener in the suit. The matter was brought until Mahkamah Agung level.

Mahkamah Agung vide decision dated 31 March 2022, ruled in favour of PTNJL and directed the Bupati Nunukan to (i) cancel the SK Bupati; and (ii) issue a new IUP in favour of PTNJL less the overlapping areas with the third party. In the circumstances, PTNJL continues to operate its plantation activities premised on its current IUP pending issuance of the fresh IUP.

(ii) Legal action against Datasonic Technologies Sdn. Bhd.

On 30 July 2018, the Company's subsidiary, Percetakan Keselamatan Nasional Sdn. Bhd. (""PKN""), has commenced a High Court action against Datasonic Technologies Sdn. Bhd. (""DTSB"").

The claim is for a sum of RM24,975,000 (excluding interest and cost), being the amount due and owing by DTSB to PKN for 1.5 million Malaysian passport booklets which were supplied by the PKN to DTSB.

At the request of DTSB during the case management on 3 October 2018, PKN 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.

As the parties were unable to reach a solution via mediation the matter went to trial in August 2021.

42. Material litigation (cont'd.)

(ii) Legal action against Datasonic Technologies Sdn. Bhd. (cont'd.)

On 13 October 2021, the High Court Judge ordered DTSB to pay PKN a sum of RM15,000,000 with 4% interest from the date of the court decision until full and final settlement. In addition, the Court has ordered PKN to pay DTSB costs of RM30,000.

PKN has on 29 October 2021, filed a Notice of Appeal at the Court of Appeal, appealing against some parts of the High Court's decision given on 13 October 2021. Subsequently on 22 December 2021, PKN has filed its Memorandum of Appeal together with the Records of Appeal at the Court of Appeal as per the Court's directive. The Appellant has on 29 October 2021, filed a Notice of Appeal at the Court of Appeal, appealing against some parts of the High Court's decision given on 13 October 2021. Subsequently on 22 December 2021, the Appellant has filed its Memorandum of Appeal together with the Records of Appeal at the Court of Appeal as per the Court's directive.

The hearing for the appeal was concluded on 15 June 2022 and after hearing the oral submissions from the parties' respective counsel, the Court of Appeal had reserved its decision to be delivered on 18 August 2022.

43. Significant event

On 28 September 2020, the Company has entered into a conditional Agreement for the Sale and Purchase of Business Assets which includes inter alia the lease of the plantation lands known as Ladang Aring and Ladang Kuala Betis ("Plantation Lands") with PMBK Sawit Sdn. Bhd. for a purchase consideration in the aggregate sum of RM51,500,000. The Plantation Lands are held under PN6353, Lot 3468, Mukim Relai, Jajahan Gua Musang, Kelantan Darul Naim and HSD27345, PT363, Mukim Kuala Betis, Jajahan Kecil Lojing, Kelantan Darul Naim measuring approximately 935.3 hectares and 2,302 hectares, respectively. The lease period for the Plantation Lands is for 66 years and expiring on 5 March 2077. The acquisition was completed on 3 May 2021.

44. Comparatives

In prior year, certain export duty and levy have been offset against revenue and the remaining were recognised in other operating expenses. These amount have been reclassified to selling and marketing expenses to be consistent with the current financial year's presentation.

	As previously stated RM'000	Reclassification RM'000	As restated RM'000
Group			
Statements of comprehensive income For the financial year ended 31 March 2021			
Revenue	212,649	19,525	232,174
Selling and marketing expenses	(6,687)	(19,648)	(26,335)
Other operating expenses	(19,224)	123	(19,101)

45. Authorisation of financial statements for issue

The financial statements for the year ended 31 March 2022 were authorised for issue in accordance with a resolution of the directors on 27 June 2022.

No.	Location	Description/ Existing Use	Tenure	Land Area (Acres)	Built-Up Area (Sq/ft.)	Net Book Value as at 31/03/2022 (RM)	Date of Acquisition/ Last Revaluation	Approximate Age of Building (Years)
	FIMA CORPORATION BERHAD							
1	PTD 4656 HS(D) 13531 Mukim Jeram Batu Pontian, Johor	Industrial land and building	Freehold	2.71	66,608	735,000	07 July 1993	54
2.	Lot 1176 Mukim Pasir Panjang Port Dickson Negeri Sembilan	Bungalow	Feeehold	0.82	N/A	1,598,000	07 July 1993/ 12 February 2015	73
3.	Lot 52068 Grant 50064 Mukim of Kuala Lumpur Wilayah Persekutan	Office Building	Freehold	1.45	270,372	44,054,000	17 August 1995	24
4.	PT 363 HSD 27345 Mukim Kuala Betis Daerah Betis Jajahan Kecil Lojing Kelantan	Agriculture Oil Palm Plantation	Leasehold expiring 5/03/2077	5,688.24	N/A	84,558,000	3 May 2021	N/A
5.	Lot 3468 PN 6353 Mukim Relai Daerah Chiku Jajahan Gua Musang Kelantan	Agriculture Oil Palm Plantation	Leasehold expiring 5/03/2077	2,311.13	N/A	34,544,000	3 May 2021	N/A
	Sub Total			8,004.35	336,980	165,489,000		
	PERCETAKAN KESELAMATAN NASIONAL SDN BHD							
1.	Lot 27306 Section 13 Mukim Kajang District of Hulu Langat Selangor	Industrial land and building	Leasehold expiring 29/09/2086	8.30	250,560	10,302,000	26 January 2006	35
	Sub Total			8.30	250,560	10,302,000		
	CENDANA LAKSANA SDN BHD							
1.	PN 7602 (Lot 2925) and HSD 398 (PT 757P) Mukim of Tebak District of Kemaman Terengganu	Agriculture Oil Palm Plantation	Leasehold expiring 8/08/2048 (PN 7602) 8/08/2039 (HSD 398)	1,940.73	N/A	44,148,000	6 January 2014/ 20 March 2015	N/A
	Sub Total			1,940.73	N/A	44,148,000		
	GABUNGAN WARISAN SDN BHD							
1.	PT 4718 H.S(D) 9350 Mukim of Kuala Stong District of Kuala Krai Kelantan	Agriculture Oil Palm Plantation	Leasehold expiring 22/07/2112	617.27	N/A	14,113,000	17 October 2014/ 10 March 2015	N/A
	Sub Total			617.27	N/A	14,113,000		

No.	Location	Description/ Existing Use	Tenure	Land Area (Acres)	Built-Up Area (Sq/ft.)	Net Book Value as at 31/03/2022 (RM)	Date of Acquisition/ Last Revaluation	Approximate Age of Building (Years)
	TAKA WORLDWIDE TRADING SDN BHD							
1.	PT 6943 H.S(D) 2345 Mukim of Relai District of Gua Musang Kelantan	Agriculture Oil Palm Plantation	Leasehold expiring 5/03/2107	500.00	N/A	9,935,000	18 March 2015	N/A
	Sub Total			500.00	N/A	9,935,000		
	ETIKA GANGSA SDN BHD							
1.	PT 6944 H.S(D) 2346 Mukim of Relai District of Gua Musang Kelantan	Agriculture Oil Palm Plantation	Leasehold expiring 5/03/2107	500.00	N/A	9,065,000	18 March 2015	N/A
	Sub Total			500.00	N/A	9,065,000		
	LADANG BUNGA TANJONG SDN BHD							
1.	GRN 36415 Lot 2429 Mukim Lubok Bungor Jajahan Jeli Kelantan	Agriculture Oil Palm Plantation	Leasehold expiring 28/09/2069	3,288.90	N/A	49,239,000	20 February 2018	N/A
	Sub Total			3,288.90	N/A	49,239,000		
	FIMA SG. SIPUT ESTATE SDN BHD							
1.	PT 14352 H.S(D) 16214 Mukim Sungai Siput District of Kuala Kangsar Perak	Agriculture Oil Palm Plantation	Leasehold expiring 3/08/2075	4,942.00	N/A	27,433,000	4 December 2015	N/A
	Sub Total			4,942.00	N/A	27,433,000		
	PT NUNUKAN JAYA LESTARI							
1.	Izin Lokasi No.1 of 2002 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	17/03/2035 (HGB)	49,355.75 286.15	N/A N/A	15,283,000 626,000	9 April 2007/ 31 December 2014	N/A N/A
	Sub Total			49,641.90	-	15,909,000		
	GRAND TOTAL			69,443.45	587,540	345,633,000		

THIRTY LARGEST SHAREHOLDERS

No.	Name	No. of Shares	% of Total Shareholdings
1.	FIMA METAL BOX HOLDINGS SDN BHD	147,245,358	62.03
2.	LEONG KOK TAI	3,502,100	1.48
3.	WONG YU @ WONG WING YU	2,757,800	1.16
4.	LIAU CHOON HWA & SONS SDN BHD	2,483,300	1.05
5.	TAN AH KOW @ TAN TOONG SOON	2,430,000	1.02
6.	LIAU KEEN YEE	2,403,000	1.01
7.	HAMIDAH BINTI ABDUL RAHMAN	1,816,800	0.77
8.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR BANK OF SINGAPORE LIMITED (LOCAL)	1,562,700	0.66
9.	MAYBANK NOMINEES (TEMPATAN) SDN BHD MAYBANK PRIVATE WEALTH MANAGEMENT FOR DATIN ROZILAWATI BINTI HAJI BASIR (PW-M00823)(421210)	1,321,500	0.56
10.	LEE SIEW PENG	1,260,000	0.53
11.	WONG YU @ WONG WING YU	1,260,000	0.53
12.	CHIN KIAN FONG	1,251,000	0.53
13.	WONG SOO PING	1,117,200	0.47
14.	ONG TECK PEOW	998,200	0.42
15.	ONG SIOK BEE	946,000	0.40
16.	YEO KHEE HUAT	864,900	0.36
17.	LIAU CHERN YEE	862,000	0.36
18.	YONG SIEW LEE	850,000	0.36
19.	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN YEE MING	810,000	0.34
20.	UOB KAY HIAN NOMINEES (ASING) SDN BHD EXEMPT AN FOR UOB KAY HIAN PTE LTD (A/C CLIENT)	749,640	0.32
21.	INTROSCAPE SDN BHD	735,000	0.31
22.	ONG CHIN THYE	724,000	0.31
23.	TAN SIEW YOKE	714,000	0.30
24.	LIM SIEW GEOK	690,000	0.29
25.	SOH CHOO KEAN	639,000	0.27
26.	CITIGROUP NOMINEES (ASING) SDN BHD EXEMPT AN FOR OCBC SECURITIES PRIVATE LIMITED (CLIENT A/C-NR)	605,168	0.25
27.	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR DATO' ROSLAN BIN HAMIR	601,800	0.25
28.	TAN TEAN TUNE	600,000	0.25
29.	LIM KHUAN ENG	570,000	0.24
30.	TAN TIAN SANG @ TAN TIAN SONG	537,000	0.23

