FIMA CORPORATION BERHAD
(197401004110) (21185-P)

Positioning for the Future

Annual Report 2024

www.fimacorp.com

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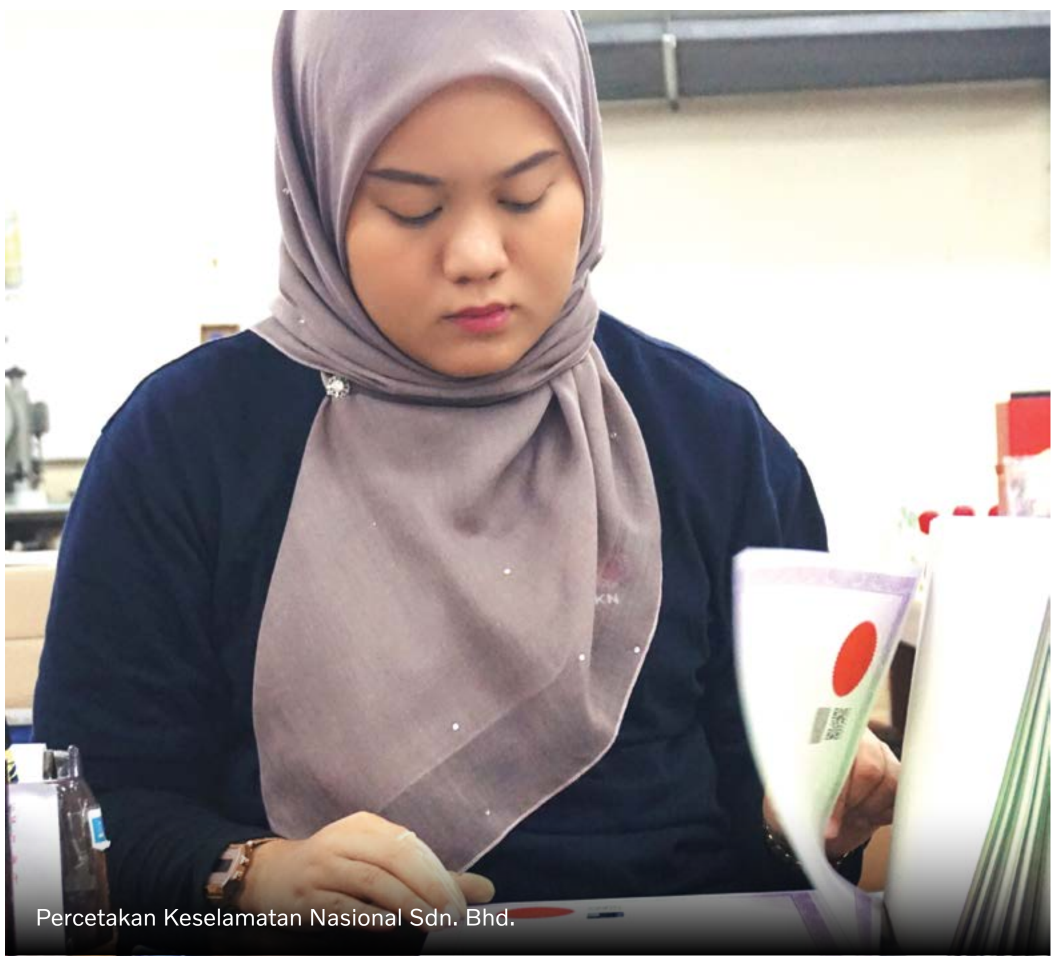
Annual Report 2024

Contents

Fima Technology Sdn. Bhd.



Percetakan Keselamatan Nasional Sdn. Bhd.

PT Nunukan Jaya Lestari palm oil mill

49th Annual General Meeting

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

9.30 a.m.

29 August 2024

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.

Feedback

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

> **In driving our strategies, we seek to create long-term value for all our stakeholders through the optimisation of resource use, prudent financial and risk management, as well as embedding elements of sustainability within our business decisions and operations.**

Dato' Roslan Bin Hamir
Managing Director

WE ARE *FIMACORP*

About This Report

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.

FimaCorp's 2024 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 FYE2024.

The reporting period corresponds to our financial year, which runs from 1 April 2023 to 31 March 2024, unless otherwise stated. All references to FimaCorp/the Group, the Company, the business, 'our' and 'we' refer to Fima Corporation Berhad and its subsidiaries.

Reporting Principles

The preparation of this Report is made in adherence to:

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

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.

Limited Assurance Statement

Group Internal Audit ("GIA") has conducted a limited assurance review of selected subject matters and performance indicators to be published in the Sustainability section of this Report. The objective was to ensure fair presentation and identify any issues requiring attention. Procedures involved testing a sample of source information for accuracy, examining evidence supporting the indicators and verifying calculation methodologies. The data collection process was also reviewed.

Non-financial data have inherent limitations and qualitative interpretations are subject to assumptions and judgments. Future projections and targets were not assessed. Based on the performed procedures, GIA is of the view that the reviewed indicators and related disclosures were found to be fairly prepared and presented in the Sustainability section.

GIA's Statement of Assurance is disclosed in the latter section of the Sustainability Report.

Aspire to Create Value

A ***Accountability & Responsibility***
- We make business decisions based on vast experience, prudent judgment, and ownership of outcomes
- Committed and loyal to our clients and each other
- Integration of economic, social and environmental responsibility in all aspects and activities

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

P ***Passionate***
- A strong commitment to delivering value to our customers and stakeholders

I ***Innovation***
- Commitment to fostering creativity, embracing new ideas, and driving positive change

R ***Reliability***
- Delivering consistent and dependable products, services, and experiences to customers

E ***Ethics & Integrity***
- Honest and professional conduct in all interactions and through our commitment to managing our resources wisely

Vision

A dynamic organisation that drives sustainable growth and value

Mission

Drive the growth of our businesses and to be the industry partner of choice

Group Strategic Review

The Group's principal activities are organised into 2 core divisions: Plantation and Manufacturing. The businesses are spread across Malaysia and Indonesia. The Group currently employs 1,661 people.

Our Key Performance Objectives

FimaCorp Group remains focused on providing sustainable value to our shareholders through 3 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 and 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.

How We Do It

These objectives are enabled and supported by the following strategic drivers which provide a competitive advantage to the Company and act as a guideline to direct strategy formulation and implementation by the businesses within the Group.

Our 4 Strategic Drivers

Maintain Prudent Financial Profile

What it means

- Drive strong cash generation
- Maintain diligent monitoring of both operating and capital costs
- Capacity to accommodate growth

Strengthen Core Businesses

What it means

- Drive margin improvement by enhancing cost and production efficiency
- Grow market share through expansion of existing operations, products & services and entry into new markets

Leverage Market Opportunities

What it means

- Seek new market opportunities by leveraging on our industry knowledge & expertise to provide competitive advantage amid changing market and customer demands

Establish Strong Pillars for Future Growth

What it means

- Explore partnerships and investments in select new engines for growth
- Develop people to grow the talent pool
- Strong and good governance new markets

Our 3 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

Group Corporate Structure

Plantation division

SUSTAINING GROWTH

Oil palm cultivation, including oil palm production and processing

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

Manufacturing division

STAYING AGILE

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.

How We Create Value

In driving our strategies, we seek to create long-term value for all our stakeholders through the optimisation of resource use, prudent

Key Performance Objectives

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

Our Capitals

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

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

Manufactured Capital
Our assets comprising manufacturing, processing, bulk storage facilities and capabilities, as well as tools/equipment for mechanisation and technology

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

Human Capital
Experienced, diverse leadership team and employees

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

VISION

A dynamic organisation that drives sustainable growth and value

MISSION

Drive the growth of our businesses and to be the industry partner of choice

PRIMARY OPERATIONS & ACTIVITIES

Plantation division

Manufacturing division

Property division (non-core)

financial and risk management, as well as embedding elements of sustainability within our business decisions and operations.

4 STRATEGIC DRIVERS

- **MAINTAIN PRUDENT FINANCIAL PROFILE**
- **STRENGTHEN CORE BUSINESSES**
- **LEVERAGE MARKET OPPORTUNITIES**
- **ESTABLISH STRONG PILLARS FOR FUTURE GROWTH**

OUR PROFIT FORMULA

(+) Revenue Drivers

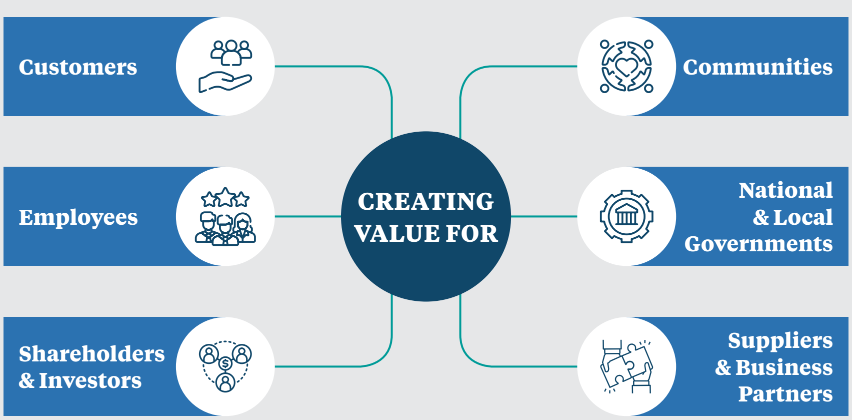
- Sales of fresh fruit bunches, crude palm oil and crude palm kernel oil
- Sales and supply of travel, transport and confidential documents
- Property investments (non-core)

(-) Cost Drivers

- Investment in growth
- Regulatory and compliance costs
- Salaries and employee benefits
- Raw material
- Negative exchange rate
- Development and project costs
- Finance costs
- Sourcing, procurement, logistics

OPERATING CONTEXT: FACTORS IMPACTING VALUE

- Challenging economic outlook
- Climate change
- Digital disruption
- Socio-political issues impacting our operations
- Cost inflation



Impacts/Outcomes

Intellectual Capital

Adherence to industry best practices and accreditation of international standards as well as investments in systems will have a positive impact in developing our product offerings

Financial Capital

Consistent delivery of returns and sustained market confidence

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

Manufactured Capital

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

Natural Capital

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

Human Capital

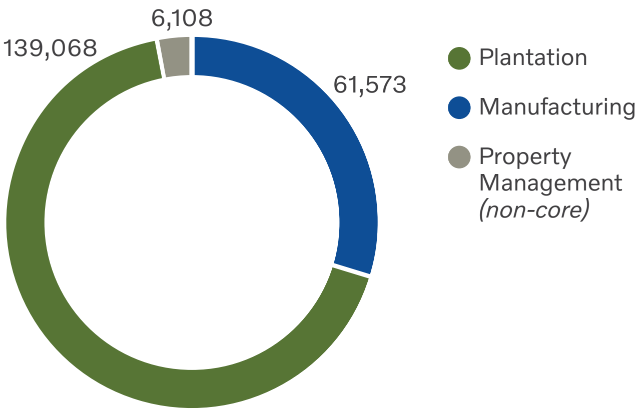
We rely on the skills and wellbeing of our employees to generate value. Providing a safe working environment, supporting local employment, fair labour practices and investments in training are critical to maintaining positive employee relationships

Five-Year Group Financial Highlights

Financial Year Ended 31 March (RM'000)	2024	2023	2022	2021	2020
REVENUE	206,749	295,917	300,591	232,174	245,479
PROFIT					
Profit before tax and zakat	31,958	51,290	95,067	38,470	18,129
Income tax expenses and zakat	6,003	12,294	19,636	7,335	9,322
Non-controlling interests	6,151	2,896	14,870	4,002	(2,929)
Profit after taxation and non-controlling interest	19,804	36,100	60,561	27,133	11,736
ASSETS AND LIABILITIES					
Total assets	710,705	718,529	731,563	635,611	630,675
Total liabilities	123,368	118,264	130,337	65,110	64,685
Non-controlling interests	17,121	20,825	21,997	22,221	18,747
Shareholders' funds	570,216	579,440	579,229	548,280	547,243
EARNINGS AND DIVIDEND					
Earnings per share (sen)					
Basic	8.35	15.21	25.48	11.37	4.90
Diluted	8.35	15.21	25.48	11.37	4.90
Gross dividend per share (sen)	12.50	12.50	15.00	12.50	12.50
Net dividend per share (sen)	12.50	12.50	15.00	12.50	12.50
SHARE PRICES					
Transacted price per share (RM)					
Highest	1.99	2.14	2.11	1.88	1.96
Lowest	1.73	1.87	1.77	1.15	1.01

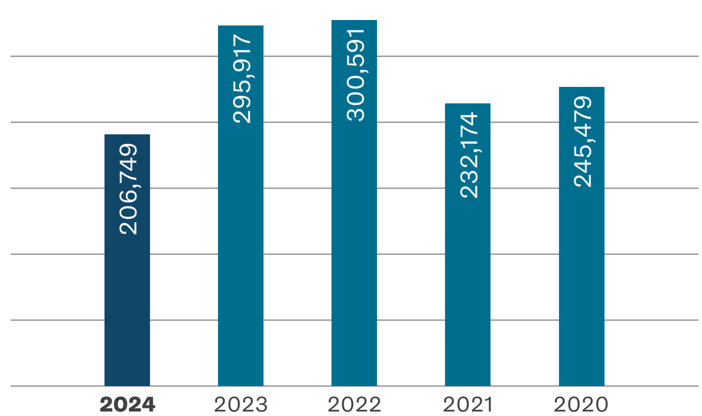
REVENUE BY SEGMENT
(RM'000)

RM206,749



REVENUE
(RM'000)

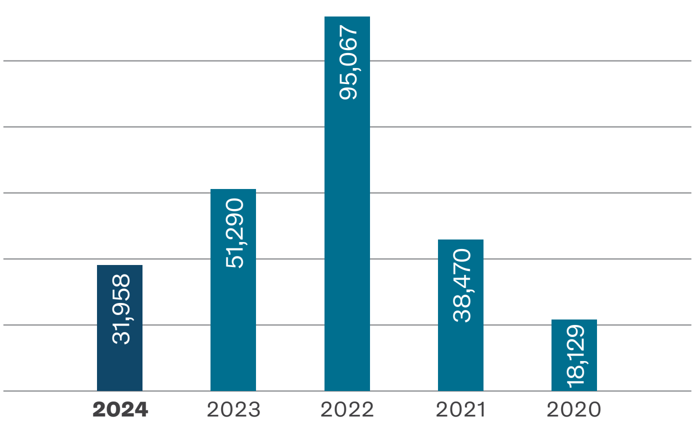
RM206,749



Five-Year Group Financial Highlights

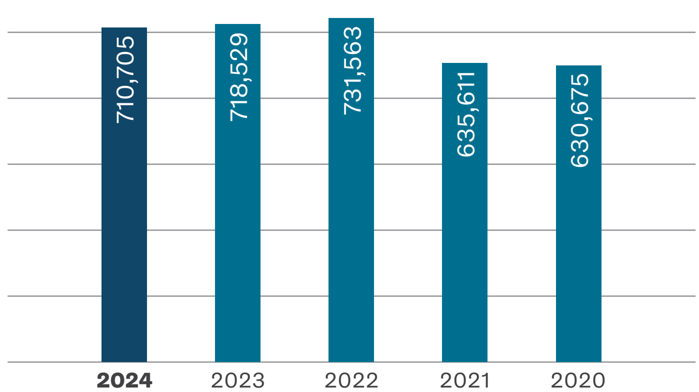
PROFIT BEFORE TAX AND ZAKAT
(RM'000)

RM31,958



TOTAL ASSETS
(RM'000)

RM710,705



This current financial year will be about making further progress against our multiyear strategy and delivering on our key priorities that we believe will be the catalyst for organic growth and ultimately, consistent value creation for the long-term.

Datuk Bazlan Bin Osman
Chairman

FROM THE LEADERSHIP

Chairman's Statement

Revenue	FYE2024 RM Million	FYE2023 RM Million
Plantation	139.07	159.57
Manufacturing	61.57	129.56
Property Management *(non-core)*	6.11	6.79
Group Revenue	**206.75**	**295.92**

PBT	FYE2024 RM Million	FYE2023 RM Million
Plantation	32.09	39.33
Manufacturing	0.39	10.11
Property Management *(non-core)*	1.84	1.88
Associated company	3.82	3.63
Others	(6.18)	(3.66)
Group PBT	**31.96**	**51.29**

Dear Shareholders,

The Group registered revenue of RM206.75 million compared to RM295.92 million achieved in the previous year. Meanwhile, the Group's profit before tax and zakat ("PBT") was RM31.96 million, down by 37.7% compared to the previous year, primarily due to lower revenue of our Manufacturing and Plantation divisions.

Despite an increase in fresh fruit bunches ("FFB") production volumes, Plantation division was impacted by lower prices and volumes of Crude Palm Oil (CPO) and Crude Palm Oil Kernel (CPKO) sold. Manufacturing division's profitability was affected by the decline in volume across most product segments and changes in order patterns.

While we experienced difficult market conditions in FYE2024 across our business segments, there are several highlights that I would like to address, demonstrating the resilience of our business segments and the ongoing benefits of our multiyear strategy.

As I had mentioned in my statement to you last year, our Group 2 main business segments are currently at different strategic verticals. We believe that the best path forward to deliver sustainable top and bottom-line growth is to concentrate on selectively investing in businesses that are defensive, cash-generative, and have stronger growth prospects, which we can acquire and build value. For businesses with lower industry attractiveness and/or competitive strengths, we will take proactive measures to protect our position and refocus our efforts, considering the market dynamics and structural changes in those segments.

Applying these guardrails, we had directed our resources towards accelerating our mechanisation efforts at our Malaysian estates and improving agronomic standards of our estates. These efforts have proven successful, as FFB production of our Malaysian estates increased by 24.9% compared to last year. Although the secular declines in volumes and changes in order patterns had undermined the Manufacturing division's overall performance, it is worth noting that the division was able to maintain its core markets through contract extensions during the year.

To sum it up, despite broader factors and external headwinds that impacted our markets, in FYE2024 we had focused on what we can control. This included protecting our markets to the greatest extent, operating our assets efficiently and maintaining capital discipline by responsibly investing in our growth projects. It's not just about being tactical; it's about balancing short-term delivery and increasing the efficiency of our strategy while ensuring its sustainability to deliver long-term economic and social value creation.

The dividends paid out represents about 149.7% of profit after taxation and non-controlling interest ("PATANCI").

Dividend

The Board had for FYE2024 approved payment of 2 interim dividends. The first interim dividend of 5.0 sen was paid on 29 December 2023 while the second interim dividend of 7.5 sen per share will be paid on 2 August 2024. This would bring the total dividend for the full year to 12.5 sen per share (FYE2023: 12.5 sen).

The dividends paid out represents about 149.7% of profit after taxation and non-controlling interest ("PATANCI"). This payout ratio is in line with the Group's dividend policy to pay at least 40.0% of PATANCI, subject to the Group's financial position.

Governance and the Board

Your Board sets the tone of integrity and accountability for the Group and we recognise the essential role of governance in value creation and sustainability.

The Board is active and engaged, interacting with management to support delivery and ensure ongoing oversight. This was affirmed by the Board effectiveness evaluation process undertaken for the current financial year. The process involved the completion of questionnaires covering various aspects of Board, Committee and Director effectiveness. The evaluation results are considered by the Nomination and Remuneration Committee, and escalated to the Board.

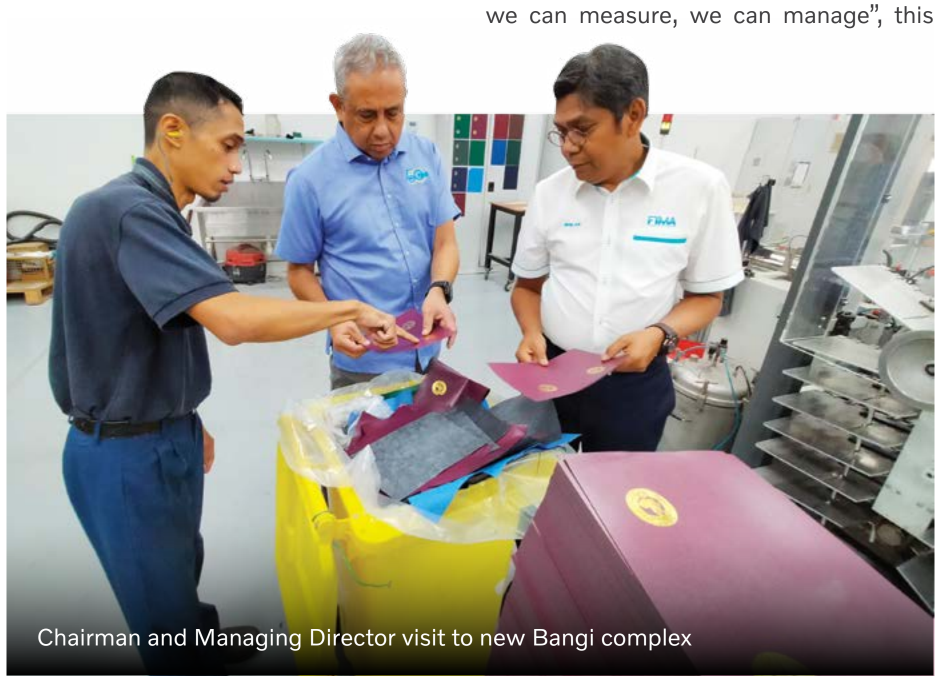
A notable step in FYE2024 following recommendations from the previous year's Board evaluation was the establishment of an Investment Committee ("IC") comprising directors from FimaCorp, including myself, as well as from our ultimate holding company, Kumpulan Fima Berhad. The idea behind the IC is to ensure that we are not only meeting our goals as a Group but also to anticipate future challenges and opportunities. In an era where most businesses are either disruptive or being disrupted, the IC serves as a platform to scrutinise strategic proposals, engage in meaningful dialogue with management, and understand how they intend to build new capabilities to compete differently.

We have also devoted our attention to environmental, social, and governance ("ESG") issues. By incorporating ESG criteria into our decision-making, we ensure that we consider not only the financial implications of our actions but also enables us to identify risks and opportunities more effectively, leading to better-informed and more sustainable business strategies.

ESG and Corporate Citizenry

Our journey toward a sustainable business model is continuous and ever-evolving, influenced by and is integrated into our broader operating context. We are dedicated to ensuring that this journey is not merely a 'box-ticking' exercise but a fundamental element of how we conduct our business. The pressing issue of climate change and heightened scrutiny on labour relations for instance, compels us to reevaluate our operational methods, investment strategies, and engagement approaches, driving us to take proactive steps toward addressing these critical issues diligently and with the seriousness they deserve.

I am pleased to report that we have made significant strides to decarbonise our operations and reducing our carbon footprint through initiatives such as regenerative agricultural practices, solar power capacity expansion and plant efficiency projects. We have also been diligently measuring the intensity of our resource consumption and usage. Premised on the principle that "whatever we can measure, we can manage", this



Chairman and Managing Director visit to new Bangi complex inward-looking tool has proven successful and has helped us identify the necessary actions and interventions, allowing us to set more specific goals to improve our sustainability performance.

The Group had also conducted a human rights audit across all our divisions with specific focus on working hours, wages, and general labour practices, to identify gaps and take the necessary actions on areas that require improvement.

It is with regret that I must report one fatality in FYE2024. While we recognise the many progresses we have made during the year, this tragic incident underscores the importance of further enhancing our safety protocols and procedures to prevent future accidents and improve overall lost time injury rates within the Group.

> **Through a Group-wide engagement process, we have revised policies and procedures including instituting procedures on conflict of interest, strengthened ethics awareness through training, and promoted a robust whistleblowing system.**

Ladang FCB Kuala Betis

We are also committed to building a culture where ethics and sustainability are integral. Through a Group-wide engagement process, we have revised policies and procedures including instituting procedures on conflict of interest, strengthened ethics awareness through training, and promoted a robust whistleblowing system. These efforts aim to foster the corporate culture we envision: one that is ethical, and encourages problem-solving, collaboration, mutual respect and high performance.

These topics, along with a detailed account of our sustainability initiatives and achievements in FYE2024, are further elaborated in the Sustainability sections of this Annual Report.

Key Priority Areas and Outlook

This current financial year will be about making further progress against our multiyear strategy and delivering on our key priorities that we believe will be the catalyst for organic growth and ultimately, consistent value creation for the long-term.

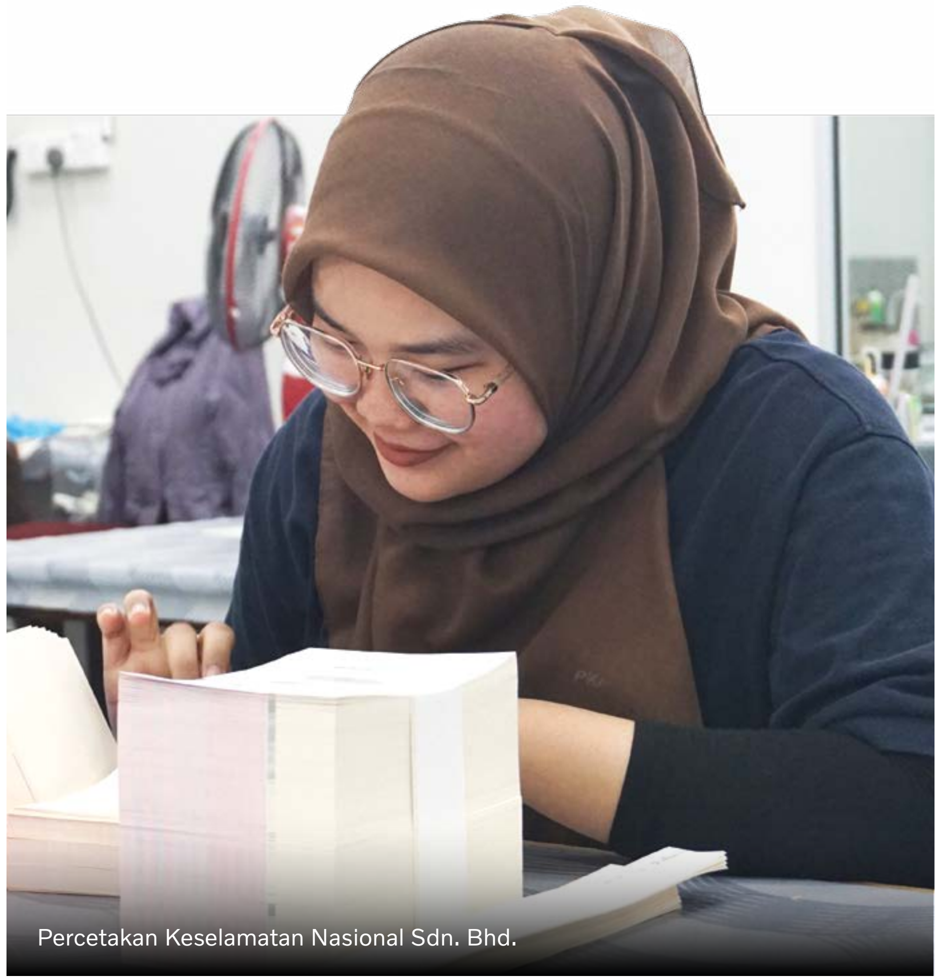
Crop volumes from our Malaysian estates are projected to increase due to the age profile of our oil palms and improved labour availability. On the assumption that commodity prices will remain at current levels, we expect the division's performance to be satisfactory. The focus for now is to improve our estates' agronomic standards, accelerating our regenerative agriculture programmes, and completing the development programme at our Malaysian estates. We will continue with our mechanisation initiatives to

I am pleased to report that we have made significant strides to decarbonise our operations and reducing our carbon footprint through initiatives such as regenerative agricultural practices, solar power capacity expansion and plant efficiency projects.

improve operational efficiencies and reduce dependency on manual labour. The division has also recently embarked on an advanced analytics journey and are in the process of strengthening its data-driven decision-making process to drive operational performance.

While we are diligently and patiently working to improve the Manufacturing division's performance and positioning, we are adopting a more cautious view of its outlook in this current financial year due to market dynamics related to the anticipated impact of governments' transition to digital solutions.

In addition, and considering the modest forecast for economic growth in the near term, all our operating units will continue working towards deriving cost efficiencies to support bottom-line growth, preserve margin profiles and reduce our carbon footprint. We are seeing good progress on many of these dimensions, and we will continue to prioritise them going forward.



Percetakan Keselamatan Nasional Sdn. Bhd.

Acknowledgement

I wish to thank my colleagues on the Board for their diligent supervision and deliberations.

It is also very important for me and my fellow Board members to express our deepest gratitude to the employees of the Group for their dedication and enormous efforts in overcoming the multitude of challenges during the year. The Board is very thankful for that strong commitment, and as we look ahead to this current year and beyond, we are confident that we can count on their continued commitment to propel the Group forward.

The Board joins me also in thanking our valued shareholders, suppliers and business partners for their continued trust and loyalty.

Thank you.

Datuk Bazlan Bin Osman
Chairman

Management Discussion & Analysis

> **During the financial year, the Group's Net Cash Generated from Operating Activities for FYE2024 maintained a surplus position of RM70.95 million.**

Dato' Roslan Bin Hamir
Managing Director

Key Financial Highlights

	FYE2024 RM Million	FYE2023 RM Million	Variance %
Revenue	206.75	295.92	(30.1)
Cost of Sales ("COS")	121.73	182.40	(33.3)
Gross Profit ("GP")	85.02	113.51	(25.1)
Earnings Before Interest and Taxation ("EBIT")	34.66	52.59	(34.1)
Profit Before Tax and Zakat ("PBT")	31.96	51.29	(37.7)
Profit After Tax ("PAT")	25.96	39.00	(33.4)
Profit Attributable to Equity Holders of the Company/PATAMI	19.80	36.10	(45.2)
Net Cash Generated from Operating Activities	70.95	39.01	81.9
Total Assets	710.71	718.53	(1.1)
Total Liabilities	123.37	118.26	4.3
Capital Employed	674.76	686.39	(1.7)
Retained Earnings	460.97	470.81	(2.1)

	FYE2024 %	FYE2023 %	Variance %
Gross Profit Margin ("GP Margin")	41.1	38.4	2.7
Return on Shareholders' Equity ("ROE")	4.4	6.5	(2.1)
Return on Capital Employed ("ROCE")	5.1	7.7	(2.6)

Revenue

	FYE2024 RM Million	Contribution %	FYE2023 RM Million	Contribution %	Variance RM Million	Variance %
Plantation	139.07	67.2	159.57	53.9	(20.50)	(12.8)
Manufacturing	61.57	29.8	129.56	43.8	(67.99)	(52.5)
Property Management *(non-core)*	6.11	3.0	6.79	2.3	(0.68)	(10.0)
Group Revenue	**206.75**	**100.0**	**295.92**	**100.0**	**(89.17)**	**(30.1)**

Total **revenue** generated by the Group for FYE2024 was RM206.75 million, compared to RM295.92 million recorded for FYE2023, reflecting a decrease of 30.1% primarily driven by lower contributions from the Manufacturing and Plantation divisions.

Plantation division recorded RM139.07 million in revenue, a 12.8% decrease compared to last year mainly due to lower prices and sales volumes of Crude Palm Oil ("CPO") and Crude Palm Kernel Oil ("CPKO"). The average realised selling price of CPO decreased by 2.8% year-on-year ("y-o-y") to RM3,395 per MT (FYE2023: RM3,492 per MT), while CPKO declined by 9.1% to RM3,507 per MT (FYE2023: RM3,857 per MT). Volume of CPO sold was 32,368 MT, 12.3% lower compared to last year's 36,896 MT mainly due to lower production on the back of lower fresh fruit bunches ("FFB") production and third-party crop purchased by our Indonesian subsidiary.

FFB production from our Malaysian estates showed an improvement of 24.9% to 23,635 MT from 18,929 MT recorded in the previous year. Average yield per hectare also improved for most of our Malaysian estates.

Manufacturing division's revenue declined by RM67.99 million from RM129.56 million to RM61.57 million in FYE2024 due to the marked decline in sales volumes across most product segments, particularly travel, transport and confidential documents.

Profitability

	FYE2024 RM Million	Contribution %	FYE2023 RM Million	Contribution %	Variance RM Million	Variance %
Plantation	32.09	100.4	39.33	76.7	(7.24)	(18.4)
Manufacturing	0.39	1.2	10.11	19.7	(9.72)	(96.1)
Property Management *(non-core)*	1.84	5.8	1.88	3.6	(0.04)	(2.1)
Share of Results of Associate	3.82	11.9	3.63	7.1	0.19	5.2
Others	(6.18)	(19.3)	(3.66)	(7.1)	(2.52)	(68.9)
Group PBT	**31.96**	**100.0**	**51.29**	**100.0**	**(19.33)**	**(37.7)**

The Group posted a **PBT** of RM31.96 million compared to RM51.29 million for FYE2023, representing a decrease of 37.7%.

Plantation division recorded PBT of RM32.09 million compared to RM39.33 million in the previous year, primarily due to lower prices and sales volumes for CPO and CPKO coupled with increased maintenance and cultivation expenditure, along with elevated estate development costs, all of which collectively impacted the division's PBT. PT Nunukan Jaya Lestari ("PTNJL"), the Group's Indonesian subsidiary's PBT declined from RM46.58 million to RM43.53 million in FYE2024.

Plantation estates in Malaysia which are presently in the development and partially mature phases registered a pre-tax loss of RM11.44 million compared to the pre-tax loss of RM7.25 million recorded last year.

Consequently, the division's GP Margin also declined to 49.3% in FYE2024 (FYE2023: 51.0%).

Manufacturing division's PBT decreased by 96.1% to RM0.39 million (FYE2023: RM10.11 million) in line with lower revenue posted for the year. This decline was primarily attributed to reduced demand across most product segments, particularly travel, transport and confidential documents. The division's GP Margin was maintained at 23.7% this year compared to 23.6% last year.

The **COS** of the Group for FYE2024 was RM121.73 million, RM60.68 million lower from the previous year. The sharp decrease was mainly attributable to lower production costs by the Manufacturing division due to lower levels of activity. Meanwhile, the Group's GP Margin increased from 38.4% to 41.1% in the year under review due to the higher percentage of revenue contribution from Plantation division.

Share of Results of Associate increased slightly to RM3.82 million from RM3.63 million registered in the previous year on the back of contributions from Giesecke & Devrient Malaysia Sdn. Bhd. ("G&D Malaysia"). G&D Malaysia posted revenue and PAT of RM209.09 million and RM19.08 million (FYE2023: RM185.19 million and RM18.15 million) respectively, representing an improvement of 12.9% and 5.1% y-o-y respectively.

In line with the decrease in PBT, the Group achieved **PAT** RM25.96 million (FYE2023: RM39.00 million). Meanwhile the Group's income tax expenses and zakat decreased from RM12.28 million to RM6.00 million.

The Profit Attributable to Equity Holders of the Company decreased by 45.1% or RM16.30 million to RM19.80 million from RM36.10 million recorded in FYE2023. The basic net earnings per share for FYE2024 reduced to 8.35 sen based on a weighted average shares of 237.11 million (FYE2023: 15.21 sen based on a weighted average shares of 237.30 million).

Shareholders' funds decreased by 1.6% y-o-y to RM570.22 million, due to a decline in retained earnings. Retained earnings stood at RM460.97 million, a decrease by RM9.84 million from RM470.81 million recorded last year, mainly due to higher dividend payouts than PATAMI recorded during the financial year.

With the decrease of the Group's net earnings, **ROE** for FYE2024 was 4.4% based on the Group's total equity of RM587.34 million, compared to previous year's ROE of 6.5% (FYE: based on the Group's total equity of RM600.27 million).

ROCE for FYE2024 declined to 5.1% from 7.7% recorded in the previous year mainly due to decrease in EBIT from RM52.59 million to RM34.66 million.

Finance Cost and Liabilities

The Group's **Finance Cost** increased to RM2.70 million from RM1.30 million in FYE2023, largely attributed to increased interest expenses related to the lease liabilities of the Plantation division. The rise in CPO prices during calendar year 2022 has directly resulted in higher lease payments, as the lease agreements for two of our estates include variable payments based on the average CPO price.

The Group's **Total Liabilities** increased to RM123.37 million from RM118.26 million in FYE2023. As of 31 March 2024, the Group's gearing ratio stood at 0.21 times (FYE2023: 0.20 times). The increase in total liabilities was primarily attributed to a significant increase in trade and other payables, which increased from RM27.88 million to RM32.74 million.

Liquidity and Capital Resources

In FYE2024, the Group's Capital Expenditure ("CAPEX") spend increased to RM35.68 million from RM20.02 million in FYE2023 out of which RM22.69 million was spent on plantation development works, infrastructure, and asset acquisition/replacements. The Group funded its CAPEX and working capital needs internally through existing cash reserves.

During the year under review, the Group maintained its solid financial position with **Cash and Bank balances** and **Financial Investments** totalling RM193.07 million (FYE2023: RM196.62 million), representing a marginal decrease of 1.8% compared to the previous year. In FYE2024, the majority of **Net Cash Used in Financing and Investing Activities** were allocated towards the repayment of lease liabilities amounting to RM5.89 million, RM35.68 million on CAPEX and RM39.78 million on payment of dividends. The Group's robust cash flow position underscores its capacity to fulfil financial obligations and pursue growth initiatives.

Despite a 37.7% decrease in PBT registered during the financial year, the Group's **Net Cash Generated from Operating Activities** for FYE2024 maintained a surplus position of RM70.95 million (FYE2023: RM39.01 million), primarily due to a decrease in trade and other receivables, lower inventory levels, and lower income taxes paid.

Free Cash Flow ("FCF") represents the cash generated by a company after accounting for the cash outflows required to support its operations and maintain its capital assets. The Group's FCF remained positive at RM35.27 million, an 85.7% improvement compared to the previous year's FCF of RM18.99 million. The higher FCF is attributed to increase net cash generated from operating activities during FYE2024 despite higher expenditures on property, plant, and equipment, particularly for plantation development works, infrastructure, and asset acquisition or replacement. The Group's consistent positive FCF indicates its strong cash flow generation, which can be allocated towards investments and enhancing shareholder value.

Total Assets decreased by 1.1% to RM710.71 million in FYE2024, down from RM718.53 million in FYE2023. This y-o-y decline is primarily attributed to reductions in inventories and trade receivables.

Market Outlook

Malaysia

The Malaysian economy is projected to remain on a steady growth trajectory in 2024, backed by firm domestic demand, primarily through continued expansion in private sector spending. The Ministry of Finance expects growth of the Malaysian economy to accelerate to 4.0%-5.0% in 2024 from 3.7% in 2023. However, risks to growth remain tilted to the downside given ongoing external challenges[1].

In the domestic capital market, activity will continue to be influenced by momentum in the domestic economy and corporate developments, with volatility likely to be driven primarily by uncertainties surrounding the global economy, particularly the direction of global monetary policy and evolving geopolitical tensions. Nevertheless, ongoing supportive policy actions such as the New Industrial Master Plan (NIMP) 2030 and the National Energy Transition Roadmap (NETR) are expected to provide a tailwind in the short- to medium-term, amid greater policy clarity and a continued commitment by the government towards improving medium-term economic growth prospects[1].

Market expectations remained broadly positive, projecting the benchmark FBMKLCI to end 2024 at around 1,600 points. Meanwhile, the domestic capital market is expected to remain orderly and will continue to play an integral role in supporting the economy, underpinned by firm macroeconomic fundamentals, ample domestic liquidity and a facilitative capital market framework[1].

CPO production is expected to stay below potential due to the El Nino event, which will likely reduce FFB production in the second half of the year. Ongoing geopolitical issues and global economic uncertainties are expected to keep commodity prices volatile[2]. Additionally, high stock levels in China and India will likely cause CPO prices to drop[3].

GDP Forecast[4]

Forecast 2024 **4.5%**

Forecast 2025 **4.6%**

Inflation Forecast[4]

Forecast 2024 **2.6%**

Forecast 2025 **2.6%**

Source.

1. *Securities Commission Malaysia - Malaysia Outlook 2024*
2. *NST - CPO price may remain volatile*
3. *The Edge Malaysia - High palm oil prices not sustainable; drop forecast in 2H2024 - Palm Oil Analytics*
4. *Asian Development Bank Outlook April 2024*

Indonesia

Indonesia's economic growth is forecasted to range between 4.80% to 5.20% y-o-y with the potential to dip below 5.0% due to the global economic slowdown trend influenced by geopolitical tensions, persistent inflation and high interest rates. High credit interest rates in Indonesia have impacted its economic growth and rising operational costs for businesses[5].

Inflation is expected to stabilise at around 3.0% in 2024, while the Rupiah exchange rate is projected to trade between IDR15,100-IDR15,600 against the US Dollar premised on controlled inflation and Bank Indonesia's monetary policy. However, the prolonged trend of high rates could push the Rupiah's value towards the upper end of its projected range[5].

Amidst the national leadership transition process following the recent presidential elections, foreign investment is likely to be subdued as investors adopt a 'wait and see' approach. Nonetheless, domestic consumption, spurred by election activities, is expected to bolster economic growth temporarily[5].

According to Gabungan Pengusaha Kelapa Sawit Indonesia (GAPKI) in 2024, Indonesia's palm oil industry will face several challenges due to global economic uncertainties. However, local consumption is expected to rise, driven by demand from the food, oleochemical, and biodiesel sectors, especially with the full implementation of the B35 biodiesel mandate. Palm oil production is expected to be stagnant, while export volumes may decrease due to higher local consumption[6].

GDP Forecast[7]

Forecast 2024 **5.0%**

Forecast 2025 **5.0%**

Inflation Forecast[7]

Forecast 2024 **2.8%**

Forecast 2025 **2.8%**

Source.

5. *CRIF - Industry Outlook in Indonesia 2024*
6. *Palm Oil Industry Performance In 2023 & Prospects For 2024 (GAPKI) (March 2024)*
7. *Asian Development Bank Outlook April 2024*


PKN

SEGMENTAL REVIEW

Plantation division

Sustaining Growth

REVENUE

RM139.07
Million
12.8% Decrease Y-o-Y
(FYE2023: RM159.57 million)

PBT

RM32.09
Million
18.4% Decrease Y-o-Y
(FYE2023: RM39.33 million)

Ladang Bunga Tanjong

Segmental Review

Plantation division

Business Overview

The Group now owns and operates 12 estates in Malaysia and Indonesia with a total plantable landbank area of 11,499 hectares (FYE2023: 11,465 hectares) of which 10,224 hectares (FYE2023: 9,242 hectares) has been planted with oil palm. 8,406 hectares (FYE2023: 7,951 hectares) of the oil palm are mature. The Group also owns a 45 MT/HR palm oil mill in Indonesia.