SUBSTANTIAL SHAREHOLDER

Name	DIRECT HOLDINGS No. of Shares	DIRECT HOLDINGS % of Total Shareholdings
FIMA METAL BOX HOLDINGS SDN BHD	147,245,358	62.03

DISTRIBUTION BY SIZE OF SHAREHOLDINGS

Size of Holdings	No. of Holders	% of Holders	No. of Shares	% of Shareholdings
Less than 100	322	9.93	3,574	0.00
100 - 1,000	491	15.14	263,985	0.11
1,001 - 10,000	1,538	47.41	7,640,985	3.22
10,001 - 100,000	754	23.24	22,527,430	9.49
100,001 - 11,868,770	138	4.25	59,694,098	25.15
11,868,771 - and above	1	0.03	147,245,358	62.03
TOTAL	**3,244**	**100.00**	**237,375,430**	**100.00**

CLASSIFICATION OF SHAREHOLDERS

Category	No. of Holders	% of Holders	No. of Shares	% of Shareholdings
1. Government Agencies	0	0.00	0	0.00
2. Bumiputra				
a. Individuals	84	2.59	2,629,381	1.11
b. Companies	8	0.25	147,305,708	62.05
c. Nominees Company	171	5.27	4,775,119	2.01
3. Non-Bumiputra				
a. Individuals	2,651	81.72	67,761,782	28.55
b. Companies	64	1.97	7,186,038	3.03
c. Nominees Company	149	4.59	3,782,430	1.59
MALAYSIAN TOTAL	**3,127**	**96.39**	**233,440,458**	**98.34**
4. Foreign				
a. Individuals	74	2.28	985,842	0.42
b. Companies	3	0.09	116,673	0.05
c. Nominees Company	40	1.23	2,832,457	1.19
FOREIGN TOTAL	**117**	**3.61**	**3,934,972**	**1.66**
GRAND TOTAL	**3,244**	**100.00**	**237,375,430**	**100.00**

DIRECTORS' SHAREHOLDINGS

	DIRECT HOLDINGS		INDIRECT HOLDINGS	
Directors	**No. of Shares**	**% of Shareholdings**	**No. of Shares**	**% of Shareholdings**
DATUK BAZLAN BIN OSMAN	10,000	-	-	-
DATO' ROSLAN BIN HAMIR	-	-	601,800[(a)]	0.25
ROSELY BIN KUSIP	-	-	-	-
REZAL ZAIN BIN ABDUL RASHID	14,000	-	-	-
DR. ROSHAYATI BINTI BASIR	175,600	0.07	150,383,658[(b)]	61.30
NIK FEIZAL HAIDI BIN HANAFI	-	-	-	-

Notes:

[(a)] *601,800 ordinary shares are held under Maybank Nominees (Tempatan) Sdn Bhd.*

[(b)] *Deemed interested by virtue that:*

(i) Fima Metal Box Holdings Sdn Bhd's ("Fima Metal Box") direct shareholding in the Company. Fima Metal Box is a major shareholder of the Company and is a wholly-owned subsidiary of Kumpulan Fima Berhad.

(ii) Her sister, Datin Rozilawati binti Haji Basir's indirect shareholding in the Company which is held under Maybank Nominees (Tempatan) Sdn Bhd.

(iii) Her mother, Puan Sri Datin Hamidah binti Abdul Rahman's direct shareholding in the Company.

NOTICE OF 47TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Forty-seventh ("47th") Annual General Meeting ("AGM") of FIMA CORPORATION BERHAD ("FimaCorp" and/or "the Company") will be conducted on a virtual basis through live streaming and online remote voting using Remote Participation and Electronic Voting ("RPEV") facilities available at https://meeting.boardroomlimited.my, with the Broadcast Venue at the Training Room, Kumpulan Fima Berhad, Suite 4.1, Level 4, Block C, Plaza Damansara, No. 45, Jalan Medan Setia 1, Bukit Damansara, 50490 Kuala Lumpur on Tuesday, 23 August 2022 at 9.30 a.m., to transact the following business:

ORDINARY BUSINESS

1. To receive the Audited Financial Statements of the Company for the financial year ended 31 March 2022 and the Directors' and Auditors' Reports thereon. **Please refer to Note A**

2. To re-elect the following Directors, who retire by rotation in accordance with Article 108 of the Company's Constitution and who, being eligible, offer themselves for re-election:

   (i) Datuk Bazlan bin Osman **Resolution 1**
   (ii) Encik Rezal Zain bin Abdul Rashid **Resolution 2**

3. To approve the payment of Directors' fees for each of the Non-Executive Directors of the Company for the ensuing financial year. **Resolution 3**

4. To approve the payment of Directors' fees for each of the Non-Executive Directors who sit on the Boards of FimaCorp subsidiaries from 24 August 2022 until the conclusion of the next AGM of the Company. **Resolution 4**

5. To approve the payment of Directors' remuneration (excluding Directors' fees) for the Non-Executive Directors from 24 August 2022 until the conclusion of the next AGM of the Company. **Resolution 5**

6. To re-appoint Messrs. Ernst & Young PLT as Auditors of the Company for the financial year ending 31 March 2023 and to authorise the Directors to determine their remuneration. **Resolution 6**

SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions:

7. **PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE** **Resolution 7**

   "THAT pursuant to Paragraph 10.09 of the Bursa Malaysia Securities Berhad ("Bursa") Main Market Listing Requirements ("Listing Requirements"), approval be and is hereby given for the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature as set out in Section 2.5 Part A of the Company's Circular/Statement to Shareholders dated 28 July 2022 which are necessary for the day-to-day operations of the Company and/or its subsidiaries, provided that such transactions are entered into in the ordinary course of business of the Company and/or its subsidiaries, are carried out on terms not more favourable to the related party than those generally available to the public and are not detrimental to the minority shareholders of the Company.

THAT such approval shall continue to be in full force and effect until:

(i) the conclusion of the next AGM of the Company, at which time the authority will lapse, unless the authority is renewed by a resolution passed at such general meeting; or
(ii) the expiration of the period within which the Company's next AGM is required to be held under Section 340(1) of the Companies Act, 2016 ("the Act") (but shall not extend to such extension as may be allowed under Section 340(4) of the Act); or
(iii) revoked or varied by resolution passed by the shareholders of the Company at a general meeting,

whichever is the earlier;

AND THAT the Board of Directors of the Company be and is hereby empowered and 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 Company's Constitution, as may be required) as the Board may consider expedient or necessary to give effect to the proposed mandate."

8. **PROPOSED RENEWAL OF THE AUTHORITY FOR SHARES BUY-BACK** **Resolution 8**

"THAT subject to compliance with the Act, the Bursa Listing Requirements, provisions of the Company's Constitution and all other applicable laws, guidelines, rules and regulations, approval and authority be and are hereby given to the Directors of the Company, to the extent permitted by law, to purchase such number of ordinary shares in FimaCorp ("FimaCorp Shares") as may be determined by the Directors from time to time through Bursa upon such terms and conditions as the Directors may deem fit, necessary and expedient in the interest of the Company, provided that:

(i) the maximum aggregate number of FimaCorp Shares which may be purchased and/or held by the Company shall not exceed 10% of the issued and paid-up share capital of the Company at any time; and
(ii) the maximum funds to be allocated by the Company for the purpose of purchasing its own shares shall not exceed the total retained profits of the Company for the time being.

THAT the Directors be and are hereby authorised to deal with the FimaCorp Shares so purchased at their discretion, in the following manner:

(i) cancel the FimaCorp Shares so purchased; or
(ii) retain the FimaCorp Shares so purchased as treasury shares which may be dealt with in accordance with Section 127(7) of the Act; or
(iii) retain part of the FimaCorp Shares so purchased as treasury shares and cancel the remainder of the FimaCorp Shares,

or in any other manner as may be prescribed by the Act, all applicable laws, regulations and guidelines applied from time to time by Bursa and/or other relevant authority for the time being in force, and that the authority to deal with the purchased FimaCorp Shares shall continue to be valid until all the purchased FimaCorp Shares have been dealt with by the Directors of the Company;

THAT the authority conferred by this resolution shall be effective immediately upon the passing of this resolution and shall continue to be in force until:

(i) the conclusion of the next AGM of the Company, at which time it shall lapse, unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or

(ii) the expiration of the period within which the next AGM of the Company is required by law to be held; or

(iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever occurs first, but not so as to prejudice the completion of purchase(s) by the Company before the aforesaid expiry date and, in any event, in accordance with the provisions of the Bursa Listing Requirements or any other relevant authorities;

AND FURTHER THAT the Board be and is hereby authorised to do all such acts and things and to take all such steps as the Board deems fit, necessary, expedient and/or appropriate in order to complete and give full effect to the purchase by the Company of its own shares with full powers to assent to any condition, modification, variation and/or amendment as may be required or imposed by the relevant authorities."

9. To transact any other business of which due notice shall have been given in accordance with the Act and the Company's Constitution.

BY ORDER OF THE BOARD

JASMIN BINTI HOOD
(SSM PC No. 201908001455) (LS 0009071)
MUHAMMAD FADZLILAH BIN ABDUL RA' FAR
(SSM PC No. 202208000410) (CA 39941)
Company Secretaries

Kuala Lumpur
28 July 2022

NOTES:

(I) **Note A**
The Audited Financial Statements is for discussion only it does not require shareholders' approval pursuant to the provision of Section 340(1)(a) of the Act. Hence, it is not put forward for voting.

(II) **Resolutions 1 and 2**
Article 108 of the Company's Constitution provides that one-third (1/3) of the Directors of the Company for the time being shall retire by rotation at an AGM of the Company provided always that all Directors, shall retire from office at least once in every three (3) years, but shall be eligible for re-election at the AGM. A Director retiring at a meeting shall retain office until the close of the meeting, whether adjourned or not.

At the 47th AGM, Datuk Bazlan bin Osman and Encik Rezal Zain bin Abdul Rashid being the longest in office since their last appointment/election are standing for re-election as Directors and have consented to the re-election. The Board has endorsed the Nomination and Remuneration Committee's recommendation that both Directors who are retiring by rotation pursuant to Article 108 of the Company's Constitution are eligible to stand for re-election.

The profiles of the retiring Directors are set out in Our Board of Directors section of the Company's Annual Report 2022.

(III) **Resolutions 3, 4 and 5**
Section 230(1) of the Act provides, among others, that the fees of the directors and any benefits payable to the directors of a listed company and its subsidiaries shall be approved at a general meeting. In this respect, the Board agreed that the shareholders' approval shall be sought at the 47th AGM of the Company on the following payments to Directors in three (3) separate resolutions, as below:

- **Resolution 3** on payment of Directors' fees for the ensuing financial year.
- **Resolution 4** on payment of Directors' fees for each of the Non-Executive Directors ("NEDs") who sit on the Board of Directors of FimaCorp subsidiaries from 24 August 2022 until the conclusion of the next AGM of the Company.
- **Resolution 5** on payment of Directors' remuneration (excluding Directors' fees) to the NEDs from 24 August 2022 until the conclusion of the next AGM of the Company.