FYE2024 FOCUS AREAS

Improve operational cost efficiencies and effectiveness through stringent monitoring, increased usage of ICT and mechanisation	Improve accessibility to facilitate mechanisation to improve crop evacuation efficiency	Good agricultural practices in all our operations
Replanting programme using high yielding oil palm planting materials	Retain 100% Malaysia Sustainable Palm Oil ("MSPO") certification	Implement training programmes for newly recruited workers to ensure their successful integration into the workforce, and to provide them with the necessary tools and competencies

PT Nunukan Jaya Lestari palm oil mill

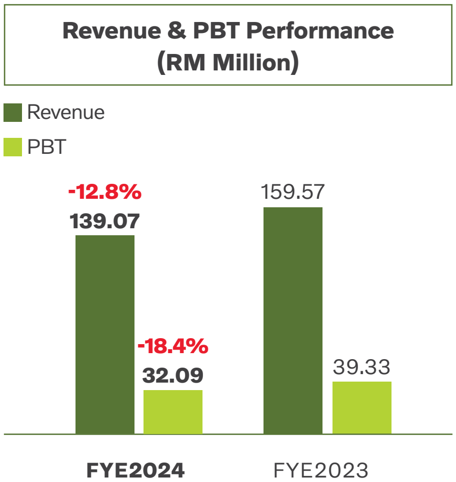
Total FFB production in FYE2024 declined marginally by 5.0% y-o-y to 141,446 MT from last year's 148,958 MT. The division's average yield also decreased to 16.83 MT per mature hectare compared to 18.73 MT in FYE2023. This decline in average yield was primarily due to low crop production patterns in our Indonesian estates, mitigated by the 24.9% increase in FFB production in our Malaysian estates, rising from 18,929 MT to 23,635 MT.

In line with the decline in FFB production in our Indonesian estates and lower third-party crop purchased, CPO production declined by 11.7% y-o-y to 31,584 MT (FYE2023: 35,783 MT) CPKO production also decreased by 9.3% to 2,969 MT from the 3,272 MT produced last year.

The division recorded revenue and PBT of RM139.07 million and RM32.09 million respectively, marking a decrease of 12.8% and 18.4% respectively. The decrease in the average price realised for CPO and CPKO from RM3,492 and RM3,857 per MT to RM3,395 and RM3,507 respectively had also impacted our revenue and PBT contributions during the year under review.

Segmental Review

Plantation division



Plantation Indonesia

FFB produced by our Indonesian subsidiary, PT Nunukan Jaya Lestari ("PTNJL"), reduced by 9.4% to 117,811 MT compared to last year's 130,029 MT. FFB yield per mature hectare decreased by 8.74% to 21.94 MT (FYE2023: 24.04 MT). FFB purchased from third parties also declined to 34,551 MT from 46,379 MT recorded in the previous year. Despite these reductions, our oil extraction rate ("OER") improved from 20.41% to 20.72% due to the significant reduction in oil loss per sample at the final effluent, from 0.79% to 0.55%, following the installation of a decanter and enhancements to the oil recovery process through the modification of the oil skimmer at the sludge pit that were completed towards end of FYE2023.

Plantation Malaysia

FFB production from our Malaysian estates have improved from 18,929 MT to 23,635 MT. This rise is attributed to more areas reaching maturity coupled with the availability of more harvesters and the implementation of mechanisation for in-field collection. The total mature area expanded to 3,060 hectares from 2,570 hectares in the previous financial year. Consequently, the average FFB yield per mature hectare increased to 7.72 MT from 7.37 MT recorded last year. Looking ahead, we anticipate further improvements in FFB production as more areas progress towards prime age in the coming years.

Ladang Fima Cendana, Kemaman, Terengganu

Ladang Fima Cendana's FFB production recorded a significant increase of 24.0% to 11,239 MT (FYE2023: 9,061 MT). In addition, the average yield per mature hectare improved to 16.84 MT from 13.57 MT recorded in the prior year. Continuous improvements in road conditions, combined with our mechanisation efforts using motorised wheelbarrows, allowed for better crop evacuation. Along with the availability of sufficient harvesters, these efforts contributed to the increase in FFB production. Another initiative undertaken by the estate was to improve the establishment of *Nephrolepis biserrata* and soft grasses in the fields to enhance soil conditions and water infiltration as well as reducing the weed palm circle to mitigate surface run-off.

During FYE2024, there were no reported cases of elephant intrusions and, the estate successfully completed the replacement of palms over 36 hectares damaged by elephants in the previous year.

Ladang Bunga Tanjong, Jeli, Kelantan

Total FFB production increased 54.3% to 8,871 MT compared to 5,751 MT recorded last year, The average yield per mature hectare also improved from 6.52 MT to 7.01 MT compared to the prior year attributed to the expansion of the mature area, which reached 1,265 hectares, marking a substantial 43.4% increase from the previous year. The availability of harvesters played a significant role in the increase in the estate's FFB collection.

In this current financial year, the estate's focus will be on improving the areas with marginal soil. To tackle this, the estate has adopted a dual approach by applying bio-organic fertiliser to enhance soil fertility and utilising compacted polymer fertiliser to reduce nutrient losses caused by surface run-off and leaching. We expect to see improvements in this current financial year.

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

The area under cultivation in Ladang Fima Dabong totalled 191 hectares, all of which are mature. FFB harvested doubled from 526 MT last year to 1,049 MT although the yield per mature hectare is 5.49 MT, slightly lower than last year's figure of 5.57 MT.

Meanwhile, mature areas at Ladang Fima Aring reached 254 hectares from 243 hectares last year. However, FFB harvested, and yields declined y-o-y to 941 MT from 1,091 MT, respectively and 3.71 MT from 4.49 MT, respectively. The decrease in production is attributed to unproductive palms that were damaged by elephant intrusions.

Following the remedial actions taken by management in FYE2024 which included inter alia the implementation of biological pest controls, regular maintenance of fencing and trenches, the estate has managed to reduce the damage caused by elephant intrusions. In any event, all damaged palms have to be replaced, and this will inevitably affect the timelines of the estate's overall development programmes.

Segmental Review
Plantation division

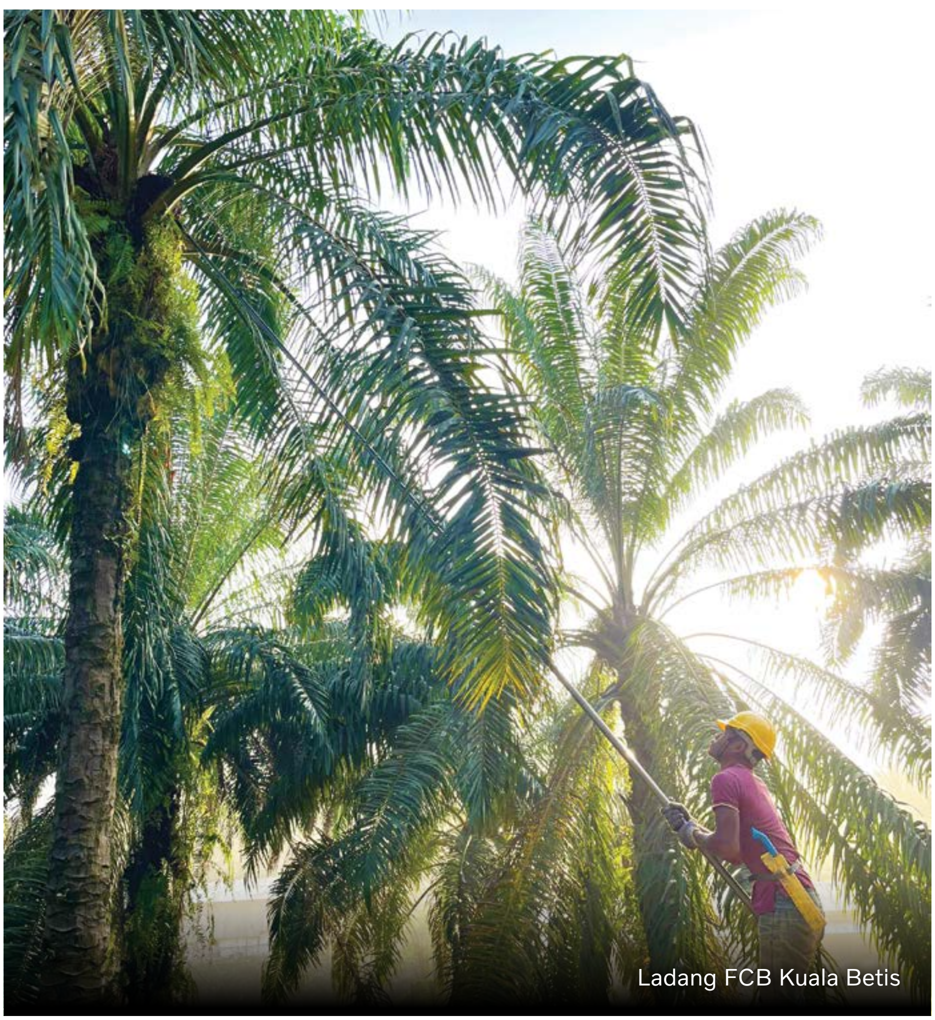
Ladang Sg. Siput, Perak

As at 31 March 2024 and despite the challenges posed by difficult terrain, total planted area stands at 432 hectares, up from 339 hectares recorded last year. In the circumstances, several initiatives have been undertaken to enhance development of the estate, including planting legume cover crops post-construction of the terraces, desilting ponds and waterways, in compliance with Detailed Environmental Impact Assessment approval conditions.

The estate has also continued its durian cultivation efforts, featuring variants such as Musang King, Black Thorn and Tekka. To-date, 5 acres have been dedicated to this endeavour. In addition to durian cultivation, we are also identifying alternative crops suitable for the hilly terrains to optimise land use particularly in areas where oil palm planting is less feasible.

Ladang FCB Kuala Betis, Gua Musang, Kelantan

Area under cultivation at Ladang FCB Kuala Betis totalled 1,486 hectares, of which 683 hectares are mature. Throughout FYE2024, we successfully completed replanting programmes covering 803 hectares. Development of 706 hectares is currently underway to expand our plantation area, with completion anticipated by FY2025/2026. Following this, the 683 hectares is scheduled for replanting in FY2026/2027. Currently, the estate main focus is harvesting on areas that have higher stand per hectare and easy access for infield collection to optimise efficiency and productivity.


Ladang FCB Kuala Betis

Total FFB produced decreased by 38.6% to 1,535 MT from 2,500 MT in the prior year. The average yield per hectare also decreased to 2.25 MT from 3.66 MT recorded last year, mainly due to lower crop production in the rehabilitated areas. In FYE2024, we had prioritised the rehabilitation of more viable areas to improve yield potential. Adverse weather conditions in December 2023 further impacted the estate's harvesting operations, as a result of damage to several bridges, culverts and main access roads which in turn hindered crop evacuation.

For this current financial year, focus will be given on improving drainage systems and road conditions in flood-prone areas. We are also focusing on optimising harvesting operations to reduce the cost of FFB produced. For the newly planted areas, attention will be on maintenance activities including manuring, weeding, and ablation. In new development areas, efforts will be concentrated on accelerating development work, including planting. We are also accelerating establishment of legume cover crops and soft grasses in all areas to maintain soil moisture and reduce surface run off.

As part of our efforts to minimise chemical usage in managing the rat population through biological pest controls , the estate has successfully installed 10 barn owl boxes, effectively covering an area of 100 hectares to reduce the need for chemical interventions.

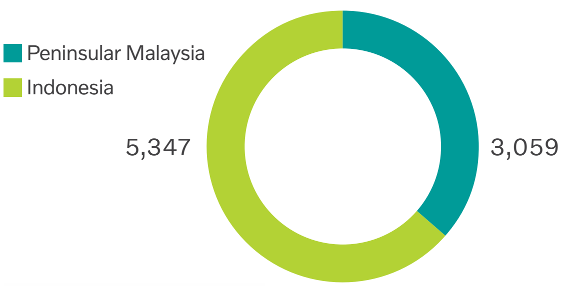
Segmental Review
Plantation division

To facilitate the development of both Ladang FCB Aring and Ladang FCB Kuala Betis, a 7 hectare nursery with 86,800 seedlings has been established at Ladang FCB Kuala Betis. This initiative aims to achieve cost savings by producing seedlings internally and reducing dependency on contractors for planting work.

Ladang FCB Aring, Gua Musang, Kelantan

Development efforts at Ladang FCB Aring have been on track despite facing challenges such as adverse weather conditions and occasional incidents of elephant intrusion. The estate has applied biological pest controls, which has proven effective in mitigating the frequency of elephant intrusions. During the year under review, approximately 2,094 palms were damaged due to these intrusions. As of March 31, 2024, a total of 365 hectares have been planted, and the estate has initiated development works for Phase 2, approximately 567 hectares.

Oil Palm Matured Area (Hectares)



While skilled labour shortages have presented challenges in recent years, we're actively driving positive change. A key focus for us is the implementation of mechanised operations. By embracing innovation, we aim to optimise productivity and achieve even greater production levels in the coming years, reducing our reliance on labour and fostering a more sustainable future for the industry.

Hamka Bin Usman, Plantation Controller


Ladang Fima Sg. Siput

Capital Expenditure ("CAPEX")

CAPEX in FYE2024 was RM22.69 million compared to RM16.80 million last year, of which RM18.34 million accounted towards estate development expenditure, particularly at Ladang FCB Kuala Betis and Ladang FCB Aring in Gua Musang, Kelantan which are presently in the development phase. The infrastructure for these areas has been designed to facilitate infield mechanisation.

Sustainability Standards Certifications

All our Malaysian estates have successfully completed Malaysia Sustainable Palm Oil ("MSPO") surveillance audits. Selected employees have been sent for MSPO 2.0 training to ensure that we have the necessary competencies to maintain, support our MSPO certification and meeting international sustainability standards, especially concerning elements such as traceability, deforestation and good labour practices.

We are also intensifying our efforts to drive down our carbon footprint by improving our harvesting operations. This includes amalgamating harvesting tasks based on specific activities, stationing tractors in designated field areas across several estates and reorganising tractor routes for in-field collection. In addition, we have embarked on an advanced analytics journey and are in the process of strengthening our data-driven decision-making process to enhance operational performance.

The Indonesian Sustainable Palm Oil ("ISPO") audit on PTNJL remains status quo pending regularisation of PTNJL's Hak Guna Usaha ("HGU") before the ISPO certification process can be resumed.

Segmental Review

Plantation division

Outlook

In 2024, Malaysia CPO production is expected to increase marginally by 1.1% to 18.75 million tonnes from 2023's production due to an improvement in the labour situation and increased fertiliser application. However, CPO production is expected to remain below potential due to the El Nino event, which is expected to affect FFB production in the second half of this year[1]. Nevertheless, the geographical diversity of the Group's estates across Peninsular Malaysia, East Malaysia and Indonesia, helps mitigate this risk.

Amid persistent geopolitical concerns and global macroeconomic uncertainties, commodity prices are expected to remain volatile in the near term. Palm Oil Analytics predicts that CPO prices will likely drop due to high stock levels in China and India, putting pressure on prices[2]. In the long-term however, we believe the growth prospects of the division will remain stable, given palm oil's versatility and importance as a raw material for both the food and non-food sectors.

For this current financial year, the division anticipates an increase in crop production from its Malaysian estates as more areas reach maturity. With 33.6% of the division's palm trees averaging 4-18 years of age, the palms on the Group's estates will significantly increase their yield as they mature. We are planning to step up our already ongoing mechanisation initiatives to further reduce our dependency on manual/foreign labour, and to drive productivity and cost-efficiency.

Source.

1. *CPO price may remain volatile*
   https://www.nst.com.my/business/economy/2024/03/1031461/cpo-price-may-remain-volatile
2. *High palm oil prices not sustainable; drop forecast in 2H2024*
   — Palm Oil Analytics
   https://theedgemalaysia.com/node/703606

5-Year Group Plantation Statistics

Year	FYE2024	FYE2023	FYE2022	FYE2021	FYE2020
Palm Age Profile (Hectares)					
>19 years	5,585	4,251	2,076	-	-
10-18 years	935	2,304	4,259	5,942	6,702
4-9 years	1,886	1,396	994	901	546
	8,406	7,951	7,329	6,843	7,248
Rehab	-	-	-	-	-
Replanting	-	-	-	-	-
Immature	1,818	1,291	1,373	1,321	1,595
Total Planted Area	**10,224**	**9,242**	**8,702**	**8,164**	**8,843**
Total FFB (MT)					
FFB Production	141,446	148,958	153,279	148,759	156,450
FFB Purchased	34,551	46,379	47,233	34,339	40,257
	175,997	**195,337**	**200,512**	**183,098**	**196,707**
Yield Per Hectare (MT)	16.83	18.73	20.91	20.39	21.58
CPO Production (MT)	31,584	35,783	38,220	35,424	40,934
Oil Extraction Rate (%)	20.72	20.41	21.10	21.08	21.68
Average CPO Price Realise (RM/MT)	3,395	3,492	3,914	2,883	2,127

We are planning to step up our already ongoing mechanisation initiatives to further reduce our dependency on manual/foreign labour, and to drive productivity and cost-efficiency.

Segmental Review

Plantation division

How We Create *Value*

NATURAL CAPITAL

Our activities generate positive financial and socio-economic benefits but also results in unavoidable extraction of land, water, energy consumption, waste and GHG emissions. We focus on mitigating the negative impacts of our activities on the environment.

Key Inputs

- 12 estates in Malaysia and Indonesia.
- Total plantable landbank of 11,499 hectares.
- Our operations rely on fuel, water and electricity to run their activities.

Activities to Sustain Value in FYE2024

- Optimising energy consumption through monitoring of water/diesel/fuel intensity and efficiency, and identifying areas for improvement.
- Climate change adaption and mitigation through regenerative agricultural practices and mechanisation.
- Compliance to regulatory requirements, standards, practices and ESG metrics.
- Use of renewable energy.
- Converting waste into energy resource.

Outcomes

- ✓ Waste generated lower by 15.2% y-o-y from 190,233 MT to 161,283 MT in FYE2024.
- ✓ FFB production from our Malaysian estates improved favourably from 18,929 MT to 23,635 MT.
- ✓ 24.0% y-o-y improvement in FFB collection at Ladang Cendana through the deployment of mechanised wheelbarrows which enhanced crop evacuation.
- ✓ Minimised chemical use employing biological controls for pest management.
- ✓ Expanded the planting of legume cover crops and soft grasses at our Malaysian estates to maintain soil moisture and reduce surface run off.

Fuel intensity per tonne of FFB produced (L/MT):
- ✗ Malaysia: 3.80 (FYE2023: 3.75)
- ✓ Indonesia: 2.85 (FYE2023: 2.92)

- ✗ GHG emissions increased by 7.4% from 4,691 tCO_2e to 5,036 tCO_2e.
- ✗ Higher GHG emissions intensity (tCO_2e/RM million revenue) recorded y-o-y, from 29.40 to 36.21.
- ✓ Water consumption reduced by 41.4%. Water intensity per tonne of FFB processed (L/MT), improved from 0.48 to 0.28.
- ✓ Our current total solar photovoltaic capacity is 25 KWp. Since its installation in 2019 in the estates, we have generated a total energy output of 100 MWh.
- ✓ In Indonesia, palm biomass is used as feedstock to power the cogeneration plant that supplies electricity to the oil mill and nearby communities. In FYE2024, energy generated from palm biomass was 3,030 MWh.
- ✓ Completion of replanting programmes covering 803 hectares in Ladang FCB Kuala Betis.

Trade-Offs

Capital Depleted:
- The upfront costs associated with implementing more efficient technologies, materials and equipment which reduces our carbon footprint will have a short-term impact on Financial Capital.
- 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.
- Investments to rehabilitate low-yielding areas will increase working capital utilisation and have a short-term impact on Financial Capital.

Capital Increased:
- Integrating measure-monitor-manage principle in our business operations will benefit Financial, Manufactured and Social & Relationship Capitals.
- Completion of plantation development works will strengthen the division's Financial Capital in the long-term.
- Savings on fertiliser through conversion of palm biomass into compost/organic fertiliser and energy costs through use of renewable energy will support Financial Capital.
- Good reputation through sustainable business practices e.g. supply of electricity to nearby communities will benefit Financial and Social & Relationship Capitals over the long-term.

Outcomes Key

✓ Positive outcome (capital creation) ✗ Negative outcome (capital erosion)

HUMAN CAPITAL

We rely on the skills, wellbeing and motivation of employees, contractors, and service providers to generate value. Providing a safe working environment, encouraging local employment, investing in training, and ensuring fair labour practices are critical to maintaining effective employee relationships.

Key Inputs

- 1,424 employees.
- Strong and diverse management team.

Activities to Sustain Value in FYE2024

- 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.
- Enhance labour practices and ensuring that all relevant labour standards are adhered to.
- Employee performance management system to help employees grow and improve.

Outcomes

- ✓ 100% of our Malaysian estates are MSPO certified. Zero non-compliance issues were noted in the human rights reviews conducted in FYE2024.
- ✓ Achieved 62.4% and 99.5% of local headcount ratio in our Malaysia and Indonesia operations respectively with zero cases of discrimination reported.
- ✓ Creation of employment. Total new hires are 442 (FYE2023: 529).
- ✓ Improved retention rate and decrease in turnover rate at 29.4% (FYE2023: 38.4%).
- ✗ One fatality in FYE2024. However, the local Department of Occupational Safety and Health investigated the incident and determined that there were no elements of wrongdoing by the estate.
- ✗ Lost Time Injury Frequency Rate (LTIFR):
  - Malaysia: 3.71 (FYE2023: 2.18)
  - Indonesia: 19.17 (FYE2023: 11.82)
- ✓ Higher training hours at 3,291 hours (FYE2023: 1,977 hours).

Trade-Offs

Capital Depleted:

- Short-term impact on Financial Capital arising from regulatory and compliance costs, and mechanisation initiatives as well as training programmes.

Capital Increased:

- Performance management, recognition and reward can boost morale and motivation positively impacts Social & Relationship Capital.
- Retention of headcount, salaries and benefits, and improvement in earnings due to mechanisation positively impacts Social & Relationship Capital.
- Over the long-term investments in mechanisation to improve efficiency and productivity will strengthen Financial, Social & Relationship and Natural Capitals.
- Maintained goodwill and reputation.

Outcomes Key

✓ Positive outcome (capital creation)

✗ Negative outcome (capital erosion)

Segmental Review

Plantation division

SOCIAL AND RELATIONSHIP CAPITAL

We maintain positive relationships with employees, regulators and other stakeholders through the conduct of our operations and responsible stewardship. We focus on minimising negative community relationships and create value for customers and communities.

Key Inputs

- Positive employee relationships.
- Maintain mutually beneficial relationships with employees, regulators and other stakeholders where we operate.

Activities to Sustain Value in FYE2024

- Continuous engagement with regulators e.g. MPOB, GAPKI and local authorities/governments.
- CSR activities & welfare contributions.
- Use expertise and other resources to give back to communities e.g. development & infrastructure projects.
- Fair labour practices.
- Local procurement and economic empowerment.

Outcomes

- ✓ Zero cases of discrimination reported.
- ✓ PTNJL established a *Lembaga Kerjasama Bipartit*, a joint committee that serves as a forum for regular dialogue between workers and management to discuss pertinent issues on workplace matters.
- ✓ Better understanding of environmental/industry regulations especially on newly developed estates.
- ✓ Continuous engagement with regulators and local authorities where we operate which will have a positive long-term effect on all Capitals.
- ✓ Stable supply chain.

Trade-Offs

Capital Depleted:

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

Capital Increased:

- Improved community and government relations.
- Maintain 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.

Outcomes Key

✓ Positive outcome (capital creation)　✗ Negative outcome (capital erosion)

Segmental Review

Plantation division

MANUFACTURED CAPITAL

Financial investment in the purchase of Property, Plant, and Equipment has provided us with the capacity to generate longer-term returns.

Key Inputs

- 45 MT/HR palm oil mill in Indonesia.
- 12 estates in Malaysia and Indonesia.
- Estate offices and facilities.
- Tools/equipment for mechanisation and technology.

Activities to Sustain Value in FYE2024

- Spent RM22.69 million on CAPEX on plantation development works/ infrastructure and purchase/ replacement of assets.
- Progressed on our mechanisation initiatives to increase productivity/ efficiency.
- Employ geospatial technologies to facilitate efficient land use and development planning.

Outcomes

- ✓ Enhanced safety and efficiency of assets.
- ✓ Maximising the planting density of potential areas as well as in the planning of optimal routes for harvesting which positively impacts Financial and Human Capitals.
- ✓ Adoption of best estate management practices support climate action and biodiversity conservation which benefits Natural Capital.
- ✗ Depreciation, amortisation and impairment loss.

Trade-Offs

Capital Depleted:

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

Capital Increased:

- More efficient harvesting and evacuation process due to mechanisation and effective land planning will strengthen Financial Capital in the long-term.
- Mechanisation improves employee productivity and their earnings potential thus supporting Social & Relationship Capital.

Outcomes Key

✓ Positive outcome (capital creation)   ✗ Negative outcome (capital erosion)

Segmental Review
Plantation division

INTELLECTUAL CAPITAL

The success of our business model depends on our capacity to innovate, our management systems, the strength of our brands and company culture.

Key Inputs

- Robust safety, quality and information management systems.
- Production and processing of palm oil.
- Land ownership rights.
- Industry best practices.
- High yielding planting materials.

Activities to Sustain Value in FYE2024

- Continued progress towards international standard accreditations.
- Application for land title of planted areas (Indonesia).
- Implementation of best estate management practices.
- Continuous learning and development.
- Data-driven decision-making process to drive operational performance.

Outcomes

- ✓ 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.
- ✓ 100% of our Malaysian estates are MSPO certified.
- ✓ Selected employees have been sent for MSPO 2.0 training to ensure that we have the necessary competencies to maintain, support our MSPO certification and meeting international sustainability standards.
- ✗ Protracted time in processing land title (Indonesia). As a result, ISPO accreditation for Indonesian estate is still pending.
- ✓ High yielding planting materials will support Financial Capital in the long run.

Trade-Offs

Capital Depleted:

- Investment outlay on compliance costs (e.g. certifications) and high yielding planting materials will affect Financial Capital in the short run but supports profitability in the long-term.
- High cost of training and development as well as implementation of new technology which also affects Human, Social & Relationship and Financial Capitals.
- Technological advancements can render existing intellectual capital obsolete, leading to additional costs for upgrades or replacements.

Capital Increased:

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

Outcomes Key

✓ Positive outcome (capital creation) ✗ Negative outcome (capital erosion)

Segmental Review
Plantation division

FINANCIAL CAPITAL

Access to financial capital through our shareholders, investors, and lenders with consistent delivery of investor returns and sustained market confidence.

Key Inputs

- Strong cash flow.
- Access to credit facilities/bank borrowings.

Activities to Sustain Value in FYE2024

- Disciplined financial management and capital allocation practices.

Outcomes

- ✖ Revenue down by 12.8% y-o-y to RM139.07 million.
- ✖ PBT down by 18.4% y-o-y to RM32.09 million.
- ✔ Most of our Malaysian greenfield estates are now financially self-sustaining.
- ✔ Consistent dividend pay outs (PTNJL).

Trade-Offs

Capital Depleted:

- Higher operational costs including increased maintenance, cultivation expenditure, estate development costs have resulted in increased working capital utilisation and reduced profit margins.

Capital Increased:

- Higher long-term financial returns to company and shareholders.

Outcomes Key

✔ Positive outcome (capital creation) ✖ Negative outcome (capital erosion)

Manufacturing division

Staying Agile

REVENUE

RM61.57 Million

52.5% Decrease Y-o-Y
(FYE2023: RM129.56 million)

PBT

RM0.39 Million

96.1% Decrease Y-o-Y
(FYE2023: RM10.11 million)

Segmental Review

Manufacturing division

Business Overview

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.

FYE2024 FOCUS AREAS

Focus on core security printing operations	Customer recovery and portfolio retention	Local and international strategic partnerships	Focus on manufacturing strengths with a shift towards end-to-end solutions

Revenue for the financial year ended 31 March 2024 (FYE2024) was RM61.57 million, which represents a y-o-y decrease of 52.5% from the RM129.56 million reported in the previous year. The division's travel, transport, and confidential document segments continue to experience significant market volume decline due to digitisation and evolving order patterns. As a consequence of digitisation, some of our products have been downgraded to lower or medium-security documents, resulting in lower prices and increased competition. Revenue from the travel documents segment declined by 47.1% from last year's on the back of lower volumes and the expiry of a supply contract for travel documents while the foreign travel documents subsegment decreased by 58.6%. The confidential document segment also reported a 47.4% y-o-y decline, attributed to reduced procurement from existing customers.

Similarly, revenue from the transport documents segment also experienced a decline by 55.5%, mainly due to the implementation of digital road tax and licences in line with the government's push towards digitising certain processes and documents.

Given the decline in revenue, the division recorded PBT of RM0.39 million, compared to RM10.11 million in the previous year.

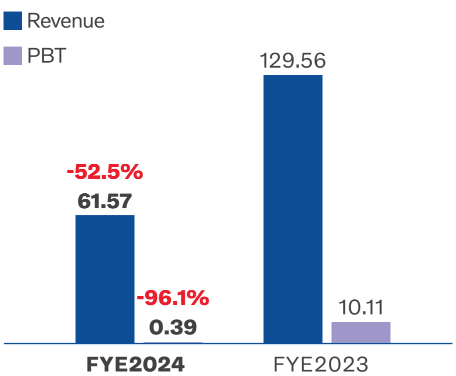
The share of results of associate company, Giesecke & Devrient Malaysia Sdn. Bhd. increased by 5.2% y-o-y from RM3.63 million in FYE2023 to RM3.82 million on the back of the higher revenue of RM209.09 million achieved compared to RM185.19 million in the previous year.

Segmental Review

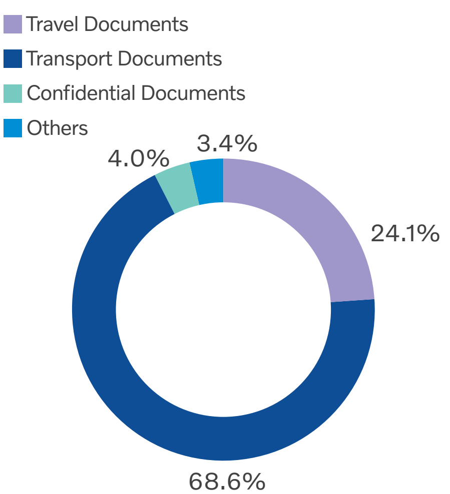
Manufacturing division

We have made good progress in integrating more renewable energies into our operations to upgrade, both our power efficiency and power cost advantages. This resulted in a significant increase in our total power consumption from renewable sources in FYE2024. We generated 432 megawatt hours ("MWh") compared to 149 MWh in FYE2023. This transition has enabled us to successfully reduce our electricity consumption and Scope 2 carbon emissions by 440 MWh and 636 tCO_2e respectively.

Revenue & PBT Performance (RM Million)



Revenue Contribution by Product (%)



Segmental Review

Manufacturing division

We will invest in technology and digital innovations within segments of our business where we believe they will drive growth. This includes both direct investment and strategic partnerships aimed at enhancing our capabilities and readiness to capitalise on future opportunities for expansion.

Outlook

In this current financial year, we anticipate that revenue for transport documents will remain low. Increased competition in the industry is also expected to put pressure on the division's performance and margins. However, we see potential opportunities in the travel and confidential documents subsegments to drive revenue growth, and we are working diligently towards that end.

To position the division for recovery and future growth, we remain committed to achieving a leaner cost structure. Over the past few years, we have dedicated significant efforts to streamlining our operating model and reducing our cost base. One key initiative in this regard was the relocation to a new facility complex in Bangi, Selangor, which was nearly completed during the year under review. This new complex now serves as the division's headquarters, consolidating all production, printing, and warehousing operations under one roof, including a dedicated security printing manufacturing facility. The efficient production layout and centralised operations at the new facility are expected to enhance our operational efficiency and further reduce overhead costs. During the year, we reduced the size of our workforce mainly through non-renewal of contracts to right-size our business amidst lower levels of economic activity. This action was necessary to align our cost structures with volumes and reset our cost base, which we believe will position us favourably from the eventual upturn in our end markets.

Furthermore, we are prioritising key customers and quality revenue generated from both new and traditional security document products vis-a-vis ongoing enhancements to our business development and sales model, aimed at better aligning with market needs and protecting our market share.

We will invest in technology and digital innovations within segments of our business where we believe they will drive growth. This includes both direct investment and strategic partnerships aimed at enhancing our capabilities and readiness to capitalise on future opportunities for expansion.

Segmental Review

Manufacturing division

How We Create Value

NATURAL CAPITAL

Our activities generate positive financial and socio-economic benefits but also results in unavoidable extraction of land, water, energy consumption, waste and GHG emissions. We focus on mitigating the negative impacts of our activities on the environment.

Key Inputs

- Electricity consumption: 1,991 MWh in FYE2024.
- Solar energy generation: 432 MWh.

Activities to Sustain Value in FYE2024

- Responsible procurement and practices.
- Compliance to regulatory requirements.
- Use of renewable energy and transition to 'greener' machinery/ equipment.
- Installed additional 300 kWp of solar photovoltaic capacity.

Outcomes

- ✓ Achieved a 189.9% increase in solar energy generation to 432 MWh by installing an additional 300 kWp of solar photovoltaic capacity.
- ✗ Y-o-Y increase in GHG emissions intensity (tCO2e/RM million revenue) from 15.89 to 25.20 mainly due to reduction in revenue despite lower GHG emission recorded.
- ✓ Utilises 100% Forest Stewardship Council-certified paper in the production of transport documents.
- ✓ Our new facility complex in Bangi utilised energy-efficient equipment and machineries to run our operations.
- ✓ Electricity consumption decreased by 18.1% from 2,431 MWh to 1,991 MWh in FYE2024.

Trade-Offs

Capital Depleted:

- Investments in the development adoption of green technologies and sustainable practices to reduce our carbon footprint will have a short-term impact on Financial Capital.

Capital Increased:

- Integrating measure-monitor-manage principle in our business operations will benefit Financial, Manufactured and Social & Relationship Capitals.
- Savings on 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.

Outcomes Key

✓ Positive outcome (capital creation)

✗ Negative outcome (capital erosion)

HUMAN CAPITAL

We rely on the skills, wellbeing and motivation of employees, contractors, and service providers to generate value. Providing a safe working environment, encouraging local employment, investing in training, and ensuring fair labour practices are critical to maintaining effective employee relationships.

Key Inputs

- 219 employees.
- Strong and diverse management team.
- Strong technical support teams across Malaysia.

Activities to Sustain Value in FYE2024

- Encouraging local employment.
- Competitive remuneration and 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.
- Employee performance management system to help employees grow and improve.

Outcomes

- ✔ Improvement in the livelihoods of our employees.
- ✔ Total new hires are 19 (FYE2023: 64). Number of new hires were lower in FYE2024 as we aligned our workforce with current levels of economic activity.
- ✔ Positive work culture with skilled workforce. Zero disruption to production days due to industrial action.
- ✔ Collective agreement with trade union was renewed during the year.
- ✔ Continued emphasis on safety culture - zero fatalities in FYE2024.
- ✖ Lower training hours at 1,204 hours (FYE2023: 2,880 hours).
- ✖ Recorded 3 injuries in FYE2024.

Trade-Offs

Capital Depleted:

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

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 support Financial and Intellectual Capitals in the long-terms.
- Our ongoing commitment to maintaining positive relationships with our employees and ensuring fair and equitable working conditions.

Outcomes Key

✔ Positive outcome (capital creation) ✖ Negative outcome (capital erosion)

Segmental Review

Manufacturing division

SOCIAL AND RELATIONSHIP CAPITAL

We maintain positive relationships with employees, regulators and other stakeholders through the conduct of our operations and responsible stewardship. We focus on minimising negative community relationships and create value for customers and communities.

Key Inputs

- 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.

Activities to Sustain Value in FYE2024

- Customised training programmes for customers and regulators.
- PROTÉGÉ and Industrial Collaboration Programme.
- Responsible business practices i.e. accreditation of ISO37001: 2016 Anti Bribery Management System.
- Proactive engagement with regulators on industry-specific matters.
- CSR activities and welfare contributions.

Outcomes

- ✓ No incidence of industrial action in FYE2024.
- ✓ Zero cases of discrimination reported.
- ✓ Established trust with customers, business partners and regulators.
- ✓ Maintained strong relationships with key customers.
- ✓ Since 2018, 114 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 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.
- Upfront investment outlay to meet customers' specific requirements will affect Financial Capital in the short-term.

Capital Increased:

- Improved community and government relations will enable us to maintain our social licence to operate and positively impacts all Capitals.
- Efficient supply chain management will support Manufactured and Financial Capitals.
- Nurturing future talent pool supports Human and Intellectual Capitals.
- Investments made to meet customers' specific requirements can be a key differentiator in our markets and can generate long-term benefits, such as increased customer satisfaction, and potentially higher margins which positively impacts all Capitals.

Outcomes Key

✓ Positive outcome (capital creation)

✗ Negative outcome (capital erosion)

Segmental Review

Manufacturing division

MANUFACTURED CAPITAL

Financial investment in the purchase of Property, Plant, and Equipment has provided us with the capacity to generate longer-term returns.

Key Inputs

- Security and confidential printing document facilities.
- New security facility complex in Bangi.
- More than 20 printing machines.
- 63 million security documents printed.
- Technology tools.

Activities to Sustain Value in FYE2024

- Spent RM13.31 million on CAPEX for hardware, R&D projects and computer/machinery maintenance and relocation to a new facility complex.
- Employ technology to achieve operational efficiency namely:
  - a tracking system detailing progress of products delivered to customers on real-time basis.
  - equip IT support staff with mobile devices to access, store and report information.

Outcomes

- ✅ Long-term synergies and cost savings by centralising Manufacturing's operations under one roof that will benefit Financial Capital.
- ✅ Scheduled preventive maintenance of machinery ensures less downtime and better planning on stock of parts.
- ✅ 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.
- ❌ Depreciation, amortisation and impairment loss.

Trade-Offs

Capital Depleted:

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

Capital Increased:

- By relocating to a new facility, we can optimise our operations and streamline processes, leading to increased efficiency and productivity which in turn can positively impact Financial Capital.
- Reduction in operational staff time, 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.

Outcomes Key

✅ Positive outcome (capital creation) ❌ Negative outcome (capital erosion)

Segmental Review

Manufacturing division

INTELLECTUAL CAPITAL

The success of our business model depends on our capacity to innovate, our management systems, the strength of our brands and company culture.

Key Inputs

- Robust safety, quality and information management systems.
- Brand and strong reputation.
- Strategic partnerships and alliances.
- R&D capabilities to develop solutions and respond to emerging customer preferences.
- Industry best practices.
- Key personnel with subject-matter expertise.

Activities to Sustain Value in FYE2024

- 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.
- Offer cost-effective value adding solutions.
- Continuous learning and development.

Outcomes

- ✓ Maintained our competitive edge through new product development e.g. digital certificate, data matching, 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 lifecycle, which benefits Financial, Manufactured and Social & Relationship Capitals.
- ✓ Maintained strong relationships with key customers.
- ✓ Certified and compliant:
  - ISO 27001:2013 Information Security Management
  - ISO 9001:2015 Quality Management System
  - ISO 14298:2013 Graphic Technology-Management of Security Printing Processes
  - ISO37001:2016 Anti Bribery Management system

  all of which are important prerequisites of our key customers and markets.

Trade-Offs

Capital Depleted:

- Investment outlay on compliance costs and R&D will affect Financial Capital in the short-term but supports financial performance in the long-term.
- High cost of training and development as well as implementation of new technology which also affects Human, Social & Relationship and Financial Capitals.
- Technological advancements can render existing intellectual capital obsolete, leading to additional costs for upgrades or replacements.

Capital Increased:

- Market credibility and goodwill which supports Social & Relationship and Financial Capitals.
- Improved productivity and process efficiencies which will benefit Natural, Manufactured, Social & Relationship and Financial Capitals.

Outcomes Key

✓ Positive outcome (capital creation) ✗ Negative outcome (capital erosion)

Segmental Review

Manufacturing division

FINANCIAL CAPITAL

Access to financial capital through our shareholders, investors, and lenders with consistent delivery of investor returns and sustained market confidence.

Key Inputs

- Strong cash flow and cash position.
- Access to credit facilities/bank borrowings.

Activities to Sustain Value in FYE2024

- Disciplined financial management and capital allocation practices.
- Strong and proactive relationships with our principals.
- Evaluate investment opportunities that align with the company strategic objectives.

Outcomes

- ✖ Revenue down by 52.5% y-o-y to RM61.57 million.
- ✖ PBT down by 96.1% y-o-y to RM0.39 million.
- ✔ Consistent dividend payouts.
- ✔ Resilient balance sheet with strong cash flows.
- ✖ As a consequence of digitisation, some of our products have been downgraded to lower or medium-security documents, resulting in lower prices and increased competition.

Trade-Offs

Capital Depleted:

- The decline in demand volumes due to digitisation and evolving order patterns is impacting revenue and PBT.
- Margin pressures due to increased competition from new and existing players in certain product segments.

Capital Increased:

- Strong financial position allows us to flex in line with market demands and pursue new business opportunities as and when they arise.
- Profitability margins maintained at 23.7%.

Outcomes Key

✔ Positive outcome (capital creation) ✖ Negative outcome (capital erosion)

Our *Highlights*

Reduction in
Scope emissions

Higher energy consumption
from our renewable energy source

Employee turnover rate improved from
33.6% to **26.0%**

The Group's local headcount ratio is over
80.0%

The Group's local procurement rate is over
90.0%

SUSTAINABILITY REPORT

Sustainability Report

Introduction

At FimaCorp we are steadfast in our commitment to driving profitable and sustainable growth that delivers enduring value to all our stakeholders. To this end, we have defined our priorities and established strategic targets for addressing the issues deemed most critical by both our stakeholders and ourselves. We also concentrate our efforts on areas where our capabilities can have the most significant impact and are dedicated to devising practical solutions that are economically viable and environmentally sustainable. Our endeavours support our broader objective of generating societal benefits and actively contributing to nation-building.

Our Approach

The Group recognises that our capacity to achieve sustained growth and secure the future prosperity of the communities in which we operate is directly linked to our responsible stewardship of both human and natural resources. This is reflected in our commitment to the sustainability principles of ethical practices, continuous innovation, environmental protection, the health and safety of our employees, customers, and inclusive growth. We have established an actionable framework comprising five interconnected approaches in order to implement real change. By examining the interactions within this framework, and guided by the principle that "whatever we can measure, we can manage", we are steadily transforming our aspirations into concrete actions and interventions. These data-driven approach provide us with insights into our current position and the more specific goals that we need to accomplish to fully integrate sustainability imperatives with our long-term business objectives and value creation efforts.