Ordinary Resolutions 3, 4 and 5 comprise fees, allowances and other benefits payable to the Non-Executive Chairman, NEDs and Board Committees, including fees and allowances payable to them by subsidiaries. Payment of the said fees, allowances and other benefits referred to herein will be made by the Company as and when incurred.

Other fees payable to the NEDs remain unchanged. The Managing Director does not receive any Director's fees and meeting allowances.

Company

		Fee (per annum)	Meeting Allowance (per meeting)	Benefits
Board	Chairman	RM75,000	RM2,000	Medical coverage and other claimable benefits
	Member	RM50,000	RM2,000	
Committees	Chairman of Audit and Risk Committee	RM15,000	RM2,000	N/A
	Member of Audit and Risk Committee	RM10,000	RM2,000	N/A
	Member of Nomination and Remuneration Committee	N/A	RM2,000	N/A
Sub-committees	Member of Group Sustainability Committee	N/A	RM2,000	N/A
	Member of Risk Steering Committee	N/A	RM2,000	N/A
	Member of Ad Hoc Committee	N/A	RM2,000	N/A

Subsidiaries

Subsidiary	Position Held	Fee Type	Amount
Percetakan Keselamatan Nasional Sdn Bhd	Director	Director's fee per annum Meeting allowance per meeting	RM12,000 RM1,000
PT Nunukan Jaya Lestari	Director	Director's fee per annum Meeting allowance per meeting	RM12,000 RM1,000
FCB Plantation Holdings Sdn Bhd	Chairman	Director's fee per annum Meeting allowance per meeting	RM18,000 RM1,000
Ladang Bunga Tanjong Sdn Bhd	Director	Director's fee per annum Meeting allowance per meeting	RM12,000 RM1,000

In determining the estimated amount of remuneration payable to the NEDs, various factors, including the number of scheduled meetings of the Board, Board Committees and Board of subsidiaries, as well as the number of NEDs involved in these meetings were considered.

(IV) **Resolution 6**

The Board at its meeting held on 27 June 2022 approved the Audit and Risk Committee's recommendation for shareholders' approval to be sought at the 47th AGM for re-appointment of Messrs. Ernst & Young PLT as Auditors of the Company for the financial year ending 31 March 2023.

The Board and the Audit and Risk Committee collectively agreed that Messrs. Ernst & Young PLT has met the relevant criteria prescribed by Paragraph 15.21 of the Bursa Listing Requirements.

(V) **EXPLANATORY NOTES ON SPECIAL BUSINESS**

(a) **Resolution 7**

The proposed Ordinary Resolution 7, 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.

Further information on the Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature is set out in Part A of the Circular/Statement to Shareholders dated 28 July 2022, which is available on the 'Investors' section of the Company's website.

(b) **Resolution 8**

The proposed Ordinary Resolution 8, if passed, will renew the authority granted by the shareholders at the last AGM. The renewed authority will allow the Company to purchase its own shares of up to 10% of its prevailing ordinary issued and paid-up share capital at any time. The renewed authority, unless revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting, will expire at the conclusion of the next AGM of the Company or the expiration of the period within which the next AGM is required by law to be held, whichever occurs first.

Further information on the Proposed Renewal of Shares Buy-Back Authority is set out in Part B of the Circular/ Statement to Shareholders dated 28 July 2022, which is available on the 'Investors' section of the Company's website.

Notes:

A. **Registration for Remote Participation and Voting through RPEV Facilities**

1. The 47th AGM of the Company will be conducted on a virtual basis through live streaming and RPEV facilities which will be made available on the online portal provided by Boardroom Share Registrars Sdn Bhd at https://meeting.boardroomlimited.my. Please follow the procedures provided in the Administrative Guide for the 47th AGM in order to register, participate and vote remotely via the RPEV facilities.

2. The Broadcast Venue of the 47th AGM is strictly for the purpose of complying with Section 327(2) of the Act which requires the Chairman of the 47th AGM to be present at the main venue of the general meeting and to facilitate the conduct of the virtual meeting.

3. Members, proxies or corporate representatives are not allowed to be physically present at the Broadcast Venue. Only essential individuals and authorised personnel as determined by the Company shall be allowed entry into the Broadcast Venue.

B. **Submission of Questions before the 47th AGM**

Members may login via https://investor.boardroomlimited.com to pose and submit questions electronically in relation to the agenda items for the 47th AGM prior to the meeting and no later than 9.30 a.m. on Tuesday, 16 August 2022. The responses to these questions will be shared at the 47th AGM.

C. **Appointment of Proxy(ies)**

1. Only members whose names appear in the General Meeting Record of Depositors as at 16 August 2022 shall be entitled to participate, speak and vote at the 47th AGM or appoint proxy(ies) to participate and/or vote on their behalf.

2. A member of the Company who is entitled to participate and vote at the 47th AGM may appoint up to 2 proxies by specifying the proportion of his/her shareholding to be represented by each proxy. A proxy may not be a member of the Company.

3. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for the multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

4. The instrument appointing a proxy (proxy form) may be made in hard copy form or by electronic means in the following manner and must be deposited with the Company's share registrar, Boardroom Share Registrars Sdn Bhd, not less than 48 hours before the time appointed for holding the 47th AGM or adjournment thereof:

   (a) In hard copy form

   The proxy form must be deposited at the Company's share registrar's office situated at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan.

   (b) By electronic means

   The proxy form can also be lodged electronically through Boardroom Smart Investor Online Portal at https://investor.boardroomlimited.com. Kindly refer to the Administrative Guide for the 47th AGM on the procedures for electronic lodgement of proxy form.

5. If the appointer is a corporation, the proxy form or certificate of appointment of corporate representative must be deposited by hand or post to Boardroom Share Registrars Sdn Bhd not less than 48 hours before the time appointed for holding the 47th AGM or adjournment thereof. Alternatively, the proxy form or certificate of appointment of corporate representative may also be sent to Boardroom Share Registrars Sdn Bhd via email at BSR.Helpdesk@boardroomlimited.com.

6. If you have submitted your proxy form prior to the 47th AGM and subsequently decide to participate in the 47th AGM yourself, please write in to BSR.Helpdesk@boardroomlimited.com to revoke the appointment of your proxy(ies) 48 hours before the 47th AGM. Your proxy(ies) on revocation will not be allowed to participate in the 47th AGM. In such event, you should advise your proxy(ies) accordingly.

7. The voting at the 47th AGM will be conducted on a poll. The Company will appoint independent scrutineers to verify the poll results.

1. The Directors who are retiring pursuant to Article 108 of the Company's Constitution and seeking re-election are:

    a. Datuk Bazlan bin Osman
    b. Encik Rezal Zain bin Abdul Rashid

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

Meeting Day and Date	:	Tuesday, 23 August 2022
Online Meeting Platform	:	https://meeting.boardroomlimited.my
Registration	:	Virtual Meeting using Remote Participation and Electronic Voting ("RPEV") facilities through Boardroom Smart Investor Portal at https://investor.boardroomlimited.com
Commencement of Meeting	:	9.30 a.m.
Broadcast Venue	:	Training Room, Kumpulan Fima Berhad, Suite 4.1, Level 4, Block C, Plaza Damansara, No. 45, Jalan Medan Setia 1, Bukit Damansara, 50490 Kuala Lumpur

1. Virtual 47th Annual General Meeting ("47th AGM")

1.1 The Company's 47th AGM will be conducted on a virtual basis via RPEV facilities, in accordance with the revised Guidance and FAQs on the Conduct of General Meetings for Listed Issuers issued by the Securities Commission of Malaysia on 7 April 2022.

1.2 The main and only venue for the 47th AGM is the Broadcast Venue which is strictly for the purpose of complying with Section 327(2) of the Companies Act, 2016 that requires the Chairman of the Meeting to be present at the main venue of the meeting. No shareholders/proxies/corporate representatives should be physically present nor admitted at the Broadcast Venue on the day of the 47th AGM.

1.3 Shareholders can participate in the 47th AGM via online meeting platform at https://meeting.boardroomlimited.my by registering through Boardroom Smart Investor Portal at https://investor.boardroomlimited.com.

1.4 With the RPEV facilities, you may exercise your right as a shareholder of the Company to participate and pose questions to the Board and vote at the 47th AGM, safely from your home.

1.5 Kindly ensure the stability of the internet connectivity throughout the 47th AGM proceedings is maintained as the quality of the live webcast and online remote voting are dependent on the bandwidth and stability of the internet connection of the participants.

1.6 No recording or photography of the meeting proceedings is allowed.

2. Entitlement to Participate and Vote

2.1 Only members whose names appear in the General Meeting Record of Depositors as at 16 August 2022 shall be entitled to participate in the 47th AGM or appoint proxies to register and vote on their behalf by returning the proxy form which is enclosed in this Annual Report 2022 and can also be downloaded from http://www.fimacorp.com/agm.

3. Lodgement of Proxy Form

3.1 If you are unable to participate the 47th AGM virtually and wish to appoint the Chairman of the meeting as your proxy to vote on your behalf, please deposit your proxy form at the Share Registrar's office, Boardroom Share Registrars Sdn Bhd ("Boardroom Share Registrars") 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan not less than 48 hours before the time of holding the meeting or adjournment thereof. Any alteration to the proxy form must be initialled.

3.2 Boardroom Share Registrars will also provide a box at the ground floor of its office building to facilitate drop-off of proxy forms.

3. Lodgement of Proxy Form (cont'd)

3.3 The proxy appointment may also be lodged electronically via Boardroom Smart Investor Online Portal at https://investor.boardroomlimited.com which is free and available to all individual shareholders, not less than 48 hours before the time of holding the 47th AGM or no later than 9.30 a.m. on 21 August 2022 in accordance with the steps provided below:

Step 1 – Register Online with Boardroom Smart Investor Portal (for first time registration only)

Note: If you have already signed up with Boardroom Smart Investor Portal, you are not required to register again. You may proceed to Step 2 on eProxy Lodgement.

a. Access website https://investor.boardroomlimited.com
b. Click <<Register>> to sign up as a user.
c. Complete registration and upload softcopy of MyKad/Identification Card (front and back in JPEG/PNG/PDF format only) or Passport (in JPEG/PNG/PDF format only).
d. Please enter a valid email address and wait for Boardroom Share Registrars' email verification.
e. Your registration will be verified and approved within one (1) business day and an email notification will be provided.

Step 2 – eProxy Lodgement

a. Login to https://investor.boardroomlimited.com using your user ID and password provided by Boardroom Share Registrars.
b. Select "FIMA CORPORATION BERHAD 47TH AGM" from the list of Corporate Meeting and click "Enter".
c. Click "Submit eProxy Form".
d. Read and accept the general terms and conditions and enter your CDS account number to appoint proxy and insert proxy details and voting instructions.

3.4 If you wish to participate in the 47th AGM yourself, please do not submit any proxy form for the 47th AGM. You will not be allowed to participate in the 47th AGM together with a proxy appointed by you.

3.5 If you have submitted your proxy form prior to the 47th AGM and subsequently, decide to participate in the 47th AGM yourself, please write in to BSR.Helpdesk@boardroomlimited.com to revoke the appointment of your proxy(ies) at least 48 hours before the 47th AGM. Your proxy(ies) on revocation would not be allowed to participate in the 47th AGM. In such event, you should advise your proxy(ies) accordingly.

4. Corporate Shareholder

4.1 Corporate shareholders who require their corporate representative to participate and vote at the 47th AGM must deposit their proxy form or certificate of appointment of corporate representative to the Boardroom Share Registrars' office not less than 48 hours before the time of holding the 47th AGM. Alternatively, the proxy form or certificate of appointment of corporate representative may also be sent to Boardroom Share Registrars via email at BSR.Helpdesk@boardroomlimited.com.

5. Voting Procedures

5.1 The voting will be conducted by poll in accordance with Paragraph 8.29A of Bursa Listing Requirements.

5.2 The Company has appointed Boardroom Share Registrars as the Poll Administrator to conduct the poll by way of electronic voting (e-Voting) and Boardroom Corporate Services Sdn Bhd as Scrutineers to verify the poll results.

5.3 During the 47th AGM, the Chairman will invite the Poll Administrator to brief on the e-Voting housekeeping rules. The voting session will commence as soon as the Chairman calls for the poll to be opened and until such time when the Chairman announces the closure of the poll.

5.4 For the purpose of the 47th AGM, e-Voting will be carried out using personal smart mobile phones, tablets, personal computers or laptops.

5.5 The Scrutineers will verify the poll result reports upon closing of the poll session by the Chairman. Thereafter, the Chairman will announce and declare whether the resolutions put to vote were successfully carried or not.

6. Remote Participation and Electronic Voting

6.1 Please note that all members including (i) individual members; (ii) corporate shareholders; (iii) authorised nominees; and (iv) exempt authorised nominee shall use the RPEV facilities to participate and vote remotely at the 47th AGM.

6.2 If you wish to participate in the 47th AGM, you will be able to view a live webcast of the 47th AGM, ask questions and submit your votes in real time whilst the 47th AGM is in progress.

6.3 Kindly follow the steps below on how to request for login ID and password and usage of the RPEV facilities:

BEFORE 47TH AGM

Procedures	Actions
1. Register Online with Boardroom Smart Investor Portal **(for first time registration only)** *Note:* *If you have already signed up with Boardroom Smart Investor Portal, you are not required to register again. You may proceed to Step 2 – Submit Request for Remote Participation User ID and Password.*	a. Access website https://investor.boardroomlimited.com. b. Click <<Register>> to sign up as a user. c. Complete registration and upload softcopy of MyKad/Identification Card (front and back in JPEG/PNG/PDF format only) or Passport (in JPEG/PNG/PDF format only). d. Please enter a valid email address and wait for Boardroom Share Registrars' email verification. e. Your registration will be verified and approved within one (1) business day and an email notification will be provided.
2. Submit Request for Remote Participation User ID and Password *Note:* *Registration for remote access will be opened on 28 July 2022, please note that the **closing time to submit your request** is not less than 48 hours before the time of holding the 47th AGM or no later than 9.30 a.m. on 21 August 2022.*	**Individual Members** • Login to https://investor.boardroomlimited.com using your user ID and password. • Select "FIMA CORPORATION BERHAD 47TH AGM" from the list of Corporate Meeting and click "Enter". • Click "Register for RPEV". • Read and accept the general terms and conditions and enter your CDS account number to submit your request. **Corporate Members** • Write in to BSR.Helpdesk@boardroomlimited.com by providing the name of member, CDS account number accompanied with the certificate of appointment of corporate representative or proxy form to submit the request. • Please provide a copy of Corporate Representative's MyKad/Identification Card (front and back in JPEG/PNG/PDF format only) or Passport (in JPEG/PNG/PDF format only), as well as his/her email address. **Authorised Nominee and Exempt Authorised Nominee** • Write in to BSR.Helpdesk@boardroomlimited.com by providing the name of member, CDS account number accompanied with the proxy form to submit the request. • Please provide a copy of proxy holder's MyKad/Identification Card (front and back in JPEG/PNG/PDF format only) or Passport (in JPEG/PNG/PDF format only), as well as his/her email address.
3. Email Notification	a. You will receive a notification from Boardroom Share Registrars that your request has been received and is being verified. b. Upon system verification against the General Meeting Record of Depositors as at 16 August 2022, you will receive an email from Boardroom Share Registrars either approving or rejecting your registration for remote participation. c. If your registration is approved, you will receive your remote access user ID and password in the same email from Boardroom Share Registrars.

ON THE DAY OF THE 47TH AGM

Procedures	Actions
1. Login to Online Meeting Platform	a. Online Meeting Platform will be open for login 1 hour before the commencement of the 47th AGM at 8.30 a.m. on 23 August 2022. b. Follow the steps given to you in the email from Boardroom Share Registrars, using the remote access user ID and password provided. c. The steps will also guide you on how to view live webcast, pose questions and vote.
2. Participate *Note: Questions submitted online will be moderated before being sent to the Chairman to avoid repetition.*	a. If you would like to view live webcast, select the broadcast icon. b. If you would like to ask a question during the 47th AGM, select the messaging icon. c. Type your message within the chat box, click the send button once completed. d. The Chairman/Board of Directors will endeavour their best to respond to the questions submitted by the shareholders/proxies which are related to the resolutions to be tabled at the 47th AGM, as well as financial performance/prospect of the Company.
3. Voting	a. Once the 47th AGM is open for voting, the polling icon will appear with the resolutions and your voting choices. b. To vote, simply select your voting direction from the options provided. c. A confirmation message will appear to show your vote has been received. d. To change your vote, simply select another voting direction. e. If you wish to cancel your vote, please press "Cancel".
4. End of Participation	a. Upon the announcement by the Chairman on the closure of 47th AGM, the live webcast will end and the messaging window will be disabled. b. You can now logout from the meeting platform.

7. No Door Gifts

7.1 There will be no distribution of door gifts or vouchers for the participation at this 47th AGM.

8. Enquiries

8.1 The Company welcomes questions and views from shareholders on the 47th AGM resolutions and Annual Report 2022 to be raised at the 47th AGM. Please submit your question(s) via Boardroom Share Registrars' website at https://investor.boardroomlimited.com using the same user ID and password provided in Step 2 – eProxy Lodgement and select "SUBMIT QUESTION" to pose questions commencing from 28 July 2022 and in any event no later than 9.30 a.m. on Tuesday, 16 August 2022. We will endeavour to provide responses to the queries during the 47th AGM session.

8.2 If you have any enquiry prior to the 47th AGM or if you wish to request for technical assistance to participate in the virtual meeting, please contact Boardroom Share Registrars during office hours on Monday to Friday from 9.00 a.m. to 5.00 p.m. (except on Public Holidays):

Boardroom Share Registrars Sdn Bhd
(Registration No. 199601006647/378993-D)
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13, 46200 Petaling Jaya
Selangor Darul Ehsan

General Line : 03-7890 4700
Fax No. : 03-7890 4670
Email : BSR.Helpdesk@boardroomlimited.com

Members are reminded to monitor the Company's website and announcements for any changes to the arrangements of the 47th AGM.

Annual Report 2022

We strongly recommend you to download the digital version of the documents taking into consideration of the carbon footprints arising from the production and delivery of the documents. The Annual Report 2022 and Corporate Governance Report 2022 can be downloaded from the Company's website. Please access the online softcopy through your device by scanning this QR code.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Datuk Bazlan bin Osman
Chairman / Independent Non-Executive Director

Dato' Roslan bin Hamir
Managing Director / Non-Independent Executive Director

Rosely bin Kusip
Senior Independent Non-Executive Director

Rezal Zain bin Abdul Rashid
Non-Independent Non-Executive Director

Dr. Roshayati binti Basir
Non-Independent Non-Executive Director

Nik Feizal Haidi bin Hanafi
Independent Non-Executive Director

AUDIT AND RISK COMMITTEE

Nik Feizal Haidi bin Hanafi
Chairman

Rosely bin Kusip
Member

Rezal Zain bin Abdul Rashid
Member

NOMINATION AND REMUNERATION COMMITTEE

Rosely bin Kusip
Chairman

Nik Feizal Haidi bin Hanafi
Member

Rezal Zain bin Abdul Rashid
Member

COMPANY SECRETARIES

Jasmin binti Hood
LS 0009071
SSM PC No. 201908001455

Muhammad Fadzlilah bin Abdul Ra'far
CA 39941
SSM PC No. 202208000410

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 : fima@fimacorp.com
Website : www.fimacorp.com

PRINCIPAL BANKERS

Malayan Banking Berhad
Public Bank Berhad

SHARE REGISTRAR

Boardroom Share Registrars Sdn Bhd
11th Floor, Menara Symphony
No. 5, Jalan Professor Khoo Kay Kim
Seksyen 13, 46200 Petaling Jaya
Selangor
Telephone No. : +603-7890 4700
Facsimile No. : +603-7890 4670

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad
Stock Name : FIMACOR
Stock Code : 3107
Sector : Industrial Products &
: Services
Sub-Sector : Industrial Services

AUDITORS

Messrs. Ernst & Young PLT

Manufacturing Division

www.fimacorp.com

Fima Corporation Berhad
197401004110 (21185-P)
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 : +603-2092 5923

Percetakan Keselamatan Nasional Sdn Bhd
198701007433 (166151-T)
No. 1, Jalan Chan Sow Lin
55200 Kuala Lumpur
Telephone : +603-9222 2513
Facsimile : +603-9222 4401

Security Printers (M) Sdn Bhd
197701003239 (34025-W)
No. 1, Jalan Chan Sow Lin
55200 Kuala Lumpur
Telephone : +603-9222 2513
Facsimile : +603-9222 4401

Plantation Division

PT Nunukan Jaya Lestari
(NPWP 02.033.898.4-723.000)
Jln. Jenderal Sudirman
Komplek Ruko Liem Hie Djung
No. A2 18, RT 01, Kec. Nunukan, Kab. Nunukan
Kalimantan Utara 77482
Indonesia

Cendana Laksana Sdn Bhd
201201039689 (1024167-W)
Ladang Fima Cendana
Batu 40, Jerangau-Jabor Highway
Air Putih, 24050 Kemaman
Terengganu
c/o: Plantation Division
Kumpulan Fima 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 : +603-2095 9302