Our initiatives are guided by our sustainability policies which are upheld by both FimaCorp and its stakeholders. Implementation of these policies is overseen by the Board of Directors, who are responsible for setting the course of our sustainability journey. Assessments are conducted to identify key issues that are of material importance to our stakeholders and us. These issues are then correlated with the United Nations Sustainable Development Goals ("SDGs") to select relevant indicators. These indicators assist us in measuring and reporting our contributions across environmental, social, and governance ("ESG") aspects of sustainable development.

Stakeholder Engagement

FimaCorp acknowledges that its diverse operations across various industries and regions necessitate a robust approach to stakeholder engagement. Our objective is to foster resilient and trusting relationships with all groups influenced by or influencing our business activities. Through proactive engagements, we aim to understand their perspectives and concerns regarding our operations, and collaboratively address any potential social, environmental, or economic impacts.

Our approach to stakeholder interaction varies based on the significance of their input and our business needs, ranging from periodic consultations to regular updates, or more frequent engagements when necessary.

Below is an outline of our stakeholder groups, their primary concerns, and how we engage and respond to each group, to ensure transparency and mutual benefit in all our interactions.

Stakeholders	Engagement Platform	Key Concerns	Our Response
Employees 	• Employee Engagement Survey • Performance and career development reviews • Labour union meetings and negotiations • Virtual meetings • Internal communications	• Job security and wages • Conducive workplace • Career development and growth development • Occupational safety and health and well-being • Human rights	• Investing in the attraction, retention, and professional development of a highly skilled and talented workforce. • Offering a range of job opportunities and career advancement paths, along with competitive salary and benefits packages. • Establishing grievance mechanisms and a confidential Whistle-Blowing Policy to address and resolve employee concerns and complaints effectively. • Investing in and enforcing Occupational Safety and Health Management Systems to ensure the health and safety of all employees. • Complying with the United Nations Human Rights Council's Human Rights Policy to uphold and protect fundamental rights and freedoms, guaranteeing equitable treatment for all employees. • Delivering continuous training on integrity and anti-bribery to foster a workplace culture committed to ethical practices and compliance.
Shareholders & Investors 	• AGM meetings • Corporate website • Comprehensible reports and timely disclosure of financial and ESG matters • Response to queries • Meetings with fund managers • Investor Relations Channel	• Timely disclosure of information • Financial performance and resilience • Transparent communication	• Ensuring that communications regarding business performance and policies are rolled out clearly, concisely and promptly to reinforce our shareholders' confidence.

Stakeholders	Engagement Platform	Key Concerns	Our Response
Customers	• Physical or virtual meetings • Audit • Survey • Training and support	• Changing needs of customers and consumers • Business ethics • Innovation • Traceability • Health and safety certification • Transparent supply chain	• Maintaining a steadfast commitment to integrity and fairness in all customer interactions, ensuring that our products and services consistently meet established quality and satisfaction standards. • Providing goods and services that are suitable for their intended use and adhere to all relevant safety and quality regulations. • Striving to exceed industry and international certification standards, thereby building trust with stakeholders and increasing our market share. • Regularly assessing consumer feedback, audit outcomes, and satisfaction surveys to pinpoint crucial areas for improvement and continued development. • Adopting a proactive stance to maintain adherence to current standards and prevent complacency in our operations.
Communities	• Town hall with local residents • Community volunteering activities • Environmental and Social Impact Assessment	• Economic empowerment • Livelihood protection • Community safety and health • Environmental protection	• Enhancing local communities by offering employment and nurturing partnerships with local suppliers. • Bettering the lives and economic well-being of local communities through the development and enhancement of infrastructure, along with providing welfare contributions and financial support during hardships or disasters. • Providing financial assistance to facilitate the education of school-age children.
Suppliers & Business Partners	• Meetings • Training and support	• Quality control • Business ethics • Transparency • Sustainability requirements	• Adhering to ethics and integrity policies to ensure fair and impartial procurement practices, fostering stable and long-term relationships with suppliers. • Regularly updating suppliers on regulatory changes to ensure uninterrupted business operations. • Collaborating with suppliers to guarantee a consistent supply of materials, securing long-term availability, and investigating potential new opportunities. • Identifying improvement opportunities based on audits, internal reviews, and other evaluations.
National & Local Governments	• Meetings/dialogues	• Updated licences and permits • Zero compliance issue • Community issues • Community development	• Proactively engaging with federal and local governments, as well as regulatory authorities, to advocate for industry-specific legislation and collaborate on policy development. • Supporting national strategies and contributing actively to the economic and social advancement of the countries in which the Group operates, promoting sustained growth.

Our Materiality Matters

MATERIALITY ASSESSMENT

Materiality Transition

Group Material Matters	GRI	SDGs
Climate Risk	GRI 305	SDG 13, 14
Water Impact and Waste Management	GRI 303, 306	SDG 6, 12, 13, 14
Biodiversity and Deforestation	GRI 304	SDG 12, 13, 14, 15
Human Rights	GRI 405, 408, 409, 412	SDG 1, 2, 4
Occupational Safety, Health and Well-being	GRI 403	SDG 8
Sustainable and Traceable Supply Chains	GRI 102, 204	SDG 12, 14, 15
Product Quality and Safety	GRI 416, 417	SDG 2, 12
Community Investments	GRI 203, 413	SDG 1, 2, 4
Innovation and Technology Excellence	Non-GRI Indicator	SDG 8
Code of Ethics & Governance	GRI 205	SDG 8, 14

Materiality assessments are pivotal in shaping our sustainability strategy as they identify the most pressing ESG issues relevant to our organisation and stakeholders. These assessments also evaluate our Group's ESG performance from the perspective of our stakeholders and determine the significance of each issue across different groups. The insights gained enable us to prioritise and focus on the most critical ESG topics.

To ensure our focus remains aligned with the evolving needs of our operations and stakeholders, FimaCorp revisits its materiality determinations biennially. The last review was conducted in FYE2023 by our Group Corporate Services Department and included an online survey with participation from over 300 stakeholders, including shareholders, employees, suppliers, and government agencies.

The results of each materiality assessment took into account the unique contributions of each business division, analysing factors such as each division's impact on the Group's financial results, workforce size, and growth potential. To guarantee a thorough analysis, we also performed a desktop review to benchmark against current sustainability trends, analyse peer reports, and consider pertinent regulations and guidelines. This comprehensive approach ensures that our sustainability efforts are both targeted and effective, addressing the areas of greatest impact and importance.

FimaCorp's Materiality Assessment Process

1. Identify 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 Survey** Evaluate internal issues; **External Survey** Evaluate external issues
4. Final scoring and issue prioritisation (based on their significance)
5. *Reviewed by and presented to Group Sustainability Committee* → Determine matters to be disclosed in the report

Materiality Matrix

The results of our materiality assessment culminated in the Group's materiality matrix, which organises ESG issues based on their perceived importance to stakeholders and their impact on the Group. The X-axis of the matrix reflects the significance of these issues to our operations, while the Y-axis gauges their importance to our stakeholders. The matrix is further segmented into three quadrants, with the top right quadrant identifying the issues of utmost importance to both the Group and stakeholders. This strategic arrangement enables us to concentrate our efforts on managing our impacts and effectively enhancing our relationships with stakeholders.

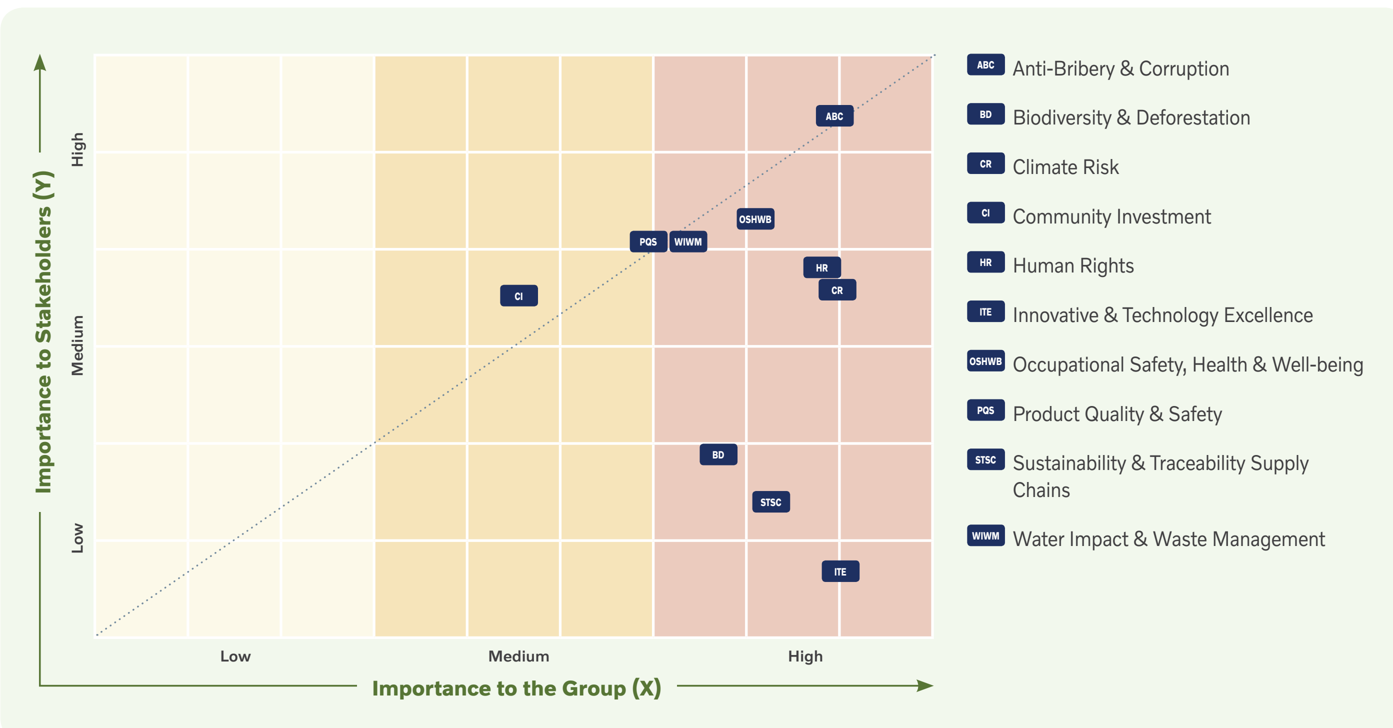
The materiality matrix has identified the following four critical sustainability themes for the Group:

- Anti-bribery and corruption measures
- Occupational safety, health, and well-being
- Human rights protection
- Effective water and waste management

While each theme is essential in its own right, these issues were found to be deeply interwoven, with each significantly affecting the others. For instance, a safe and supportive workplace is crucial for maintaining the dignity and rights of employees, which in turn helps uphold human rights standards. Conversely, robust anti-corruption measures support a safe work environment and protect human rights by preventing practices that could endanger both. Similarly, managing environmental impacts such as water usage and waste disposal is critical for mitigating climate risk, which is another area of major concern for the Group.

These interconnected themes highlight the importance of an integrated response from the Group. By developing comprehensive strategies that address these issues collectively, we can advance towards a more sustainable and ethical business model that benefits both the organisation and its stakeholders.

Further details on our approaches and outcomes in these areas are outlined in the subsequent sections of this Sustainability Report.



United Nations Sustainable Development Goals

FimaCorp has integrated the United Nations Sustainable Development Goals ("UNSDGs") into its sustainability strategy. Established in 2015, the UNSDGs comprise 17 goals that serve as a universal call to action to address global challenges such as poverty, inequality, climate change, and environmental degradation.

SUSTAINABLE DEVELOPMENT GOALS

The Group strategically leverages its business operations to contribute towards these goals with a particular emphasis on the following:

- The manufacturing and sale of products it produces and the way in which they are produced.
- The use by host government of the taxes that the Company pays.
- The creation of economic and social value in the communities where we operate by creating local jobs.
- Supporting local supply chains through development programmes, training, and investment, fostering economic independence and resilience.
- The efforts undertaken to reduce the environmental footprint of the business.

FimaCorp has identified 9 SDGs that are especially pertinent to our current business operations and resonate with our corporate vision and strategic planning. These goals guide our targeted efforts and initiatives. While our focus is on these 9 goals, our broader corporate activities and ethical commitments align with the overarching aim of all UNSDGs. The following table illustrates how these prioritised SDGs have been incorporated into our Sustainability framework, mapped with our materiality matters, Global Reporting Initiative ("GRI") disclosures, as well as our key risks. The table also outlines the contributions that FimaCorp has made towards upholding these SDGs in our operations.

Our Environment
Land, Water & Climate

6 CLEAN WATER AND SANITATION | 12 RESPONSIBLE CONSUMPTION AND PRODUCTION | 13 CLIMATE ACTION | 14 LIFE BELOW WATER | 15 LIFE ON LAND

Group Material Matters	Metrics Measured and Monitored	Our Contribution
• Climate Risk • Water Impact and Waste Management • Biodiversity and Deforestation **Alignment with GRI** 302, 303, 304, 305, 306	• Energy Consumption – renewable and non-renewable • Greenhouse gas emissions ("GHG") (Scope 1 and 2 emissions) • Intensity for fuel consumption (harvesting operation) • Intensity for water consumption (FFB processing) • Tracking water withdrawals and consumption • Waste disposal amount and type	• Implementing sustainable agricultural practices and best management practices across our estates, adhering to the Malaysian Sustainable Palm Oil ("MSPO") and Good Agricultural Practices ("GAP") standards. • Ensuring wastewater discharge quality meets or exceeds regulatory standards to effectively mitigate water pollution. • Optimising alternative water sources through initiatives such as water harvesting and recycling. • Adopting renewable energy sources, such as solar power, biodiesel, and biomass, to reduce the Group's carbon footprint. • Maintaining efficient water and energy management systems that comply with industry and international standards, including ISO 14001 and ISO 5001. • Utilising natural resources efficiently through the principles of Recycle, Reuse, Reduce, and Refuse.

Our People
Livelihood, Health & Well-being

Group Material Matters

- Human Rights
- Occupational Safety, Health and Well-being
- Community Investment

Alignment with GRI
102, 202, 203, 401, 402, 403, 404, 405, 406, 407, 409, 412, 413

Metrics Measured and Monitored

- Diversity throughout the Group
- Employee training and development
- Number of work-related fatalities
- Work related injuries
- Accident & Lost time Injury Frequency Rate (LTIFR)
- Community engagement and investments where we operate

Our Contribution

- Creating business opportunities and economic empowerment through gainful employment for local community members to sustain their livelihoods.
- Implementing human resources policies that ensure minimum wage compliance and fair remuneration for work performed.
- Meeting employees' personal and professional development needs through substantial investments in training programmes.
- Offering educational support and initiatives for youth development.
- Addressing the increasing demand for affordable protein.
- Promoting the health and well-being of local communities.
- Sharing company infrastructure, such as providing solar energy and clean water to neighbouring communities.
- Offering humanitarian support during times of adversity or following natural disasters.
- Minimising food waste and repurposing waste as by-products.
- Enhancing agricultural yields and extraction rates through the adoption of best practices.
- Sourcing from vendors that are environmentally and socially responsible, reputable, and adhere to sustainable practices.
- Maintaining a healthy, safe, and conducive work environment.

Our Business
Fair, Inclusive and Decent Society

Group Material Matters

- Sustainable and Traceable Supply Chains
- Product Quality and Safety
- Innovation and Technology Excellence
- Code of Ethics & Governance

Alignment with GRI
102, 201, 204, 205, 417, 418

Metrics Measured and Monitored

- Anti-Bribery and Corruption
- Value Distribution to our Stakeholders
- Supporting Local Procurement
- Y-o-Y improvement, technology and process innovation
- Quality standards and certifications of our operations

Our Contribution

- Implementing and maintaining transparency in the supply chain with adherence to international standards such as MSPO, ISO 37001, and BSCI.
- Ensuring compliance with Occupational Health and Safety standards to maintain a safe and healthy work environment.
- Integrating human rights commitments into our operations, including non-discrimination, anti-modern slavery, child labour prevention, and anti-harassment policies.
- Sourcing from environmentally and socially responsible vendors known for their sustainable practices.
- Establishing corporate and sustainability governance policies including Codes of Conduct, Anti-Bribery Policies, and Whistle-Blowing Policies.
- Collaborating with non-governmental organisations that advocate for a fair, inclusive, and decent society.
- Upholding the practice of freedom of association by recognising and engaging with union members.

Task Force on Climate-Related Financial Disclosures

The Task Force on Climate-Related Financial Disclosures ("TCFD") guides companies on the disclosure requirements that financial markets require in order to evaluate and address climate change impacts. This report outlines our ongoing efforts and future priorities within this framework as we work on incorporating the evaluation of climate-related risks and opportunities into our governance, strategic planning, risk management, and reporting practices. The Group's alignment with TCFD guidelines, coupled with emerging best practices and insights from key stakeholders, ensures that we remain proactive and responsive in our climate-related financial reporting.

GOVERNANCE

Board-Level Oversight

FimaCorp's sustainability agenda, which encompasses our climate change initiatives, is supported by the Group's governance framework in which the Board assigns specific responsibilities to dedicated Committees according to their respective scopes and mandates.

The delegation of responsibilities within this framework is organised as follows:

- The Audit and Risk Committee ("ARC") is tasked with overseeing comprehensive ESG reporting, which encompasses climate-related disclosures.
- The Group Sustainability Committee ("GSC") monitors the execution of the Group's sustainability strategy, focusing on climate initiatives and the exploration of related opportunities. We closely track the intensity of our resource consumption. Following the principle of "measure-monitor-manage" this approach helps us pinpoint areas where we can significantly reduce our resource footprint, and set targeted sustainability goals while tracking progress on improvement initiatives.
- The Nomination & Remuneration Committee ensures that ESG factors, including specific climate-related targets, are incorporated into the Key Performance Indicators ("KPIs") for the Managing Director.
- The Risk Steering Committee ("RSC") evaluates climate risks as a component of its broader review of key enterprise and emerging risks, and manages these within the Group's Enterprise Risk Management ("ERM") framework.

Management-Level Oversight

Role	Climate-related responsibility
Managing Director	Managing Director takes the lead in setting guideline on sustainability and managing the Group's climate risk
Group Corporate Services	The GCS supports the Managing Director and Chairman of the GSC in reporting and assessing climate risks and opportunities that impact our operations
Divisional Working Groups	The DWG assesses, measures and reports on the sustainability performance of the respective areas of operation

RISK MANAGEMENT

The Group recognises that climate change can adversely impact our operations and our stakeholders on a physical level. Identifying climate-related risks as part of our strategic risk process is integral to achieving sustainability and protecting enterprise value. Additionally, the Group's primary risks have also been aligned with our prioritised material matters and the SDGs.

STRATEGY

The Group has pinpointed three critical areas of climate risk that are deemed most consequential: the shift in stakeholder and societal preferences towards low-carbon products, evolving government policies along with regulatory and legal shifts, and the potential for reputational damage if climate risks are not managed effectively.

In response, our climate change strategy encompasses a dual approach of adaptation and mitigation. This strategy includes initiatives to reduce greenhouse gas ("GHG") emissions, bolster infrastructure resilience, and drive continuous innovation.

To support the successful execution of our sustainability strategies and the management of associated climate risks, we have incorporated relevant ESG metrics into the KPIs of the Managing Director. These KPIs are then distributed to management and divisional levels. At these levels, managers are tasked with developing detailed KPIs and actionable plans that are aligned with the specific Managing Director's KPIs. These plans are designed to monitor and enhance effectiveness, productivity, efficiency, cost management, and ESG performance within their respective areas of operations.

METRICS AND TARGETS

Since 2018, the Group has reported on its climate-related performance in both its Sustainability and Annual Reports. Our sustainability strategy has been progressively refined to meet the evolving needs and expectations of our stakeholders.

Our approach follows the "measure-monitor-manage" principle, where we assess the efficiency of energy and water usage by measuring their intensity for the completion of a particular process or activity. By identifying the necessary actions and interventions, we can then set more specific goals to drive increased resource efficiency.

To enhance transparency, we have disclosed these metrics in our Annual Report since 2021. This will provide stakeholders with a comprehensive view of our climate-related monitoring efforts and progress. The selected metrics and targets intend to inter-connect our governance, strategy and risk management so we can track our progress and make useful decisions as we progress.

● On track/Completed ● Work in progress ● Pending

Progress Made in FYE2024	Status	What's Next
GOVERNANCE		
Integrated sustainability targets (including climate-related targets) into the Managing Director's KPIs in FYE2024 which is then cascaded down to divisional management.	On track/Completed	To enhance and review our sustainability KPIs to ensure alignment with industry best practices and to address significant ESG issues. These KPIs may vary based on factors such as the pace of industry changes, emerging sustainability trends, regulatory developments, and stakeholder expectations.
	Work in progress	Climate-risk training programmes to develop the skills of key personnel and general knowledge of the wider Group.
	Pending	To implement a pilot quantitative scenario exercise to develop relevant methodologies.
Embedded ESG (including climate-related risks) for any new major projects are presented to the Board for decision making. The GSC reviews the operating units' performance and delivery against agreed actionable plans to ensure accountability and continuous improvement.	On track/Completed	To identify individuals to champion sustainability projects within their respective divisions and improve line of sight.