Gabungan Warisan Sdn Bhd
199401042148 (327836-P)
Ladang Fima Dabong
PT 4718, Mukim Kuala Stong
Jajahan Kuala Krai, Kelantan
c/o: Plantation Division
Kumpulan Fima 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 : +603-2095 9302

Next Oasis Sdn Bhd
201401033412 (1109497-D)
Ladang Fima Aring
PT 6943 & PT 6944
Mukim Relai, Jajahan Gua Musang
Kelantan
c/o: Plantation Division
Kumpulan Fima 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 : +603-2095 9302

Taka Worldwide Trading Sdn Bhd
200501032715 (714855-P)
Ladang Fima Aring
PT 6943 Mukim Relai
Jajahan Gua Musang, Kelantan
c/o: Plantation Division
Kumpulan Fima 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 : +603-2095 9302

Etika Gangsa Sdn Bhd
200601035188 (754947-D)
Ladang Fima Aring
PT 6944 Mukim Relai
Jajahan Gua Musang, Kelantan
c/o: Plantation Division
Kumpulan Fima 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 : +603-2095 9302

Fima Sg. Siput Estate Sdn Bhd
201301038071 (1067900-V)
PT 14352 Mukim Sungai Siput,
31100 Kuala Kangsar, Perak
c/o: Plantation Division
Kumpulan Fima 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 : +603-2095 9302

FCB Eastern Plantations Sdn Bhd
199101000385 (210695-H)
Lot 2429, Mukim Lubok Bongor
Daerah Kuala Balah
17600 Jeli, Kelantan
c/o: Plantation Division
Kumpulan Fima 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 : +603-2095 9302

Ladang Bunga Tanjong Sdn Bhd
19960101476 (389287-K)
Lot 2429, Mukim Lubok Bongor
Daerah Kuala Balah
17600 Jeli, Kelantan
c/o: Plantation Division
Kumpulan Fima 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 : +603-2095 9302

Ladang Fima Kuala Betis
PT 363 Mukim Kuala Betis
Jajahan Kecil Lojing
18300 Gua Musang
Kelantan
c/o: Plantation Division
Kumpulan Fima 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 : +603-2095 9302

Ladang Fima Aring
Lot 3468, Mukim Relai
Jajahan Gua Musang
18300 Gua Musang
Kelantan
c/o: Plantation Division
Kumpulan Fima 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 : +603-2095 9302

Others

Fima Technology Sdn Bhd
199301010009 (264746-K)
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

Associate Company

Giesecke & Devrient Malaysia Sdn Bhd
200201005367 (573030-M)
Lot 6, Off Jalan Delima 1/1
Batu 3, 40150 Shah Alam, Selangor
Telephone : +603-5629 2929
Facsimile : +603-5629 2800

ENVIRONMENTAL

Waste Management (MT)

Total waste by type (MT)

Type	FYE2020	FYE2021	FYE2022
Hazardous (MT)	16	111	28
Non-hazardous (MT)	156,001	207,177	202,942
Grand Total	**156,017**	**207,288**	**202,970**

Total waste by division (MT)

Type	FYE2020	FYE2021	FYE2022
Manufacturing	177	106	124
Plantation	155,840	207,182	202,846
Total	**156,017**	**207,288**	**202,970**

Total empty fruit bunches ("EFB") produced (MT)

	FYE2020	FYE2021	FYE2022
EFB Produced (MT)	41,529	36,972	39,851
EFB Processed into compost (MT)	4,710	18,294	17,080

Water Consumption (Megalitre)

Year	Water Consumption (ML)
FYE2020	329
FYE2021	306
FYE2022	350

Water Consumption by Division (ML)

Division	FYE2020	FYE2021	FYE2022
Head Office	16	15	11
Manufacturing	14	15	17
Plantation	300	276	322
Total	**330**	**306**	**350**

Water withdrawal by source (All areas – Megalitres [ML])

Source	FYE2020	FYE2021	FYE2022
Surface water (Lake, pond)	296	272	288
Groundwater (well)	5	4	34
Municipal water (tap water)	29	30	28
Total	**330**	**306**	**350**

Indonesian Plantation's Water Consumption Intensity per Tonne FFB Produced

	Water Consumption (m^3)	FFB Processed (MT)	Water Intensity per Tonne per FFB Processed (m^3/MT)
FYE2020	295,530	188,770	1.57
FYE2021	272,050	168,055	1.62
FYE2022	288,050	181,140	1.59

Energy Consumption (Gigajoules)

Year	Total Energy Consumption (GJ)
FYE2020	58,307
FYE2021	54,775
FYE2022	53,530

Energy Consumption by division (GJ)

Division	FYE2020	FYE2021	FYE2022
Head Office	5,251	4,047	4,223
Plantation	43,487	43,372	41,796
Manufacturing	9,569	7,356	7,511
Grand Total	**58,307**	**54,775**	**53,530**

Types of Energy (GJ)

Types of Energy	FYE2020	FYE2021	FYE2022
Diesel & Petrol	43,378	43,294	41,755
Biomass	142	131	136
Electricity	14,787	11,349	11,639
Total	**58,307**	**54,774**	**53,530**

Total Fuel Consumption from Non-Renewable Sources (Litres)

Division	FYE2020	FYE2021	FYE2022
Plantation	1,262,214	1,258,124	1,213,137
Manufacturing	6,142	7,797	7,754
Grand Total	**1,268,356**	**1,265,921**	**1,220,891**

Note: Non-Renewable Sources consist of petrol and diesel

Fuel Consumption Intensity

Malaysia Plantation Transportation Fuel Oil Intensity Per Tonne FFB Produced

	Diesel Consumption (L)	FFB Produced (MT)	Diesel Intensity Per Tonne FFB Produced (L/MT)
FYE2020	176,920	7,813	22.64
FYE2021	63,141	14,960	4.22
FYE2022	64,254	19,350	3.32

Indonesia Plantation Transportation Diesel Intensity Per Tonne FFB Produced

	Diesel Consumption (L)	FFB Produced (MT)	Diesel Intensity Per Tonne FFB Produced (L/MT)
FYE2020	453,715	148,637	3.05
FYE2021	418,079	133,799	3.12
FYE2022	375,343	133,929	2.80

Total Consumption from Renewable Sources (Solar – kWh)

Division	FYE2020	FYE2021	FYE2022	Purpose of Usage
Head Office	153,390	212,376	218,411	Office building
Plantation	8,399	12,376	18,381	Workers Quarters
Manufacturing	-	33,086	68,330	Bangi Warehouse
Total	**161,789**	**257,838**	**305,122**	

Total Consumption from Renewable Sources (Biomass – MT)

Division	FYE2020	FYE2021	FYE2022	Purpose of Usage
Plantation	33,898	31,409	32,594	Mill (Fibre & Shell)

Electricity Consumption (MWh)

Year	Electricity Consumption (MWh)
FYE2020	3,946
FYE2021	2,895
FYE2022	2,928

Division	FYE2020	FYE2021	FYE2022
Head Office	1,305	912	955
Plantation	41	47	29
Manufacturing	2,600	1,936	1,944
Grand Total	**3,946**	**2,895**	**2,928**

GHG Emissions

Direct (Scope 1) GHG Emissions (tCO_2eq)

Type of Energy	FYE2020	FYE2021	FYE2022
Non-Renewable			
Petrol	43	86	84
Diesel	703	691	666
Renewable			
Biomass	5	4	5
Solar PV	12	19	22
Total	**763**	**800**	**777**

Division	FYE2020	FYE2021	FYE2022
Manufacturing	8	13	14
Plantation	744	772	747
Head Office	11	15	16
Grand Total	**763**	**800**	**777**

Energy Indirect (Scope 2) GHG Emissions (tCO_2eq)

Division	FYE2020	FYE2021	FYE2022
Head Office	1,149	802	840
Plantation	36	41	25
Manufacturing	2,288	1,704	1,711
Total	**3,473**	**2,547**	**2,576**

Other Indirect (Scope 3) GHG Emissions (tCO_2eq)

Division	FYE2020	FYE2021	FYE2022
Plantation (POME)	167	621	611

GHG Emissions Intensity (tCO_2eq/RM million revenue)

Plantation

	Unit	FYE2020	FYE2021	FYE2022
Total Emission	tCO_2eq	946	1,434	1,384
Denominator	Revenue RM million	103.12	123.27	189.41
GHG Emission Intensity per Revenue	tCO_2eq/RM million	**9.17**	**11.63**	**7.31**

Manufacturing

	Unit	FYE2020	FYE2021	FYE2022
Total Emission	tCO_2eq	2,296	1,717	1,726
Denominator	Revenue (RM million)	134.00	101.93	104.13
GHG Emission Intensity per Revenue	tCO_2eq/RM million	**17.13**	**16.84**	**16.57**

SOCIAL

Headcount

	FYE2020	FYE2021	FYE2022
No. of Employees	1,744	1,641	1,686

Headcount by Gender

	FYE2020	%	FYE2021	%	FYE2022	%
Male	1,335	76.5%	1,255	76.5%	1,284	76.2%
Female	409	23.5%	386	23.5%	402	23.8%

Headcount by Age, Gender, Employee Category and Ethnicity (%)

FYE2020	Gender		Age			Ethnicity			
						Malaysian			
Employee Category	Male	Female	<30 years	30-50 years	>50 years	Bumiputera	Chinese	Indian	Non-Malaysian
Senior Management	5	1	0	3	3	6	0	0	0
Management	25	2	1	18	8	26	0	0	1
Executive	54	24	28	38	12	57	0	0	21
Non-Executive	1,251	382	489	997	147	470	0	4	1,159
Total	**1,335**	**409**	**518**	**1,056**	**170**	**559**	**0**	**4**	**1, 181**

FYE2021	Gender		Age			Ethnicity			
						Malaysian			
Employee Category	Male	Female	<30 years	30-50 years	>50 years	Bumiputera	Chinese	Indian	Non-Malaysian
Senior Management	4	1	0	3	2	5	0	0	0
Management	20	2	1	14	7	22	0	0	0
Executive	50	22	24	38	10	51	0	0	21
Non-Executive	1, 181	361	447	950	145	411	0	12	1, 119
Total	**1, 255**	**386**	**472**	**1,005**	**164**	**489**	**0**	**12**	**1, 140**

FYE2022	Gender		Age			Ethnicity			
						Malaysian			
Employee Category	Male	Female	<30 years	30-50 years	>50 years	Bumiputera	Chinese	Indian	Non-Malaysian
Senior Management	4	1	0	3	2	5	0	0	0
Management	22	3	1	15	9	25	0	0	0
Executive	44	18	18	39	5	42	0	0	20
Non-Executive	1,214	380	491	962	141	588	0	7	999
Total	**1, 284**	**402**	**510**	**1, 019**	**157**	**660**	**0**	**7**	**1,019**

Headcount by Division

	FYE2020	FYE2021	FYE2022
Head Office	36	27	21
Manufacturing	287	268	264
Plantation	1,421	1,346	1,401
Total	**1,744**	**1,641**	**1,686**

Headcount by Nationality

	FYE2020	FYE2021	FYE2022
Malaysia	563	493	671
Indonesia	1,156	1,116	991
Bangladesh	24	23	20
Indian	1	9	4
Total	**1,744**	**1,641**	**1,686**

Headcount by employment contract and by gender

	FYE2020		FYE2021		FYE2022	
	Permanent	Temporary	Permanent	Temporary	Permanent	Temporary
Male	822	513	680	575	725	559
Female	348	61	336	50	362	40
Total	**1,170**	**574**	**1,016**	**625**	**1,087**	**599**

Note: All FimaCorp employees are on full-time employment contract.

Headcount by Country

	FYE2020	FYE2021	FYE2022
Malaysia	622	544	700
Indonesia	1,122	1,097	986

Local Employment Breakdown by Country

	FYE2020	FYE2021	FYE2022
Malaysia	558	490	666
Indonesia	1,117	1,094	981
Total	**1,675**	**1,584**	**1,647**

Local Employment Rate by Country

FYE2020	Malaysia	Indonesia
Local	89.7%	99.6%
Foreign	10.3%	0.4%

FYE2021	Malaysia	Indonesia
Local	90.1%	99.7%
Foreign	9.9%	0.3%

FYE2022	Malaysia	Indonesia
Local	95.1%	99.5%
Foreign	4.9%	0.5%

Local Senior Management by Country

	FYE2020	FYE2021	FYE2022
Malaysia	5	5	5
Indonesia	-	-	-
Total	**5**	**5**	**5**
%	**83.3%**	**100.0%**	**100.0%**

New Hires

Group New Hire

FYE2020		FYE2021		FYE2022	
No. of New Hire	Rate	No. of New Hire	Rate	No. of New Hire	Rate
550	31.5%	92	5.6%	528	31.3%

New Hire by Age Group

	FYE2020		FYE2021		FYE2022	
	No. of New Hire	Rate	No. of New Hire	Rate	No. of New Hire	Rate
<30	293	56.6%	62	13.1%	317	62.2%
30-50	253	24.0%	30	3.0%	201	19.7%
>50	4	2.4%	0	0.0%	10	6.4%

New Hire by Gender

	FYE2020		FYE2021		FYE2022	
	No. of New Hire	Rate	No. of New Hire	Rate	No. of New Hire	Rate
Male	507	38.0%	81	6.5%	473	36.8%
Female	43	10.5%	11	2.8%	55	13.7%

New Hire by Division

	FYE2020		FYE2021		FYE2022	
	No. of New Hire	Rate	No. of New Hire	Rate	No. of New Hire	Rate
Head Office	1	2.8%	0	0.0%	1	4.8%
Manufacturing	75	26.1%	19	7.1%	43	16.3%
Plantation	474	33.4%	73	5.4%	484	34.5%

New Hire by Country

	FYE2020		FYE2021		FYE2022	
	No. of New Hire	Rate	No. of New Hire	Rate	No. of New Hire	Rate
Malaysia	294	47.3%	66	12.1%	304	43.4%
Indonesia	256	22.8%	26	2.4%	224	22.7%

Turnover (%)

Note: Turnover rate have been restated (except for Group Turnover rate) due to the usage of a different formula in FYE2022.

Group Turnover

FYE2020		FYE2021		FYE2022	
No. of Turnover	Rate	No. of Turnover	Rate	No. of Turnover	Rate
497	28.5%	177	10.8%	436	25.9%

Turnover by Age Group

	FYE2020		FYE2021		FYE2022	
	No. of Turnover	Rate	No. of Turnover	Rate	No. of Turnover	Rate
<30	225	43.4%	84	17.8%	230	45.1%
30-50	256	24.2%	85	8.5%	198	19.4%
>50	16	9.4%	8	4.9%	8	5.1%

Turnover by Gender

	FYE2020		FYE2021		FYE2022	
	No. of Turnover	Rate	No. of Turnover	Rate	No. of Turnover	Rate
Male	452	33.9%	161	12.8%	391	30.5%
Female	45	11.0%	16	4.1%	45	11.2%

Turnover by Division

	FYE2020		FYE2021		FYE2022	
	No. of Turnover	Rate	No. of Turnover	Rate	No. of Turnover	Rate
Head Office	0	0.0%	1	3.7%	0	0.0%
Manufacturing	13	4.5%	9	3.4%	19	7.2%
Plantation	484	34.1%	167	12.4%	417	29.8%

Turnover by Country

	FYE2020		FYE2021		FYE2022	
	No. of Turnover	Rate	No. of Turnover	Rate	No. of Turnover	Rate
Malaysia	153	24.6%	107	19.7%	186	26.6%
Indonesia	344	30.7%	70	6.4%	250	25.4%

Turnover by Employment Contract

	FYE2020		FYE2021		FYE2022	
	No. of Turnover	Rate	No. of Turnover	Rate	No. of Turnover	Rate
Permanent	153	13.1%	53	5.2%	160	14.7%
Temporary	344	59.9%	124	19.8%	276	46.1%

Training

Average Training Hours per Employee

FYE2020	FYE2021	FYE2022
3.64	1.94	1.98

Average Training Hours by Gender

	FYE2020		FYE2021		FYE2022	
	Male	Female	Male	Female	Male	Female
Total No. of Employees	1,335	409	1,255	386	1,284	402
Total No. of Training Hours	4,117.0	2,176.0	1,861.0	1,322.0	2,128.0	1,211.0
Average Training Hours Per Employee	3.13	5.32	1.48	3.42	1.66	3.01

Average Training Hours by Employee Category

	FYE2020		FYE2021		FYE2022	
	Total No. of Training Hours	Average Training Hours per Employee	Total No. of Training Hours	Average Training Hours per Employee	Total No. of Training Hours	Average Training Hours per Employee
Non-Executive	4,025.0	2.5	1,538.0	1.0	1,838.0	1.2
Executive	1,644.0	21.1	1,146.0	15.9	963.0	15.5
Management	536.0	19.9	413.0	18.8	401.0	16.0
Senior Man-agement	148.0	24.7	86.0	17.2	137.0	27.4

Average Training Hour by Gender and by Country

	FYE2020		FYE2021		FYE2022	
	Male	Female	Male	Female	Male	Female
Malaysia	9.0	12.1	3.8	6.6	3.9	5.6
Indonesia	0.2	0.1	0.5	1.2	0.3	0.3

Parental Leave

	FYE2021		FYE2022	
	Male	Female	Male	Female
Total number of employees who were entitled to parental leave	NA	NA	900	402
Total number of employees that took parental leave	6	24	13	20
Total number of employees that returned to work in the reporting period after parental leave ended	6	22	13	18
Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work	NA	NA	5	15

	FYE2022
Return to Work Rate	93.9%
Retention Rate	71.4%

Occupational Health and Safety Performance

Total Injuries

	FYE2020	FYE2021	FYE2022
Recorded Injuries	16	19	12
Fatalities	1	0	0

Work-related Injuries (Employees)

	FYE2020		FYE2021		FYE2022	
	Number	Accident	Number	Accident Rate	Number	Accident Rate
Hours Worked	3,632,288	-	3,564,176	-	3,466,320	-
Fatalities	1	-	0	-	0	-
Recordable work-related injuries	16	9.26	19	11.23	12	7.34

Note: Accident rate calculated based on 1,000 workers as per the Occupational Safety and Health Masterplan (2021-2025). There was no data available for non-employees.

Lost Time Injury Frequency Rate (LTIFR)

FYE2020	FYE2021	FYE2022
4.40	5.33	3.46

Note: Per 1,000,000 Hours Worked

Injuries by Absent Days

FYE2020	FYE2021	FYE2022
123	204	110

GOVERNANCE

Value distribution to stakeholders (RM million)

Stakeholders	FYE2020	FYE2021	FYE2022
Community Investment	0.71	0.35	0.17
Dividends	30.05	31.74	45.16
Employee Wages and Benefits	33.77	27.70	29.89
Taxes	12.30	28.73	32.53

Supply Chain – Support for local procurement

	FYE2020		FYE2021		FYE2022	
	Local	Foreign	Local	Foreign	Local	Foreign
Malaysia	-	-	-	-	95.9	4.1
Indonesia	92.1	7.9	91.8	8.2	90.1	9.9

Note: Data for Malaysia is limited to FYE2022.

GENERAL DISCLOSURES			
GRI 102: General Disclosures			
Disclosure Number		**Page**	**Remarks**
102-1	Name of the organisation	Front Cover	Fima Corporation Berhad (197401004110) (21185 P)
102-2	Activities, brands, products, and services	9,14,20	Refer to the Group Corporate Structure, Management Discussion & Analysis and Segmental Review sections in this Report.
102-3	Location of headquarters	205	Suite 4.1, Level 4, Block C, Plaza Damansara, No. 45, Jalan Medan Setia 1, Bukit Damansara, 50490 Kuala Lumpur.
102-4	Location of operations	206	Refer to the Directory of Group Operations in this Report.
102-5	Ownership and legal form	9, 200	FimaCorp is a public company listed on the Main Market of Bursa Malaysia Securities Berhad • Stock Name: FIMACOR • Stock Code: 3107 • Sector: Industrial Products and Service • Sub Sector: Industrial Services
102-6	Markets served	20	Refer to the Segmental Review sections in this Report.
102-7	Scale of the organisation	8, 9, 14, 20, 54, 55, 57, 212	Refer to the following sections in this Report: • Group Corporate Structure and workforce data in this Report. • Management Discussion & Analysis, Segmental Reviews, 5-Year Group Financial Highlights.
102-8	Information on employees and other workers	55, 212	All FimaCorp employees are full-time workers. Total Permanent workers: 1,087 Total Temporary workers: 599 Refer also to the Social section of the Sustainability Report and Performance Data.
102-9	Supply chain	64, 53	FimaCorp's supply chain predominantly consists of contractors and vendors providing raw materials, services, packaging materials and logistics services.
102-10	Significant changes to the organisation and its supply chain	-	There were no significant changes in FYE2022.
102-11	Precautionary Principle or approach	94	Refer to the Statement on Risk Management and Internal Control in this Report.
102-12	External initiatives	38, 65	SDGs, MSPO, Certifications
102-13	Membership of associations	65	• Gabungan Pengusaha Kelapa Sawit Indonesia (GAPKI) • Association of Plantation Investors of Malaysia in Indonesia (APIMI) • Incorporated Society of Planters (ISP) • Malaysian Employers Federation
102-14	Statement from senior decision-maker	10	Refer to the Chairman's Statement in this Report.
102-15	Key impacts, risks, and opportunities	34, 94	Our approach to managing the key impacts, risks and opportunities is reviewed in the respective Environmental, Social and Governance sections in this Report. Refer also to the Statement on Risk Management and Internal Control.
102-16	Values, principles, standards, and norms of behaviour	2, 75, 94	Refer to Our Values section, Corporate Governance Overview Statement and Statement of Risk Management & Internal Control in this Report.
102-17	Mechanisms for advice and concerns about ethics	54, 102	The Group has in place a Whistleblowing Policy and grievance procedures to address employees' and third parties' concerns.
102-18	Governance structure	75	Refer to the Corporate Governance Overview Statement in this Report.