On track/Completed | Work in progress | Pending

Progress Made in FYE2024	What's Next
RISK MANAGEMENT	
The Group's commitment to minimise its environmental impact is integrated in the Group's Key Enterprise Risks. Furthermore, all our key risks are aligned with our prioritised material matters and SDGs.	(On track/Completed) Regular review of our Group's Key Risk Areas to ensure their ongoing relevance. (Pending) Develop internal climate-risk reporting formats. (Work in progress) To further embed climate-risk in our risk management and decision-making processes. (Work in progress) To implement training and awareness programmes to keep our teams informed and prepared for evolving sustainability challenges.
STRATEGY	
FimaCorp strategically invests in resources as well as infrastructure adaptation to improve the resilience of its businesses e.g. land development planning, energy-efficient lighting and heating systems, plant and machinery, and reporting system enhancements. In FYE2024: • the Group's solar power capacity increased by 71.9% from 384 kWp to 660 kWp. Renewable energy sources make up 18.4% of the Group's total energy usage in FYE2024; • introduce task-based activities and amalgamated estate operations which improved the efficiencies and productivity of the estate's FFB production and collection processes.	(On track/Completed) The Group is currently committed to: • further advancing our adaptation efforts by investing in mechanisation, improving our processes and expanding our renewable energy initiatives across the entire Group. • accelerating our regenerative agriculture programmes that can improve nutrient retention, reduce soil erosion and increase carbon sequestration. (Work in progress) To enhance our Sustainability Reporting System (SRS), we will implement the following: • to include new metrics and data points • to include data analytics capabilities

Progress Made in FYE2024 METRIC AND TARGETS	FYE2024	FYE2023	What's Next
Intensity Our GHG emissions intensity (tCO2e/RM million revenue) by divisions are as follows: • Plantation • Manufacturing *Further information on the Group's Energy Management is available in the Environment section of the Sustainability Report and the Performance Data section of this Annual Report*	 36.19 25.20	 29.40 15.89	The Group will continue to analyse the impact of our strategy to reduce GHG emissions/resource use as we pursue value creation. This involves ongoing assessments of the effectiveness of our initiatives to achieve greater efficiency in resource consumption and generation while maintaining our business's growth.
Greenhouse gas (GHG) (tCO2e) • Scope 1 emissions • Scope 2 emissions • Scope 3 emissions	 4,862 1,484 298	 4,576 2,100 134	Our Scope 3 emissions reporting consist of: • upstream transportation and distribution • waste generated from operations • employee commuting Moving forward we will include business travel in the Scope 3 emissions reporting.
Energy Consumption (gigajoule ("GJ")) • Plantation • Manufacturing	 63,731 7,718	 62,104 9,247	To remain focused on energy efficiency efforts, optimising operational processes and regularly monitoring and analysing energy usage to achieve sustainable reductions in consumption and cost.
Waste (MT) • Plantation • Manufacturing	 161,283 58	 190,233 148	To continuously prevent and minimise waste by reusing, recycling and energy recovery as well as practicing safe waste disposal. We aim to maximise resource efficiency, reduce environmental impact, and promote sustainable business practices.

Main Risks and Opportunities

TRANSITION RISKS

- Shift in societal preferences towards low-carbon products.
- Enhanced emissions reporting and other reporting obligations.
- Development of new government policies, regulatory, and legal frameworks, such as carbon taxes.
- Potential for reputational harm if climate risks are inadequately addressed.
- Substitution of products driven by advancements in technology and new processes.
- Increased cost of energy and raw materials.
- Changing customer behaviour.

Potential Impacts

Decrease in revenue

- Reduced demand for products and services due to change of consumer preferences can potentially impact our Financial Capital.

Increased compliance costs

- Adjusting to new regulations and policies could necessitate investments in processes, potentially affecting our Financial Capital as well as our Social & Relationship Capital.

Required investment in new technologies and process change costs

- Adapting to the increasing demand for low-carbon products and services may influence our Natural and Manufactured Capitals.
- The shift towards more sustainable practices and processes incurs costs, such as retraining employees, which could affect our Human and Financial Capitals.

PHYSICAL RISKS

- Chronic risks such as altered rainfall patterns and increased average temperatures.
- Acute risks including extreme weather events and severe sea conditions.

Potential Impacts

Disruptions to business operations, risks to the workforce from illness or injury, and damage to physical assets and infrastructure can adversely affect our Financial, Manufactured, and Human Capital.

OPPORTUNITIES

- Potential opportunities to develop innovative "green" products and services.
- Lower operational 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.

Our Environment

We employ a proactive approach to reducing the environmental impact of our business activities and enhancing resilience against climate change. We achieve this by integrating sustainable practices throughout our operations, with particular focus on energy and resource efficiency, waste reduction and understanding how sustainability imperatives are shaping our strategy amid the challenging operating context.

Acting responsibly is an integral value of the Group. Guided by the principles outlined in the Group's Environmental Policy, our environmental management strategy ensures that every action we take supports our sustainability objectives to be good stewards of the lands we cultivate, to have a lasting positive impact on, and create value for all our stakeholders.

Our Alignment to SDGs

6 CLEAN WATER AND SANITATION | 12 RESPONSIBLE CONSUMPTION AND PRODUCTION | 13 CLIMATE ACTION | 14 LIFE BELOW WATER | 15 LIFE ON LAND

Please scan this QR code to view Environmental Policy

Strategic Commitments

- We promote responsible stewardship of the environment
- We strive to use natural resources efficiently and minimise waste
- We foster partnerships with local communities and stakeholders to address environmental issues
- We continuously work on improving our energy efficiency and reducing the use of non-renewable energy
- We strictly practise zero burning in our oil palm plantation operations
- We commit to complying with legislation and regulations on the environment
- We employ the use of sustainable agricultural practices

BIODIVERSITY AND DEFORESTATION

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

Given the diverse scope of the Group's business operations, we acknowledge the potential impact the Group may have on the environment and surrounding communities. To deliver the greatest impact, our environmental management framework integrates habitat conservation, water use and quality, soil conservation, which is in line with SDG 14: Life Below Water and SDG 15: Life on Land. Our policies also address various key sustainability obligations of the oil palm industry, which include, among others, obligations related to deforestation issues, greenhouse gas reduction and zero burning.

Sustainable Agricultural Practices

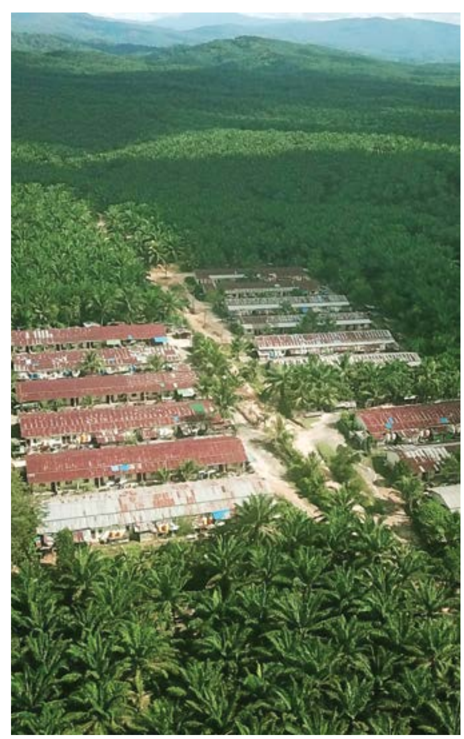
We strive to achieve cost-efficiency in our oil palm plantations by increasing the productivity of our estates per hectare through the adoption of sustainable agricultural practices. We adhere to the strict policy of "no deforestation and the protection of peat areas" in new plantation developments. Consultants are also appointed to conduct the required social and environmental impact assessments prior to any new developments.

FimaCorp's zero-burning policy strictly forbids any open burning for the purpose of new planting or replanting of oil palm. Similarly, for waste management, we reuse and recycle our resources; biomass residues such as palm kernel shells and fibre residues are utilised as a fuel source for steam and electricity generation while empty fruit bunches ("EFB") are used as natural fertiliser.

Conservation Areas

Riparian reserves populated by native species are maintained along riverbanks within our oil palm estates. These reserves play a crucial role as safe corridors for wildlife, offering sanctuary and a natural habitat for various species of jungle flora and fauna. Our protected areas Group-wide total 705 hectares in aggregate.

In Indonesia, our subsidiary PT Nunukan Jaya Lestari ("PTNJL") established water catchment zones within its estate. Here, chemical applications are strictly prohibited, allowing for the rehabilitation and preservation of natural vegetation.



Oil Palm Estate Conservation & Buffer Zone Area

Estate	FYE2024 Conservation Area (HA)	FYE2024 Buffer Zone (HA)	FYE2023 Conservation Area (HA)	FYE2023 Buffer Zone (HA)
Ladang Fima Cendana	7	0	7	0
Ladang Bunga Tanjong	0	5	0	5
Ladang Fima Dabong	31	0	31	0
Ladang Fima Aring	11	19	11	19
Ladang Fima Sg. Siput	337	13	337	13
Ladang FCB Kuala Betis	52	58	52	58
Ladang FCB Aring	36	8	0	0
PTNJL	22	106	22	106
TOTAL	**496**	**209**	**460**	**201**

Soil Management

We do not plant oil palms on steep slopes exceeding 25 degrees and elevations above 300 metres above sea level. Where feasible, we employ double terracing to conserve topsoil and mitigate erosion. In PTNJL, we utilise EFB and compost to enhance soil fertility and, reduce reliance on chemical inputs.

We strategically cultivate leguminous cover crops such as *Mucuna bracteata*, *Calopogonium mucunoides*, and *Calopogonium caeruleum*. *Mucuna bracteata*, which specifically aid in erosion control on slopes and enhances soil nutrient. Its rapid growth also helps to prevent weed growth.

Biological Pest Controls

Beneficial plants such as *Turnera sabulata*, *Antigonon leptopus*, and *Cassia cobanensis* are planted to attract predators (insects) of leaf pests. These predators feed on leaf pest larvae, thereby minimising the usage of pesticides. In addition, and as part of our efforts to curb the prevalent rodent population without the use of pesticides or chemicals, our estates in Kelantan and Terengganu have installed a total of 15 nest boxes to attract owls. The method has so far proven to be effective and there are plans to install 20 more nest boxes in Ladang FCB Aring by July 2024. These practices also help reduce operational greenhouse gas emissions and prevents the release of pollutants into the soil and waterways.

Mechanisation

We have accelerated our mechanisation initiatives during the year, specifically in the areas of in-field collection, fertiliser application, and seedling transfer from the nursery. Mechanising in-field collection through the deployment of motorised wheelbarrows across our Malaysian estates has led to a higher land-to-labour ratio, and enhanced the productivity and earnings potential of our workers. Although the upfront costs of investment, fuel and operating costs of these vehicles are present, these are offset by lower labour cost and higher returns on the back of improved yields.

WATER IMPACT

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

Water is an important resource which is used extensively throughout our supply chains. Accordingly, we make every effort to ensure efficient water use through increased recycling, rainwater harvesting and monitoring the water intensity of our production processes.


PT Nunukan Jaya Lestari

Our efforts have already begun to yield positive results as our Group's surface water consumption decreased by 42.7% in FYE2024, compared to the previous year. This achievement can be attributed primarily to PTNJL's reduced usage at its palm oil mill, following the installation of a decanter towards end of last financial year.

FimaCorp used a total of 203 Megalitres of water throughout its operations in FYE2024.

Installation of rainwater tanks have now become a standard green feature in all new developments of workers' quarters and factory complex, wherever possible. This allows us to harvest rainwater for various uses. As at the date of this report, there are 44 rainwater tanks with a combined storage capacity of 93,461 litres across the Group.

Water Consumption and Management

Water by Source Megalitres ("ML")

	FYE2024	FYE2023
Surface water	158	276
Groundwater	14	19
Municipal water	31	33
Grand Total	**203**	**328**

Water by Division (ML)

	FYE2024	FYE2023
Plantation	173	295
Manufacturing	15	18
Head Office	15	15
Grand Total	**203**	**328**

FimaCorp's water supply is obtained from various sources, including municipal sources, harvested rainwater, and treated surface water from nearby lakes, rivers, and borewells. Within our operations, water is primarily utilised in our Plantation division for utility systems and steam generation.

Water Discharge

We ensure that discharged water is ecologically safe and the quality meets all regulatory requirements. In this regard, we subject all discharged water to thorough testing by a third-party laboratory. The results of these tests are then submitted to the relevant authorities in compliance with their reporting requirements.

PTNJL has successfully repurposed its final effluent pond at the palm oil mill into a thriving fish breeding pond. Through effective POME treatment and pond management practices, this conversion ensures that any potential overflow poses no harm to the environment.

Water Intensity

	Water Consumption (cbm)	FFB Processed (MT)	Water Intensity per Tonne per FFB Processed (cbm/MT)
FYE2024	42,192	152,362	0.28
FYE2023	85,080	175,474	0.48
FYE2022	96,724	181,162	0.53
FYE2021	91,247	168,268	0.54

In Indonesia, PTNJL's palm oil mill achieved a 41.6% reduction in water intensity for FFB processing compared to the previous year. This decrease can be attributed to the installation of a decanter and the adoption of dry-cleaning practices across all stations except for steriliser cleaning. Additionally, the installation of rainwater harvesting systems for wet cleaning tasks at key stations, including the clarification station, reception, and kernel plant, has further contributed to a reduction in the mill's overall water use.

PT Nunukan Jaya Lestari

WASTE MANAGEMENT

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

Treating waste as a resource not only enhances efficiency but also lowers costs. Reducing waste through reuse, recycling, and energy recovery can mitigate our environmental risks while maximising resource utilisation. We also uphold stringent industry standards and regulatory mandates to ensure the safe transportation and meticulous disposal of hazardous waste and residual products through accredited contractors. In doing so, we aim to mitigate any environmental risks and safeguard human health.

Focused efforts are directed towards our Plantation division, where waste generation is most pronounced. Through targeted waste management schemes tailored to these sectors, we aim to optimise resource usage and minimise environmental impact. Central to our approach is the principle of zero waste and zero discharge.

Waste by Type (MT)

Type	FYE2024	FYE2023
Hazardous	28	13
Non-hazardous	161,313	190,368
Grand Total	**161,341**	**190,381**

Waste by Division (MT)

Type	FYE2024	FYE2023
Plantation	161,283	190,233
Manufacturing	58	148
Grand Total	**161,341**	**190,381**

Waste by Disposal Method by Type (MT)

Disposal Method	FYE2024		FYE2023	
	Hazardous	Non-Hazardous	Hazardous	Non-Hazardous
Reuse	Nil	120,380	Nil	136,791
Recycle	Nil	58	Nil	139
Composting	Nil	40,870	Nil	53,438
Recovery	27	Nil	10	Nil
Landfill	Nil	5	Nil	Nil
Incineration	1	Nil	3	Nil
Grand Total	**28**	**161,313**	**13**	**190,368**

Value from Waste : Fertiliser and Fuel

Empty Fruit Bunches ("EFB") Produced (MT)

Type	FYE2024	FYE2023
Total EFB produced (MT)	33,540	38,576

Within the Plantation division, waste reduction is achieved through reusing, recycling, and energy recovery. Our palm oil mill in Indonesia generates 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 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 less than 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. The organic material in the wastewater is then broken down naturally by anaerobic and aerobic bacteria. This process eliminates the need to add any chemicals before POME is mixed in with shredded EFB and other plant by-products to create compost.

PTNJL management carries out checks on a regular basis to ensure our waste management practices are in strict compliance with local regulations, and to prevent contamination to other water sources.

PT Nunukan Jaya Lestari palm oil mill

ENERGY MANAGEMENT

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

Efficient energy management is crucial to the Group as it helps to reduce our reliance on natural resources, lower carbon emissions and ultimately reduce operational costs. Each division within the Group has their own internal targets and performance metrics that they use to track energy consumption, intensity and detect inefficiencies. This data-driven approach has been a critical enabler of continuous improvement, which, when compounded over time, is expected to drive significant business impact for the Group.

The Group's energy consumption in FYE2024 saw an increase by 34 GJ primarily due to Plantation division's fuel consumption increased by 5.8% from 1,448,162 litres to 1,532,436 litres as Ladang Fima Cendana and Ladang FCB Kuala Betis have adopted the use of motorised wheelbarrows in their operations. On the other hand, lower electricity consumption in the Manufacturing division as PKN's total purchased electricity consumption decreased by 31.7% from 2,282 megawatts to 1,559 megawatts. Their relocation to a new, more energy-efficient facility complex, along with lower operational levels largely contributed to the decline.

Energy Consumption by Division (GJ)

Division	FYE2024	FYE2023
Plantation	63,731	62,104
Manufacturing	7,718	9,247
Head Office	869	933
Grand Total	**72,318**	**72,284**

Types of Energy (GJ)

Types of Energy	FYE2024	FYE2023
Diesel & Petrol	52,958	50,023
Solar PV	2,380	1,381
Biomass	10,909	12,287
Purchase Electricity	6,071	8,593
Grand Total	**72,318**	**72,284**

Energy Consumption – Fuel Intensity

Plantation Division

Plantation: Harvesting Transportation Fuel Intensity per Tonne FFB Produced (L/MT)

	Unit	FYE2024	FYE2023
Malaysia	L/MT	3.80	3.75
Indonesia	L/MT	2.85	2.92

Note: Fuel Oil consist of diesel and petrol. Fuel consumption by mechanised wheelbarrows was included in the intensity computation. Transportation includes mechanised wheelbarrow and internal transport.

Renewable Energy

Although our business operations rely heavily on fossil fuels for our transportation and equipment, and so we actively integrate renewable energy sources such as solar power and biomass where feasible to reduce our reliance on fossil fuels.

The integration of solar power and biomass technologies allows us to diversify our renewable energy portfolio and aligns with our ongoing goals to reducing our carbon footprint. Renewable energy accounts for 18.4% of the Group's energy usage in FYE2024.

Furthermore, palm biomass such as palm kernel shells, EFB, and fibre residues generated by our palm oil mill in Indonesia are utilised as feedstock for the steam boiler to generate high-pressure steam. This steam is then used to fuel the steam turbine in the cogeneration plant. The electricity and heat generated from the cogeneration plant provides 100% of our mill's energy needs. It also provides power to workers' quarters, government facilities, schools, and mosques.

Renewable Energy – Consumption (MWh)

Division	FYE2024	FYE2023
Solar PV		
Plantation	28	27
Manufacturing	432	149
Head Office	201	208
Total Solar PV	**661**	**384**
Biomass		
Plantation	3,030	3,413
Total Renewal Energy	**3,691**	**3,797**

Note: Biomass is derived from the use of fibre and shells from palm oil mill.

GHG EMISSIONS

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

GHG Emission by Division (tCO2e)

Division	FYE2024	FYE2023
Plantation	5,033	4,691
Manufacturing	1,552	2,059
Head Office	59	60
Grand Total	**6,644**	**6,810**

Notes: The GHG emission factor for diesel has been revised from 2.69 to 3.14, reflecting the changes from DEFRA to ISCC.

GHG Emission by Type (tCO2e)

Type	FYE2024	FYE2023
Non-Renewable		
Petrol	317	127
Diesel	4,779	4,529
Purchase Electricity	1,484	2,100
Renewable		
Biomass	4	4
Solar PV	48	29
POME	12	21
Grand Total	**6,644**	**6,810**

Direct Energy (Scope 1) GHG Emissions (tCO2e)

Division	FYE2024	FYE2023
Plantation	4,773	4,511
Manufacturing	75	50
Head Office	14	15
Grand Total	**4,862**	**4,576**

Indirect Energy (Scope 2) GHG Emissions (tCO2e)

Division	FYE2024	FYE2023
Plantation	76	47
Manufacturing	1,372	2,008
Head Office	36	45
Grand Total	**1,484**	**2,100**

Other Indirect (Scope 3) GHG Emissions

Division	FYE2024	FYE2023
Waste Generated	12	22
Upstream Transportation and Distribution	124	112
Employee Commuting	162	-
Grand Total	**298**	**134**

The Group conducted its inaugural survey to assess employee commuting, in alignment with Bursa Malaysia's requirements for companies to disclose emissions from employee commutes (Scope 3). Based on the responses received, the findings revealed that employees commuting emitted approximately 162 tCO2e per annum, based on a total distance travelled of 1,102,240 km. For next year's reporting, data on business travel will be included.

Definitions

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 and power generated and equipment
Scope 2	Indirect emissions, e.g. purchased electricity
Scope 3	**Category 4:** Upstream Transportation and Distribution **Category 5:** Waste Generated in Operations **Category 7:** Employee Commuting
tCO2e	Tonnes of Carbon Dioxide Equivalent
GHG	Greenhouse gas
GJ	Gigajoule

Our People

FimaCorp is cognisant of our impact on our stakeholders and as such, is dedicated to upholding the trust placed in us by operating in a responsible and sustainable manner. We aim to achieve this by embracing and upholding ethical and efficient business practices in the aim of delivering positive long-term results to our stakeholders and the communities in which we operate. Our efforts are underpinned by our vision, mission and values which serve as a framework for our strategies, define our standards for operational excellence and guide our practices across the spectrum of our operations and respective business units.

These efforts are supported by our dedication to fostering clear and effective communication with our stakeholders, nurturing our workforce, ensuring fairness in our dealings with customers and suppliers, and aiding the communities in which we function. Our policies are aligned with the relevant national legislation, the principles of the Universal Declaration of Human Rights, and the fundamental conventions of the International Labour Organisation. We expect all employees and business associates to likewise conduct themselves responsibly and with integrity in accordance with these standards. By committing to these principles, we aim to ensure FimaCorp's capacity to deliver long-term economic and social value creation, and supports our licence to operate.

Our Alignment to SDGs

Strategic Commitments

- Zero harm
- We protect and support our people
- We promote diversity and inclusion
- We invest in training and skills development
- We support high-performing teams
- We build trust through our relationships

HUMAN CAPITAL

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

Our Workforce

Our people are integral to our ability to deliver on our strategy. We strive to create safe, inspiring and inclusive working environments that encourage high performance, accountability and innovation. At the same time, we aim to attract, develop and retain talent to ensure that our workforce have the required skillsets to meet our current and future business needs. Further, the Group's Code of Conduct ensures that values such as respect for the individual, valuing diversity and ensuring a safe working environment are upheld by every member of our organisation.

PT Nunukan Jaya Lestari

We also actively promote local employment in the regions where we operate. As of FYE2024, our local employment rate was 88.0%. In Malaysia, 74.0% of the workforce were local hires, a decrease from the previous year's 89.1%, primarily due to an increase in the number of guest workers recruited in our Plantation division during the year. Despite this change, the turnover rates within this division have improved.

Total Headcount	Total Local Headcount
1,661	1,461

Group Local Headcount Rate

88.0%

Country / Nationality	Malaysia	Indonesia
Malaysian	555	5
Indonesian	59	906
Others	136	0
By Country:		
Total Headcount	**750**	**911**
Total Local Headcount	**555**	**906**
Local Headcount Ratio	**74.0%**	**99.5%**

Malaysia Plantation Division	FYE2024	FYE2023
Guest Workers	193	78
Malaysian Workers	320	363

> **Moving forward, we will continue to prioritise the recruitment of local talents, as this not only enhances our ability to navigate local regulations and practices, but also fosters a stronger connection with the local stakeholders.**

Equal Opportunity, Diversity and Inclusion

Anchored by our Good Social Practices Policy, we aspire to create a workforce that mirrors the diverse communities we serve. Our recruitment and promotion processes are based on merit and performance, and we strive to ensure there is no discrimination based on age, race, gender, nationality, religious beliefs or disability. Moreover, by integrating diversity into our recruitment strategies, we enhance the Group's overall competitiveness. A workforce drawn from varied backgrounds enriches us with a broad spectrum of perspectives, skills and experiences and can deepen our insights into the changing needs of our customers and stakeholders.

In line with our policies, the Group holds a strict zero-tolerance stance towards any form of discrimination, harassment, or unfair treatment. Similarly, we expect all employees to embrace and respect cultural differences and individuality. We are proud to report that there were no cases of discrimination or harassment reported in FYE2024.

Gender Balance

The Group is committed to achieving gender balance across all levels of our organisation, acknowledging the complexities introduced by the nature of our operations and the cultural nuances of the countries in which we operate. 21.6% of the Group's workforce is female, reflecting the specific circumstances of our operations and the cultural context of the countries where we operate.

In our plantation operations, the representation of females is noticeably lower, and the tasks and occupations are often gender-segregated. For instance, women are typically less likely to work as truck/tractor drivers or harvesters due to the physical nature of these roles which are also often perceived as more suited for male workers.

Attaining gender parity therefore requires ongoing efforts and, in some cases, challenging stereotypes about job suitability based on gender. As an inclusive employer, we strive to cultivate a work environment that promotes and supports the career advancement and active participation of our female talents while simultaneously strengthening our succession pipeline for roles across the Group.

New Hires

For FYE2024, the Group welcomed 461 new employees, a slight decrease from the 594 recruited in the previous year. Of the new recruits, 97.0% were male, and 12.8% of the total new hires were appointed on a permanent basis. Notably, the Plantation division recorded the highest new hire rates at 31.0%.

"Turnover rate in the Plantation and Manufacturing divisions all saw y-o-y reductions compared to FYE2023.

New employees must participate in an orientation programme designed to acquaint them with the Company and the Group's various facets in addition to the requirements of their new role. Each new employee will also be issued an Employee Handbook, which details their employment conditions and the professional standards expected of all team members.

Total Number of New Hired in FYE2024:
461

Group New Hire Rate:
27.8%

Turnover

In FYE2024, the Group's employee turnover rate in the Plantation and Manufacturing divisions all saw y-o-y reductions compared to FYE2023.

Total Number of Turnover in FYE2024:
432

Group Turnover Rate:
26.0%

Headcount	FYE2024		Total	FYE2023		Total
	Male	Female	FYE2024	Male	Female	FYE2023
Total Headcount	1,303	358	**1,661**	1,295	417	**1,712**
By Employment Status:						
Permanent	717	340	**1,057**	800	378	**1,178**
Temporary	586	18	**604**	495	39	**534**
By Region:						
Malaysia	551	199	**750**	507	224	**731**
Indonesia	752	159	**911**	788	193	**981**
By Age Group:						
<30	351	58	**409**	411	94	**505**
30-50	829	238	**1,067**	784	271	**1,055**
>50	123	62	**185**	100	52	**152**
By Employee Category:						
Senior Management	4	1	**5**	4	1	**5**
Management	21	4	**25**	22	3	**25**
Executive	44	16	**60**	44	18	**62**
Non-Executive	1,234	337	**1,571**	1,225	395	**1,620**
By Division:						
Plantation	1,167	257	**1,424**	1,126	296	**1,422**
Manufacturing	125	94	**219**	159	113	**272**
Head Office	11	7	**18**	10	8	**18**
By Nationality:						
Malaysian	363	197	**560**	434	222	**656**
Indonesian	809	161	**970**	846	195	**1,041**
Bangladesh	131	0	**131**	15	0	**15**

New Hires	FYE2024		FYE2023	
	Total New Hire	New Hire Rate	Total New Hire	New Hire Rate
Total Headcount	461	27.8%	594	34.7%
By Gender:				
Male	447	34.3%	521	40.2%
Female	14	3.9%	73	17.5%
By Employment Status:				
Permanent	59	5.6%	113	9.6%
Temporary	402	66.6%	481	90.1%
By Region:				
Malaysia	205	27.3%	293	40.1%
Indonesia	256	28.1%	301	30.7%
By Age Group:				
<30	249	60.9%	346	68.5%
30-50	207	19.4%	245	23.2%
>50	5	2.7%	3	2.0%
By Employee Category:				
Senior Management	0	0.0%	0	0.0%
Management	0	0.0%	2	8.0%
Executive	3	5.0%	2	3.2%
Non-Executive	458	29.2%	590	36.4%
By Division:				
Plantation	442	31.0%	529	37.2%
Manufacturing	19	8.7%	64	23.5%
Head Office	0	0.0%	1	5.6%
By Nationality:				
Malaysian	80	14.3%	235	35.8%
Indonesian	259	26.7%	359	34.5%
Bangladesh	122	93.1%	0	0.0%

Turnover	FYE2024		FYE2023	
	Total Turnover	Turnover Rate	Total Turnover	Turnover Rate
Total Headcount	432	26.0%	576	33.6%
By Gender:				
Male	394	30.2%	531	41.0%
Female	38	10.6%	45	10.8%
By Employment Status:				
Permanent	154	14.6%	183	15.5%
Temporary	278	46.0%	393	73.6%
By Region:				
Malaysia	129	17.2%	249	34.1%
Indonesia	303	33.3%	327	33.3%
By Age Group:				
<30	196	47.9%	304	60.2%
30-50	230	21.6%	263	24.9%
>50	6	3.2%	9	5.9%
By Employee Category:				
Senior Management	0	0.0%	0	0.0%
Management	0	0.0%	1	4.0%
Executive	5	8.3%	3	4.8%
Non-Executive	427	27.2%	572	35.3%
By Division:				
Plantation	419	29.4%	546	38.4%
Manufacturing	13	5.9%	30	11.0%
Head Office	0	0.0%	0	0.0%
By Nationality:				
Malaysian	109	19.5%	225	34.3%
Indonesian	309	31.9%	346	33.2%
Bangladesh	14	10.7%	5	33.3%

HUMAN RIGHTS

GRI 409-1, 412-2

Human Rights

FimaCorp is committed to upholding human rights within all aspects of its operations. Our policies are designed to eliminate forced and bonded labour and to ensure compliance with legal standards for working age and hours. We strive to maintain safe and healthy working environments and uphold transparent record-keeping practices. Additionally, we recognise and support the rights to freedom of association, collective bargaining, and access to grievance mechanisms.

We hold our vendors and service providers to the same ethical standards as our own, expecting strict adherence to these principles.

During the year under review, our Group Internal Audit conducted human rights audits across all our divisions, with particular emphasis on working hours, wages, and general labour practices. The objective was to identify gaps and empower our management teams to address areas needing improvement. Our businesses are also subjected to audits by authorities, certification bodies and customers to verify compliance to standards, regulations and contracts.

We are proud to report zero-incidents of human rights violations during the year in review.

SOCSO Briefing at Ladang Fima Sg. Siput

Modern Slavery and Child Labour

FimaCorp maintains a strict stance against all forms of forced, bonded, or child labour within our operations and extended supply chains. We diligently ensure that all our employees work voluntarily and are free from any form of coercion. Each division and business unit, along with their respective human resources departments, are tasked with implementing robust recruitment procedures to verify that all workers, whether permanent or temporary, meet the minimum legal working age at the time of employment. We record each employee's profile and identity documents in our HR data system, maintaining these records throughout their period of employment.

We do not knowingly, and refuse to, engage or maintain business relationships with any entity found to be involved in slavery, forced labour, or the exploitation of children. Furthermore, we require all suppliers and vendors to adhere to our ethical guidelines and human rights standards, mandating a declaration of compliance from them. Failure to adhere to our standards may lead to serious repercussions, including the potential termination of the business relationship.

Guest Workers

Our Malaysian estates employ guest workers whom make up 37.6% of their total workforce. Recognising that guest workers can be vulnerable to exploitation and situations of modern slavery, we continuously strive to ensure that they are recruited through legal channels in accordance with processes recognised and approved by the authorities of Malaysia and the source countries.

Guest workers are employed through direct hiring and all duly appointed agents must agree to be bound by our code of conduct as part of their contractual obligations. Interviews are conducted at the source country to ensure that they are not being exploited. Prospective recruits are provided with contracts which are translated into their national languages. The terms of their employment are clearly explained and briefed to them before signing, with our own company representatives taking the responsibility to explain these terms to ensure informed consent.

Furthermore, we bear the costs of recruitment, including working permit fees, levies, travel passage and medical reports/FOMEMA. Passports and other form of personal identification remain in the possession of the guest workers. Once in Malaysia, they are provided with well-appointed, comfortable accommodations that include internet connection, recreational spaces and religious places of worship.

RECRUITING FOREIGN WORKERS

Guest workers at our Malaysian estates make up 37.6% of their total workforce.

We have developed a transparent recruitment process that ensures that the workers receive adequate information on their rights, safety, and health prior to starting work.

AGENT SELECTION

All duly appointed agents are bound by our code of conduct as part of their contractual obligations.

INTERVIEW IN SOURCE COUNTRY

Communication and interview arrangement are made by the Company's representatives at the source country.

Ground arrangements for the interview are made by the selected agent.

AIRPORT PICKUP

Guest workers are picked up at the airport by Company representatives at the airport after completing the necessary legal procedures.

PRE-INDUCTION

As part of the pre-induction process, guest workers are briefed on safety, and relevant rules and regulations.

MEDICAL CHECK UP

Arrangements are made for FOMEMA registration and completion of medical check-ups, with all costs fully covered by the Company.

JOINT VISITS BY AGENTS AT ESTATES

The Plantation division conducts joint visits with the appointed agent and/or consulate representatives to meet with workers and discuss their issues and concerns.

ANNUAL EVALUATION VISITS BY HEAD OFFICE TEAMS

Plantation division and Group Internal Audit will visit all estates to check on workers' welfare, salaries, attendance, safety, and address any grievances.

INDUCTION

The induction programme is conducted in Bahasa Malaysia and translated into the relevant languages.

The briefings will include introductions to company, Malaysian culture, workplace safety, Malaysian laws, immigration regulations, labor laws, and employment contracts.

LABOUR RELATIONS

GRI 102-17, 401-2, 402-1, 404-1, 404-2, 404-3, 407-1

Employee Development

We invest in the potential of our employees through a range of development initiatives, including training programmes, job rotation and internal promotion opportunities. We provide annual allocations and resources for employee training, through internal or external workshops, seminars, and other relevant activities. By combining on-the-job learning, external training, and targeted upskilling programmes, we aim to enhance the skills and knowledge required for specific roles. This approach fosters continuous professional growth and skills advancement within our workforce, supporting their career trajectories as well as ensuring a robust succession pipeline for roles across the Group.

Total Training Hour (FYE2024)

4,707

FYE2023 | **4,937**

Average Training Hour per Employee (FYE2024)

2.83

FYE2023 | **2.88**

	FYE2024		FYE2023	
	Total Training Hour	Average Training Hour	Total Training Hour	Average Training Hour
By Gender:				
Male	3,923	3.01	3,661	2.83
Female	784	2.19	1,276	3.06
By Employee Category:				
Senior Management	164	32.80	64	12.80
Management	794	31.76	672	26.88
Executive	983	16.38	1,257	20.27
Non-Executive	2,766	1.76	2,944	1.82
By Region:				
Malaysia	3,424	4.57	4,117	5.63
Indonesia	1,283	1.41	820	0.84
By Division:				
Plantation	3,291	2.31	1,977	1.39
Manufacturing	1,204	5.50	2,880	10.59
Head Office	212	11.78	80	4.44

Benefits and Remuneration

Each division implements its own locally defined benefits scheme, ensuring compliance with the minimum wage laws of the countries we operate in, and in no areas of operation does the wage vary by gender. Furthermore, employees are compensated for any overtime worked, in accordance with local legislations.

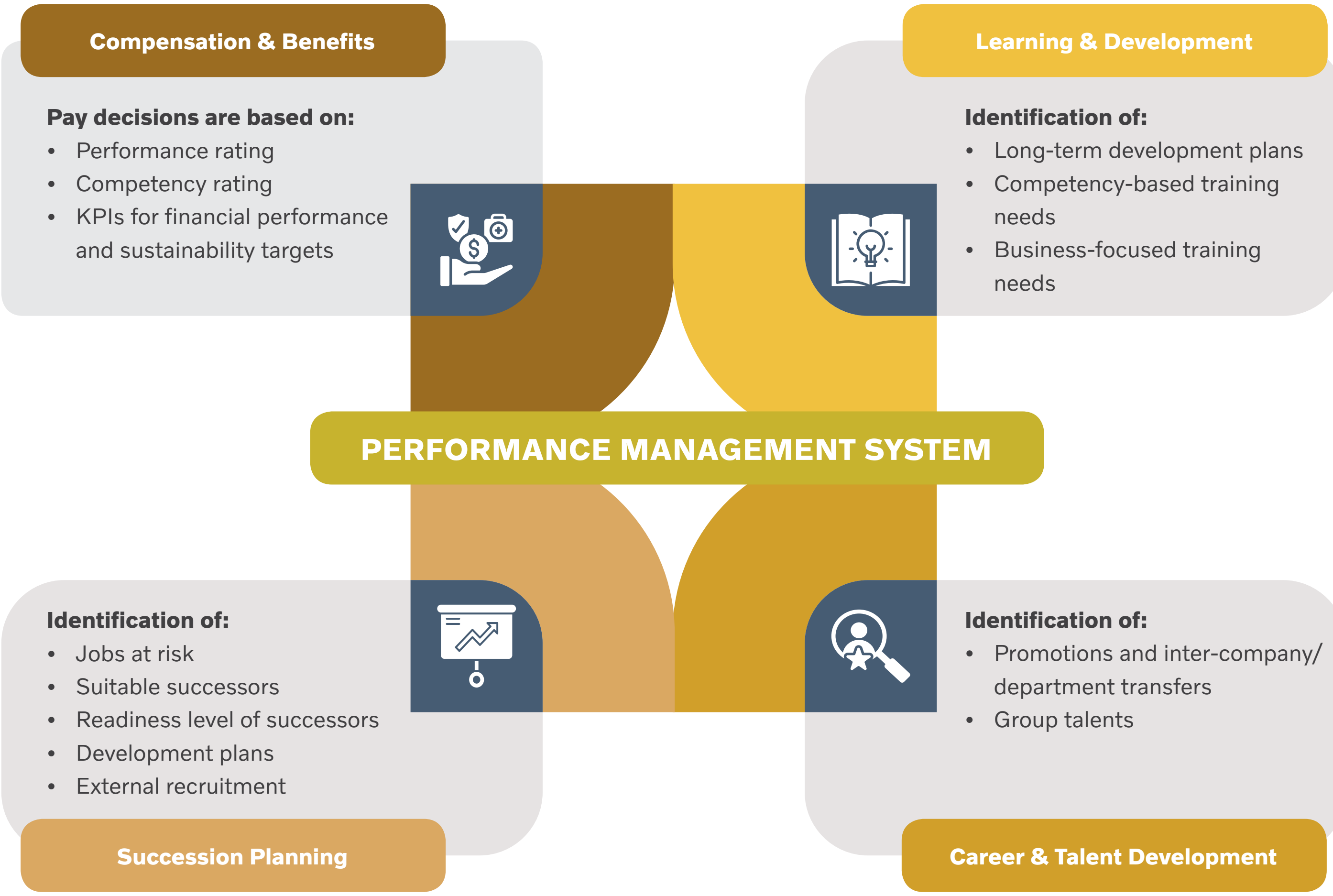
Our competitive benefits package includes both fixed and variable components, which are determined by the employee's performance, qualifications, and experience.

By focusing on the right compensation, benefits and development support, we inspire our employees to achieve their personal and professional aspirations which, in turn, improves employee productivity and engagement. For eligible employees, benefits include health coverage for themselves and their dependents, group term life and personal accident insurance, maternity and paternity leave, professional association membership fees, and uniforms.

In Indonesia, our subsidiary PTNJL provides free transportation for the children of our workers to local schools. There is a company-subsidised crèche that supports the plantation staff and workers by providing safe and convenient childcare. This facility has facilitated the increased participation of women in the workforce at PTNJL and enables them to effectively manage their work and family responsibilities.

Performance Review

Every year, an employee is assessed using key performance indicators, which, along with their annual performance and contribution, determine their increment, bonus and/or promotion for that year. These reviews also serve as a vital communication platform that provides a channel for both feedback exchange and employees to pinpoint areas requiring enhancement and specify their individual training and development needs. In FYE2024, 100% of our employees received performance reviews.



Employee Engagement

FimaCorp's employee engagement initiatives are designed to not only meet the needs of our staff but also enhance our ability to attract and retain talent, which is essential for our long-term sustainable growth. Central to our strategy is a policy of active and open communication. We believe that keeping employees well-informed about significant events and decisions through their Human Resources departments and direct communication from line managers cultivates a culture of trust and mutual respect.

Our engagement strategy includes organising social events such as family days, sports activities, and festive gatherings, which strengthen team bonds and enriches our corporate culture. Moreover, FimaCorp provides support to employees and/or their family members impacted by natural disasters or chronic illness in the form of financial aid and essential supplies. In addition, the Company distributed over RM100,000 Zakat Wakalah to children of eligible employees attending primary, secondary and local tertiary institutions.

Freedom of Association and Collective Bargaining

FimaCorp upholds the rights of our employees to freedom of association and collective bargaining, in line with local regulations. Our approach involves collaborating closely with labour unions and ensuring that all negotiations are conducted in good faith. A testament to this collaborative approach is PKN's successful renewal of their collective agreement with their labour union in May 2023. Our collective agreements

Safety Briefing at PT Nunukan Jaya Lestari

safeguard essential worker rights and benefits encompassing among others, clear grievance and disciplinary procedures, paid time-off entitlements, maternity leave provisions, severance and separation benefits, as well as salary and performance management frameworks. Our Indonesian subsidiary PTNJL had also during the year, established *Lembaga Kerjasama Bipartit*, a joint committee which is intended to serve as a forum for regular dialogue between workers and management on various workplace matters, including industrial relations and employee welfare.

As at 31 March 2023, 32.1% of our employees are union members and no workers' freedom of association or collective bargaining rights across our supply chain were violated or put at risk in the year under review.

Grievance Procedures

The Group is dedicated to upholding the highest standards of integrity and transparency across all its operations. To reinforce this commitment, our annual training sessions and awareness activities ensure that employees are well-informed about their rights and the recourse available to them. This includes grievance mechanisms such as the Group's Whistle-Blowing Policy, which allows for the safe and confidential reporting of complaints or issues related to human rights violations, misconduct and/or illegal activities without fear of retaliation.

Reports can be emailed to whistleblowing@fimacorp.com.my, while the Whistle-Blowing Policy can be accessed at http://www.fimacorp.com/service-provider.

Our Group Internal Audit ("GIA") and Group Human Resource Departments are empowered to conduct investigations into reported incidents. Consequences for confirmed violations may include official warnings, suspension, or dismissal. The Audit and Risk Committee has oversight of any incidents reported under the Whistle-Blowing Policy.

In addition, our Malaysian estates are Malaysian Sustainable Palm Oil certified which contain rigorous criteria on governance and integrity.

OCCUPATIONAL SAFETY AND HEALTH ("OSH")

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

Assuring the safety and wellbeing of our workforce remains paramount to the Group. As such we have implemented a zero-harm agenda which prioritises the implementation of safe and healthy working conditions throughout our operations. This strategy is carried out by the heads of our operating divisions, who ensure strict adherence to occupational health and safety legislation and the implementation of necessary structures to support this commitment.