GENERAL DISCLOSURES			
GRI 102: General Disclosures			
Disclosure Number		**Page**	**Remarks**
102-19	Delegating authority	75	Refer to the Corporate Governance Overview Statement in this Report.
102-20	Executive-level responsibility for economic, environmental, and social topics	75	Refer to the Corporate Governance Overview Statement in this Report.
102-21	Consulting stakeholders on economic, environmental, and social topics	35	Refer to Sustainability Report.
102-22	Composition of the highest governance body and its committees	66, 72, 75, 200	Refer to Corporate Information, Our Board of Directors, Our Senior Management and Corporate Governance Overview Statement sections in this Report.
102-23	Chair of the highest governance body	66	FimaCorp's Chairman, Datuk Bazlan bin Osman, is an Independent Non-Executive Director.
102-24	Nominating and selecting the highest governance body	75	The Nomination & Remuneration Committee's main activities are set out in the Corporate Governance Overview Statement in this Report. In delivering its recommendations to the Board on any appointment re-appointment of Directors, the NRC considers factors such as the prospective candidate's expertise, experience gender, independence and ability to devote sufficient time to discharge their duties as Director.
102-25	Conflicts of interest	75	Refer to the Corporate Governance Overview Statement in this Report. Directors and Group employees are required to observe the highest ethical standards in conducting the Group's business.
102-26	Role of highest governance body in setting purpose, values, and strategy	75	Refer to the Corporate Governance Framework.
102-27	Collective knowledge of highest governance body	75	FimaCorp Directors are encouraged to attend continuous training programmes. In FYE2022, the Directors attended and participated in various seminars, presentations and workshops, details of which are set out in the Directors' Training section of the Corporate Governance Overview Statement in this Report.
102-28	Evaluating the highest governance body's performance	75	Refer to the review of ethical leadership in the Corporate Governance Overview Statement in this Report.
102-29	Identifying and managing economic, environmental, and social impacts	40, 62, 75	The Group Sustainability Committee has oversight of the Group's sustainability initiatives and performance with quarterly reporting to Audit & Risk Committee. Refer also to the Corporate Governance Overview Statement in this Report.
102-30	Effectiveness of risk management processes	91,94	The Audit & Risk Committee has oversight of the Group's risk management processes. Refer to the Audit & Risk Committee Report and Statement of Risk Management & Internal Control in this Report.
102-31	Review of economic, environmental, and social topics	40, 62, 75	The Board reviews and approves the SR2022. The Group Sustainability Committee has oversight of the Group's sustainability initiatives and performance.

GENERAL DISCLOSURES

GRI 102: General Disclosures

Disclosure Number		Page	Remarks
102-32	Highest governance body's role in sustainability reporting	40, 62, 75	The Board reviews and approves the SR2022. The Group Sustainability Committee has oversight of the Group's sustainability initiatives and performance.
102-35	Remuneration policies	75	The Group's compensation structure includes fixed and variable components depending on the employee's job grade. Each location within the Group has its own locally defined employee benefit schemes.
102-36	Process for determining remuneration	75	Refer to the Corporate Governance Overview Statement in this Report.
102-37	Stakeholders' involvement in remuneration	194	The Non-Executive Directors' ("NEDs") remuneration is subject to annual shareholders' approval. Details of the fees and benefits payable to the NEDs are disclosed in FimaCorp's Notice of 47th Annual General Meeting.
102-40	List of stakeholder groups	35	FimaCorp has identified seven stakeholder groups.
102-41	Collective bargaining agreements	53	FimaCorp respects the right of workers to have collective bargaining agreements and honours all the provisions covered in the agreements.
102-42	Identifying and selecting stakeholders	35	FimaCorp has identified seven stakeholder groups.
102-43	Approach to stakeholder engagement	35	We respond to our stakeholders' expectations in many different ways, depending on the nature and scale of the issues.
102-44	Key topics and concerns raised	35	
102-45	Entities included in the consolidated financial statements	14, 105	The Group's core divisions are Manufacturing and Plantation. Refer to the Management Discussion & Analysis and the Financial Statements sections in this Report.
102-46	Defining report content and topic boundaries	2	Refer to About This Report.
102-47	List of material topics	37	
102-48	Restatements of information	-	Historical data relating to employee turnover has been restated.
102-49	Changes in reporting	-	No significant changes to the Group's organisational structure and reporting.
102-50	Reporting period	2	1 April 2021 to 31 March 2022.
102-51	Date of most recent report	-	Our last Sustainability Report was dated 27 August 2021.
102-52	Reporting cycle	2	Annual; financial year ending 31 March 2022.
102-53	Contact point for questions regarding the report	2	All enquiries and comments can be forwarded to fima@fimacorp.com.
102-54	Claims of reporting in accordance with the GRI Standards	2	Refer to About This Report.
102-55	GRI content index	218	
102-56	External assurance	-	This Report has not been externally assured. We are incrementally improving the reporting of our sustainability disclosures and we aspire for our SR to be externally assured in the future.

MATERIAL TOPICS - ECONOMIC			
Disclosure Number		**Page**	**Remarks**
Economic			
103: Management Approach			
103-1	Explanation of the material topic and its boundary	63	Refer to the materiality and boundaries of economic performance sections. The issues of material interest to our stakeholders are listed in the table in the section on Engaging Stakeholders. Although this does not make explicit reference to the GRI topics, these can be inferred from the table. Material topics have been chosen with the aim of demonstrating our impacts, risks and opportunities and how we create and preserve value over time. Our approach to managing specific material topics is addressed in the respective sections of our SR2022. We report annually on our progress in addressing material topics and impacts in the SR and the AR. Internal reports to the respective committees ensure that performance is monitored regularly. Where required, we review and work to revise and improve our approach with key stakeholders to improve our performance.
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
201: Economic Performance			
201-1	Direct economic value generated and distributed	63	
201-2	Financial implications and other risks and opportunities due to climate change	40, 42-51, 94	Addressing the impacts of climate change on the business is a material issue and issues are raised in various sections of the SR2022, notably, the Environmental section. Refer also to the Taskforce on Climate-Related Financial Disclosures and Statement on Risk Management and Internal Control.
201-3	Defined benefit plan obligations and other retirement plans	147	Details are provided in FimaCorp's Audited Financial Statements 2022 in this Report in notes 9 (Staff Costs) and 10 (Directors' Remuneration).
202: Market Presence			
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	-	We are committed to providing competitive and fair wages and believe that we do so in all our operations. The Group pays at least minimum wage as required by law in the countries in which we operate and in no area of operation does minimum wage vary by gender.
202-2	Proportion of senior management hired from local community	55	In FYE2022, our local employment rate was 97.7% and 100% of the Group's senior management were locals.
203: Indirect Economic Impacts			
203-2	Significant indirect economic impacts	61	We believe in contributing economically and socially to the well-being of the communities where we conduct business.
204: Procurement Practices			
204-1	Proportion of spending on local suppliers	64,208	
205: Anti-Corruption			
205-1	Operations assessed for risks related to corruption	-	All of our operations, as well as our suppliers, are monitored for fraudulent activity and corruption. No specific corruption-related risks have been identified.
205-2	Communication and training about anti-corruption policies and procedures	58, 63	Our group policies and training modules are periodically reviewed to comply with anti-bribery and corruption legislation.
205-3	Confirmed incidents of corruption and actions taken	63	There were no confirmed incidents of corruption during the review period.

MATERIAL TOPICS - ECONOMIC			
Disclosure Number		**Page**	**Remarks**
Economic			
Management Approach			
206: Anti-Competitive Behaviour			
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practice	-	There were no such legal actions during the review period.

MATERIAL TOPICS - ENVIRONMENT			
Disclosure Number		**Page**	**Remarks**
Environment			
103: Management Approach			
103-1	Explanation of the material topic and its boundary	42	Refer to the materiality and boundaries of environmental performance sections. The issues of material interest to our stakeholders are listed in the table in the section on Engaging Stakeholders. Although this does not make explicit reference to the GRI topics, these can be inferred from the table. Material topics have been chosen with the aim of demonstrating our impacts, risks and opportunities and how we create and preserve value over time. Our approach to managing specific material topics is addressed in the respective sections of our SR2022. We report annually on our progress in addressing material topics and impacts in the SR and the AR. Internal reports to the respective committees ensure that performance is monitored regularly. Where required, we review and work to revise and improve our approach with key stakeholders to improve our performance.
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
302: Energy			
302-1	Energy consumption within the organisation	45-47,209-210	We strive to efficiently manage our energy consumption across all our operations, and each division has its own energy consumption and intensity targets.
302-3	Energy intensity	45-47,209-210	
302-4	Reduction of energy consumption	45-47	
302-5	Reduction in energy requirements of products and services	45-47	
303: Water and Effluents			
303-1	Interactions with water as shared recourse	49,208-209	
303-2	Management of water discharge-related impacts	49,208-209	We are incrementally improving our water impact disclosures, and we aim to include our water discharge data in the near future.
303-3	Water withdrawal	49,208-209	
303-5	Water consumption	49,208-209	

MATERIAL TOPICS - ENVIRONMENT			
Disclosure Number		**Page**	**Remarks**
Environment			
Management Approach			
304: Biodiversity			
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	43-45	Within our oil palm estates, riparian reserves are set aside as conservation areas and wildlife corridors which include, among others, sanctuaries for migratory birds and elephants and habitats for jungle flora and fauna.
304-2	Significant impacts of activities, products, and services on biodiversity	43-45	Environmental impact assessments are carried out ahead of any new plantation development, or as may be required by relevant legislation.
304-3	Habitats protected or restored	43-45	Except for Plantation, the Group's operations have limited impact on natural habitats. Within our oil palm estates, riparian reserves are set aside as conservation areas and wildlife corridors which include, among others, sanctuaries for migratory birds and elephants and habitats for jungle flora and fauna. PTNJL has also set aside areas within its plantation as water catchment zone. Chemical applications are strictly prohibited at the water catchment zone in order to preserve them.
304-4	IUCN Red List species and national conservation list species with habitats in areas affected operations.	43-45	We adopt sustainable practices through the establishment of an Elephant Conflict Task Force to improve human-elephant conflict management which involves Asian elephants, an 'endangered species' on the IUCN Red List.
305: Emissions			
305-1	Direct (Scope 1) GHG emissions	48,211	
305-2	Energy indirect (Scope 2) GHG emissions	48,211	
305-3	Other indirect (Scope 3) GHG emissions	48,211	
305-4	Emissions Intensity	48,211	
305-5	Reduction of GHG emissions	48	
306: Waste			
306-1	Waste generation and significant waste-related impacts	50-51	
306-2	Management of significant waste-related impacts	50-51	
306-3	Waste generated	50-51,208	
306-4	Waste diverted from disposal	50-51,208	
306-5	Waste directed to disposal	50-51,208	
307: Environmental Compliance			
307-1	Non-compliance with environmental laws and regulations	-	No environmental-related penalties or fines were payable during the reporting period.

MATERIAL TOPICS - SOCIAL			
Disclosure Number		**Page**	**Remarks**
Social			
103: Management Approach			
103-1	Explanation of the material topic and its boundary	52	Refer to the materiality and boundaries of social performance sections. The issues of material interest to our stakeholders are listed in the table in the section on Engaging Stakeholders. Although this does not make explicit reference to the GRI topics, these can be inferred from the table. Material topics have been chosen with the aim of demonstrating our impacts, risks and opportunities and how we create and preserve value over time. Our approach to managing specific material topics is addressed in the respective sections of our SR2022. We report annually on our progress in addressing material topics and impacts in the SR and the AR. Internal reports to the respective committees ensure that performance is monitored regularly. Where required, we review and work to revise and improve our approach with key stakeholders to improve our performance.
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
401: Employment			
401-1	New employee hires and employee turnover	56-57, 214	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	58	
401-3	Parental Leave	216	The Group provides maternity and paternity leave to entitled employees. Data on parental leave is set out in the Performance Data section
402: Labour Management Relations			
402-1	Minimum notice periods regarding operational changes	-	We have systems in place aimed at ensuring effective dialogue and relations with all employee representative groups across our operations. FimaCorp adheres to all labour legislation relevant to the countries in which it operates. With regards to any operational changes, we provide a minimum notice period of one to three months depending on the geographical location of the operating companies.
403: Occupational Safety and Health			
403-1	Occupational health and safety management system	59	Health and safety committees are in place in all divisions.
403-2	Hazard identification, risk assessment, and incident investigation	60	All divisions have health and safety committees which consist of divisional management and employees. It is to these committees that incidences are reported, and where compliance with policies is monitored and improvements are discussed.
403-4	Worker Participation, Consultation and Communication on Occupational Health and Safety	60	
403-5	Worker Training on Occupational Health and Safety	60	
403-9	Work-related injuries	61, 217	

MATERIAL TOPICS - SOCIAL			
Disclosure Number		**Page**	**Remarks**
Social			
Management Approach			
404: Training and Education			
404-1	Average hours of training per year per employee by gender and by employee category	57, 216	
404-2	Programmes for upgrading employee skills and transition assistance programmes	58	We strive to develop our employees to reach their maximum potential through training, job rotation and internal promotion opportunities.
404-3	Percentage of employees receiving regular performance and career development reviews	59	
405: Diversity and Equal Opportunity			
405-1	Diversity of governance bodies and employees	55, 66-74,212-215	The composition of our permanent workforce is detailed in the SR2022. The composition of our Board of Directors and Key Senior Management is provided on pages 66 to 74 in this Report.
405-2	Ratio of basic salary and remuneration of women to men	-	Our HR management principles are based on equal opportunity and non-discrimination. In no area of operation does minimum wage vary by gender.
406: Non-Discrimination			
406-1	Incidents of discrimination and corrective action taken	54	There were zero reported cases of discrimination in the year under review.
407: Freedom of Association and Collective Bargaining			
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	53	No such operations or suppliers have been formally identified within the Group. Freedom of association and collective bargaining are fundamental rights which FimaCorp has committed to uphold.
408: Child Labour			
408-1	Operations and suppliers at significant risk for incidents of child labour	56	No operations or suppliers were found to have significant risk of child labour. There have been instances at our estate in Indonesia where children accompanied their parents to the fields and assisted in loose fruit collection and other light tasks; however, these are not considered to be significant. Details on how this issue is being addressed is set out in the SR2022.
409: Forced or Compulsory Labour			
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	53	No operations or suppliers were found to have significant risk of child labour. There were zero reported cases of breaches of human and workers' rights in the year under review.
412: Human Rights Assessment			
412-2	Employee training on human rights policies or procedures	53	
413: Local Community			
413-1	Operations with local community engagement, impact assessments, and development programmes	61	All our operations have some degree of community engagement. Impact assessments are conducted as and when needed, particularly for new development projects.

MATERIAL TOPICS - SOCIAL			
Disclosure Number		**Page**	**Remarks**
Social			
Management Approach			
415: Public Policy			
415-1	Political contribution	-	FimaCorp does not make any donations to political parties.
418: Customer Privacy			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	64	There were zero breaches of data privacy and information during the year under review.
419: Socioeconomic Compliance			
419-1	Non-compliance with laws and regulations in the social and economic area	-	There were no non-compliances with laws and regulations in the social and economic areas during the year under review.

PROXY FORM

FIMA CORPORATION BERHAD
(197401004110) (21185-P)

I/We, ______________________________ NRIC/ Company No: ______________________________
(Full Name in Capital Letters)

of ____
(Full Address)

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

______________________________ NRIC/ Company No: ______________________________
(Full Name in Capital Letters)

of ____
(Full Address)

or failing him/her ______________________________ NRIC/ Company No: ______________________________
(Full Name in Capital Letters)

of ____
(Full Address)

or failing him/her, the Chairman of the Meeting, as my/our* proxy to vote for me/us* and on my/our* behalf at the Forty-seventh ("47th") Annual General Meeting ("AGM") of the Company to be conducted on a virtual basis through live streaming and online remote voting using Remote Participation and Electronic Voting ("RPEV") facilities available at https://meeting.boardroomlimited.my, with the Broadcast Venue at the Training Room, Kumpulan Fima Berhad, Suite 4.1, Level 4, Block C, Plaza Damansara, No. 45, Jalan Medan Setia 1, Bukit Damansara, 50490 Kuala Lumpur on Tuesday, 23 August 2022 at 9.30 a.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.

NO.	RESOLUTIONS	FOR	AGAINST
1.	To re-elect Datuk Bazlan bin Osman who retires by rotation in accordance with Article 108 of the Company's Constitution. **- Ordinary Resolution 1**		
2.	To re-elect Encik Rezal Zain bin Abdul Rashid who retires by rotation in accordance with Article 108 of the Company's Constitution. **- Ordinary Resolution 2**		
3.	To approve the payment of Directors' fees for each of the Non-Executive Directors of the Company for the ensuing financial year. **- Ordinary Resolution 3**		
4.	To approve the payment of Directors' fees for each of the Non-Executive Directors who sit on the Boards of FimaCorp subsidiaries from 24 August 2022 until the conclusion of the next AGM of the Company. **- Ordinary Resolution 4**		
5.	To approve the payment of Directors' remuneration (excluding Directors' fees) for the Non-Executive Directors from 24 August 2022 until the conclusion of the next AGM of the Company. **- Ordinary Resolution 5**		
6.	To re-appoint Messrs. Ernst & Young PLT as Auditors of the Company for the financial year ending 31 March 2023 and to authorise the Directors to determine their remuneration. **- Ordinary Resolution 6**		
AS SPECIAL BUSINESS:			
7.	Proposed renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature. **- Ordinary Resolution 7**		
8.	Proposed renewal of the authority for shares buy-back. **- Ordinary Resolution 8**		

** Strike out whichever not applicable.*

No. of Shares Held
CDS Account No.

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

Dated this ______________ **day of** ________________ **2022**

Notes:

1. *The 47th AGM of the Company will be conducted on a virtual basis through live streaming and RPEV facilities which will be made available on the online portal provided by Boardroom Share Registrars Sdn Bhd at https://meeting.boardroomlimited.my. Please follow the procedures provided in the Administrative Guide for the 47th AGM in order to register, participate and vote remotely via the RPEV facilities.*
2. *The Broadcast Venue of the 47th AGM is strictly for the purpose of complying with Section 327(2) of the Act which requires the Chairman of the 47th AGM to be present at the main venue of the general meeting and to facilitate the conduct of the virtual meeting.*
3. *Members, proxies or corporate representatives are not allowed to be physically present at the Broadcast Venue. Only essential individuals and authorised personnel as determined by the Company shall be allowed entry into the Broadcast Venue.*
4. *Members may login via https://investor.boardroomlimited.com to pose and submit questions electronically in relation to the agenda items for the 47th AGM prior to the meeting and no later than 9.30 a.m. on Tuesday, 16 August 2022. The responses to these questions will be shared at the 47th AGM.*
5. *Only members whose name appears in the General Meeting Record of Depositors as at 16 August 2022 shall be entitled to participate, speak and vote at the 47th AGM or appoint proxy(ies) to attend and/or vote on their behalf.*
6. *A member of the Company who is entitled to attend and vote at the 47th AGM, may appoint up to 2 proxies by specifying the proportion of his shareholding to be represented by each proxy. A proxy may not be a member of the Company.*

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FIMA CORPORATION BERHAD
(197401004110) (21185 P)

Affix
Stamp

BOARDROOM SHARE REGISTRARS SDN BHD
11th Floor, Menara Symphony
No. 5 Jalan Professor Khoo Kay Kim
Seksyen 13, 46200 Petaling Jaya
Selangor Darul Ehsan, Malaysia

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7. *Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for the multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.*
8. *The instrument appointing a proxy (proxy form) may be made in a hard copy form or by electronic means in the following manner and must be deposited to the Company's share registrar, Boardroom Share Registrars Sdn Bhd not less than 48 hours before the time appointed for holding the 47th AGM or adjournment thereof:*
   (a) *In hard copy form*
   The proxy form must be deposited at the Company's share registrar's office situated at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan.
   (b) *By electronic means*
   The proxy form can also be lodged electronically through Boardroom Smart Investor Online Portal at https://investor.boardroomlimited.com. Kindly refer to the Administrative Guide for the 47th AGM on the procedures for electronic lodgement of proxy form.
9. *If the appointer is a corporation, the proxy form or certificate of appointment of corporate representative must be deposited by hand or post to Boardroom Share Registrars Sdn Bhd. Alternatively, the proxy form or certificate of appointment of corporate representative may also be sent to Boardroom Share Registrars Sdn Bhd via email at BSR.Helpdesk@boardroomlimited.com.*
10. *If you have submitted your proxy form prior to the 47th AGM and subsequently, decide to participate in the 47th AGM yourself, please write in to BSR.Helpdesk@boardroomlimited.com to revoke the appointment of your proxy(ies) 48 hours before the 47th AGM. Your proxy(ies) on revocation will not be allowed to participate in the 47th AGM. In such event, you should advise your proxy(ies) accordingly.*
11. *The voting at the 47th AGM will be conducted on a poll. The Company will appoint independent scrutineers to verify the poll results.*

FIMA CORPORATION BERHAD
(197401004110) (21185-P)

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
Email : fima@fimacorp.com