Our facilities are equipped with critical safety equipment, including first aid kits, firefighting systems and appropriate spill prevention measures. We also have robust safety programmes and response plans in place to manage potential workplace hazards effectively. Daily safety briefings are conducted at all worksites to reinforce the awareness of potential hazards and the critical role of personal protective equipment. Furthermore, contractors are thoroughly briefed on health, safety, and environmental management protocols before they access our facilities, ensuring that everyone on-site is aligned with our safety standards.

To keep our workforce's knowledge and skills up to date, we provide periodic refresher training on health and safety policies, procedures, and the use of safe systems of work.

In FYE2024, 206 employees underwent training in health and safety standards.

OSH Performance

The Group's overall accident rate increased to 26.77 from 15.22 the previous year. PTNJL recorded the highest number of accidents in the Group, mainly involving logistical and tool-related accidents. In response, PTNJL has initiated several actions to improve their safety protocols and procedures to prevent future accidents and improve their overall lost time injury rates. Safety briefings are conducted for the workers before they start their daily tasks while newly recruited workers are required to undergo mandatory safety briefings on operational and tools/equipment handling.

In Quarter 3 FYE2024, there was a fatality at Ladang Fima Aring, Kelantan involving the unauthorised use of a tractor by an estate worker. The local Department of Occupational Safety and Health ("DOSH") investigated the incident and determined that there were no elements of wrongdoing by the estate.

This incident nevertheless underscores the importance of further enhancing our safety protocols and procedures to prevent future accidents and improve overall lost time injury rates within the Group and ensure the well-being of our employees. As an immediate measure, the division organised a training session in November 2023 which focused on proper tractor operation and safety. The division intends to roll out similar training sessions at other estates across the Group.

PTNJL retained its *Sistem Manajemen Keselamatan dan Kesehatan Kerja* (*"SMK3"*) accreditation, an Indonesian government safety certification that is comparable to the globally recognised OHSAS 18001:2007.

Employee OSH Performance	FYE2024	FYE2023
Recorded Injuries	45	26
Recorded Injuries by Absent Days	716	267
Average Headcount	1,681	1,708
Total Working Hours	3,583,888	3,562,768
Accident Rate*	26.77	15.22
Severity Rate**	199.78	74.94
Lost Time Injuries Frequency Rate ("LTIFR")***	12.56	7.30
Fatalities	1	0

* *Accident rate indicates the number of injuries per 1,000 workers*
** *Severity rate indicates the number of absent days (medical leave/hospitalisation) per 1,000,000 man hours*
*** *LTIFR indicates the number of injuries per 1,000,000 man hours*

Hazard Identification, Risk Assessment and Risk Control

The Group employs a structured and methodical approach to OSH through our Hazard Identification, Risk Assessment, and Risk Control ("HIRARC") system. This systematic framework is integral to our operations and aligns with the general duties outlined in the Occupational Safety and Health Act 1994 (Act 514), ensuring a robust foundation for risk management across all levels of our organisation.

Our HIRARC process is integral to our business planning and operations, ensuring primary risk management is consistently applied. When a hazardous incident occurs, our response follows a clear and methodical process:

1. **Incident Reporting**
   The employee identifies and reports the hazard or incident to the Person in Charge within their respective unit.
2. **Documentation and Escalation**
   The Person in Charge records the details of the incident and escalates it to the Safety, Health, and Environment ("SHE") Manager.
3. **Regulatory Reporting**
   The SHE Manager is responsible for lodging a formal report with the DOSH within seven days of the incident.
4. **Investigation**
   The SHE Manager, in consultation with the Occupational Safety and Health Committee members, conducts a thorough investigation to understand the cause of the incident.
5. **Risk Mitigation Recommendations**
   The Safety and Health Committee reviews the findings and recommends appropriate risk mitigation strategies.
6. **Implementation of Corrective Actions**
   Corrective measures are implemented to prevent the recurrence of the incident.
7. **Management Review**
   A detailed report of the incident, its investigation, and the corrective actions taken is presented to the management for review.

OSH Awareness and Training

Each division has its own health and safety committee, which includes representatives from both management and the workforce. These committees are pivotal in overseeing the safety management of their staff, managing incident reports, conducting investigations, and resolving issues as they arise. To foster a culture of continuous improvement, findings from all serious incident investigations and the resultant actions are shared with the Group's divisional management.

We maintain a rigorous schedule of preventive maintenance and necessary repairs or replacements at our facilities, plants, storage tanks, and terminals to ensure their optimal functioning and safety. Periodic safety audits on sites are also conducted. Additionally, our divisions organise activities to mitigate the health and safety risks inherent to their respective operations and these include safety campaigns, conducting drills and reviewing standard operating procedures.

Employees have received training in various areas, including control of industrial major hazards, which covers topics such as hazard identification, risk assessment, CPR/first-aid, and compliance with occupational safety and health regulations. During the year, 206 employees received essential training in these critical areas of safety and health. Just subsequent to the year-end, 13 employees had successfully completed the OSH Coordinator certification training and are now certified OSH coordinators.

COMMUNITY

GRI 203-2, 413-1

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 the communities' cultural context.

Social Impact Assessment ("SIA")

SIA are conducted for relevant plantation developments, both before and during their operations to evaluate how our developments impact local socio-economic conditions. During the SIA process, we actively engage with members of the surrounding communities to seek their feedback, to ensure that they are fully informed about our projects and ultimately, obtain their Free Prior and Informed Consent (FPIC). Furthermore, in adherence to MSPO standards, our estates conduct annual Aspect Impact Assessments that engage both the community and stakeholders to continuously monitor and mitigate our operations' environmental, social, and economic impacts.

Community Engagement and Investments

Our community engagement and investments are focused on issues that affect the success and quality of life of the communities where we have a presence. FimaCorp works to address these issues through programmes in 3 key areas namely education and economic empowerment, environment and community:

- **Local Employment, Internships and Training**
  Since 2018, 114 university graduates have participated in an 8-month workplace experience within the Group's Malaysian operations under the Protégé programme, which includes practical training and the development of job-specific skills, along with allowances and benefits. Additionally, 12 vocational students majoring in agriculture and business from a local institution from a local institution in Nunukan gained practical experience through a 6-month internship programme at PTNJL.

  We are also upskilling workers in our oil palm plantations as we move towards greater mechanisation in our harvesting operations. This transition not only leads to a higher land-to-labour ratio and enhanced productivity, but also improves worker well-being through reduced physical strain and potentially higher earnings.

- **Water Treatment and Distribution**
  PTNJL processes and distributes water from its own catchment area to nearby villages for daily use and irrigation.

- **Sustainable Energy Utilisation**
  By-products such as mesocarp fibre and palm shells are used at PTNJL's palm oil mill to generate renewable energy which is then used to power local facilities including workers quarters, schools, government facilities and mosques.

- **Platform Konsultasi dan Komunikasi**
  This platform enhances communication between our Plantation division's Malaysian estates and local stakeholders, improving community relations and collaboration.

For FYE2024, FimaCorp invested RM0.32 million into community initiatives which positively impacted 124 beneficiaries.

Our Business

Our Alignment to SDGs

8 DECENT WORK AND ECONOMIC GROWTH
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION

Strategic Commitments

- Upholding Responsible Business Practices Guided by Corporate Values
- Integrating Sustainable Practices for Maximum Benefits to Business and Society
- Zero Tolerance for Bribery and Corrupt Practices
- Promoting Transparency and Sustainability in Supply Chains

SUSTAINABILITY GOVERNANCE

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

Our commitment to sustainability starts at the Board level. With ultimate responsibility for sustainability issues, the Board of Directors plays a crucial role in establishing the Group's strategic direction and objectives in a way that brings accountability into every activity and process, ensuring they align with the interests of everyone who has a stake in our success – shareholders, employees, customers, and the communities we operate in.

The Board is supported by dedicated Board Committees, each with its own charter setting out its roles and responsibilities. A full description of the Board's role is available in the Corporate Governance section of this Annual Report.

Led by Independent Directors, the ARC supports the Board in overseeing the Group's sustainability practices. The ARC's key role is assessing risks that could significantly impact FimaCorp's planned objectives. Through thorough risk assessments, the ARC ensures management promptly identifies and addresses these risks. By implementing appropriate mitigation measures, the ARC enhances FimaCorp's sustainability performance and safeguards its long-term success.

For successful integration of sustainability practices, the ARC receives regular updates from the GSC and the RSC. These committees, led by a Non-Independent Non-Executive Director, provide valuable insights and recommendations to the ARC. This ensures Board-level oversight of managing the Group's risks, controls, and processes (including ESG factors as risk drivers). It also facilitates a top-down approach to resolving sustainability matters.

Divisional leadership takes the lead in managing day-to-day sustainability efforts and programme implementation. Divisions develop sustainability strategies specific to their operations and allocate resources for their execution. They integrate their brands, technologies, and sites with sustainability goals, considering their unique business challenges and priorities. Divisions submit monthly sustainability reports to the Head Office, covering safety, environment, employee retention, and compliance. These reports are then consolidated and presented to the ARC every quarter.

The Group Internal Audit assesses the accuracy of sustainability data submitted by business units and the implementation of sustainability initiatives in the course of their audits. Additionally, external audits by authorities, certification bodies, and customers verify compliance with regulations, standards, and contracts. Any non-conformities or

PT Nunukan Jaya Lestari palm oil mill

incidents are thoroughly analysed, and corrective actions are implemented to prevent recurrence. Any identified non-conformities and incidents will be investigated to identify root causes and implement necessary preventive measures.

For more information on:
i. The Group's Sustainability Committee, please refer to Task Force on Climate-Related Financial Disclosures ("TCFD") on page 55 and the Corporate Governance Overview Statement on page 98.
ii. The Group's risk management, please refer to the Statement on Risk Management and Internal Control section on pages 114 to 126.

RESPONSIBLE BUSINESS PRACTICES

GRI 201- 1

We strive to uphold responsible business practices that align with our corporate values. Our values guide our employees to act with integrity, accountability and a strong sense of responsibility. By caring about the work that we do, about our fellow employees and stakeholders, we strive to build a business that is respectful and responsible. We treat all our stakeholders with dignity and respect, and we hold the same expectation for our stakeholders to do the same.

Our management approach is underpinned by our robust policies that ensure that we adhere to all national and international statutory and regulatory requirements as well as international conventions and treaties. These policies address ESG elements that are crucial to our business operations and guide both our strategic and daily decision-making processes. They are periodically reviewed and updated to incorporate emerging sustainability issues and regulatory changes.

One such instance is the enhancements made to our internal processes relating to the identification, documentation and escalation of conflict-of-interest situations. These enhancements include among others, implementing a mandatory conflict of interest training programme for all employees to raise awareness and understanding of potential conflicts, and a declaration process where those involved in a tender/procurement processes must disclose any potential conflicts of interest specific to that particular bid and confirm their absence of such conflicts.

For further details, please visit our governance page: http://www.fimacorp.com/corporate-governance.php or **scan the QR Code**

ANTI-BRIBERY AND CORRUPTION

GRI 205-2, 205-3

We are committed to ethical business practices. We maintain a zero-tolerance approach to bribery and corruption, ensuring all interactions are professional, fair, and conducted with integrity.

This policy strictly forbids our officers, employees, agents, and service providers from engaging in any form of gift-giving or receiving that could be perceived as an unfair advantage. This includes offering, soliciting, or accepting such benefits in exchange for favours or to secure any improper privilege. Through this clear and comprehensive policy, we aim to foster a culture of integrity and transparency throughout all our operations. Violations of this policy are met with stringent measures, which may include disciplinary actions or termination of business relationships to maintain compliance and uphold our ethical standards.

To promote a culture of ethical business practices, we include anti-bribery clauses in all our vendor and service provider contracts. This helps ensure that everyone involved adheres to high ethical standards. Additionally, it is mandatory for all new hires to undergo comprehensive anti-bribery training at the start of their contracts, with refresher courses conducted regularly to keep our workforce informed about potential risks and the importance of ethical conduct.

We regularly update training materials to ensure stakeholders, employees, and business partners are aware of evolving bribery risks. Additionally, we conduct periodic reviews of authority limits, fostering transparency and strengthening our integrity procedures. All employees are required to annually confirm their compliance with the Group's Anti-Bribery Policy and their commitment to reporting any concerns they may have. Through these efforts, we aim to mitigate bribery risks and uphold the highest ethical standards.

To complement our anti-bribery measures, we have established a Whistle-Blowing Policy that protects the confidentiality of those who report incidents of misconduct. This policy outlines clear procedures for the investigation and follow-up of any reports of non-compliance.

Spotlight Story

Strengthening Integrity and Upholding Ethical Standards

The Group has undertaken several initiatives in FYE2024 as part of its proactive approach to promote high ethical standards and a conducive work environment among its employees:

- A dedicated session on anti-bribery, with specific focus on the corporate liability provisions under Section 17A of the Malaysian Anti-Corruption Commission ("MACC") Act 2009 was organised during FIMA's 2nd Virtual Summit Series. This session led by an MACC officer, aimed to ensure that employees at all levels understand their roles and responsibilities in safeguarding the business against corruption risks;
- On-site integrity training sessions for 40 workers and employees at Ladang Fima Cendana in Kemaman, Terengganu. The objective was to refresh and enhance awareness of the Group's anti-bribery policies and address critical workplace issues including child labour, bullying, sexual harassment, and grievance procedures;
- An e-learning video focusing on conflicts of interest was launched in December 2023 to enhance employees' understanding of the topic.

100% of the Group's operations were assessed for corruption-related risks in FYE2024. Additionally, there were zero-incidents of corruption during the year.

VALUE DISTRIBUTION TO OUR STAKEHOLDERS

GRI 201-1, 201-3, 203-2

We are proud to support the communities in which we operate and the economic contribution we make through taxes paid to governments of our host countries, both direct and indirect. Our contribution comprises local and government taxes, social security contributions on the wages of our employees, sales and services tax (SST), customs duties and property taxes.

These contributions foster economic growth as they support the provision of essential services and the development of infrastructure, which benefits the broader community. In Malaysia, our financial responsibilities also include contributions to the Employee Provident Fund (EPF) and the Social Security Organisation (SOCSO), as mandated by law.

Value Distribution to Our Stakeholders:

Revenue:
RM206.75 million
FYE2023 | **RM295.92 million**

Dividends:
RM39.78 million
FYE2023 | **RM39.71 million**

Employee Wages and Benefits:
RM47.22 million
FYE2023 | **RM46.18 million**

Number of Employees:
1,661
FYE2023 | **1,712**

Taxes Paid:
RM19.02 million
FYE2023 | **RM39.00 million**

Community Investments:
RM0.32 million
FYE2023 | **RM0.40 million**

CYBER AND DATA SECURITY

GRI 418-1

The Group places a priority on mitigating the risks associated with technological disruptions and ensuring the privacy of data. We proactively update our antivirus and firewall software to secure our information, protect the IT network, and maintain the integrity of our communication assets across all divisions. Each division, including the Head Office, has its own dedicated network and IT department that oversees risk management and acts as the primary defence against potential threats.

Our IT departments conduct daily monitoring of our systems, leveraging on automated reporting tools to analyse traffic and identify potential security threats, which are further mitigated through screenings and spam filters. During the year, there were no incidents of phishing and malware targeting our employees. We have strengthened our cyber security during the financial year by implementing controls including vulnerability testing of our IT systems and processes, to minimise potential risks.

Safeguarding the privacy and integrity of all data is a top priority for us. Strict security protocols are in place to prevent unauthorised access, data leaks or illegal manipulation of information. Any breaches or violations are addressed with the utmost seriousness, and we continuously evaluate and improve to ensure that our data security measures to ensure their effectiveness.

There were no complaints or breaches of customer privacy and losses in FYE2024.

SUSTAINABLE AND TRACEABLE SUPPLY CHAIN

GRI 102-9, 204-1

The Group recognises that a sustainable and traceable supply chain is integral to our business operations. Any interruptions to our supply chains can impact production output of our operating units, exposing us to legal, financial, reputational and other risks that might have lasting consequences on our profitability.

To mitigate this, each division has documented policies and procedures for specified procurement processes. We actively engage with suppliers throughout the process, from tendering to on-site inspections. We maintain constant communication with suppliers on cost efficiency, environmental responsibility, and social compliance throughout our supply chain to enhance traceability and transparency.

Supporting Local Procurement

We support local suppliers and entrepreneurs through the procurement of local goods and services. In Malaysia and Indonesia, 98.3% and 87.0% of contracts for goods and services are awarded to small and medium-sized local companies respectively. Sourcing locally also helps us to reduce our carbon footprint and the footprint of the products and services we provide to our customers.

While we prioritise supporting local businesses, certain specialised components, such as security printer inks and heavy equipment spare parts, might not be readily available locally and have to be procured overseas. In such cases where local sourcing is not feasible or practical, we ensure that the procurement process is transparent and fair.

Percentage (%) of Suppliers Engaged in Malaysia and Indonesia

	FYE2024		FYE2023	
	Local	Foreign	Local	Foreign
Malaysia	98.3	1.7	97.7	2.3
Indonesia	87.0	13.0	79.5	20.5

Innovation and Technology

We continue to leverage technology and process innovation to improve efficiency, adaptability, and risk mitigation, ultimately delivering value to our customers and stakeholders.

To streamline information access, storage, and reporting, the Manufacturing division equips its IT support staff with mobile devices. This not only reduced operational staff time and lowered management costs but more importantly, it empowers our dedicated team members to deliver faster response times to customers' requests/inquiries.

The Plantation division utilises geospatial technologies, including GPS and GIS, to enhance various aspects of their operations. These technologies ensure accurate preplanning, and data-driven decision making in aspects like road construction, and terrace positioning. Satellite imagery is also used to map new estate developments and facilitate tree counting, maximising planting density of potential planting areas and overall efficient management of plantation operations.

Our sustainability reporting system remains a cornerstone of our commitment to the "measure-monitor-manage" principle. This year, we have enhanced the system to provide management with real-time information that can be displayed on a central dashboard, allowing for improved data visibility and analysis.

UPHOLDING QUALITY, STANDARDS AND CERTIFICATIONS

GRI-417-1, 417-2

We are committed to maintaining the required safety and quality standards and certifications across our operations. We continuously monitor industry best practices and adapt to evolving regulations. This dedication allows us to deliver on the expectations of our customers and stakeholders.

Ladang Bunga Tanjong

Plantation

Since FYE2020, 100% of our fully developed Malaysian estates have maintained their MSPO certifications. Selected employees have been sent for MSPO 2.0 training to ensure that we have the necessary competencies to maintain and support our MSPO certification while meeting international sustainability standards, especially concerning elements such as traceability, deforestation and good labour practices. Additionally, the Plantation division adheres to ISO 50001:2011 and ISO 14001:2015 standards.

In Indonesia, the Indonesian Sustainable Palm Oil ("ISPO") audit on PTNJL maintains status quo pending regularisation of PTNJL's HGU before the ISPO certification process can be resumed.

Malaysia Sustainable Palm Oil ("MSPO")

8 Malaysian estates are MSPO-certified. The MSPO ensures responsible management of palm oil plantations, smallholdings and palm oil processing facilities. The MSPO certification also safeguards human and workers' rights.

ISO 50001:2011 (Energy Management System)

PTNJL has implemented an ISO 50001:2011 certified energy management system ("EMS") as part of its commitment to efficient energy use. This internationally recognised standard helps PTNJL continuously improve its energy management practices, leading to more efficient resource utilisation.

ISO 14001:2015 (Environmental Management System)

PTNJL's commitment to environmental sustainability is reflected in its ISO 14001:2015 certification, covering its CPO, CPKO, and palm kernel production processes.

Manufacturing

The Manufacturing division upholds the following regulatory standards and certificates:

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 their commitment to delivering excellence.

ISO 14298:2013 Graphic Technology-Management of Security Printing Processes

This accreditation reflects PKN's adherence to the established guidelines and requirements for managing secure printing processes.

ISO 37001:2016 Anti-Bribery Management Systems

This certification affirms PKN's adherence to anti-bribery policies, procedures, measures and controls.

ISO 9001:2015 Quality Management System

This certification affirms that PKN's implementation of effective quality management systems meet internationally recognised standards.

STATEMENT OF ASSURANCE

To the Board of Directors and Management and Fima Corporation Berhad.

Scope

We have performed an internal review for selected subject matters and performance indicators to be published in the sustainability report in FimaCorp's Annual Report for the financial year ended 31 March 2024. The objective of the review process is to provide assurance to FimaCorp and its stakeholders on the accuracy and reliability of the information to be presented in the Sustainability Report.

Procedures

Our procedures include:

- testing, on a sample basis, underlying source information to check accuracy of the data;
- examining, on a sample basis, evidence supporting the selected performance indicators; and
- checking that the calculation have been applied as per the set methodologies.

We have also reviewed the process of collecting, gathering and consolidating the data and numbers.

Subject Matters/Performance Indicators

The selected subject matters and performance indicators are as follows:

Type of Assurance	Component	Subject Matter/Performance Indicator	Scope
Internal Review	**Environmental**	Water impact: • water consumption and management • water intensity for FFB processed	Operations assessed: 1. Malaysia 2. Indonesia
		Waste management: • waste generation • disposal method of hazardous and non-hazardous waste for domestic, scheduled, and production	
		Energy management: • scope 1 and 2 emissions by the renewable and non-renewable • fuel intensity for harvesting operations transportation • renewable energy	
	Social	Equal opportunity, diversity and inclusion: • employee headcount by gender, age group, and country • employment status by permanent and contract • new hire, attrition, and turnover by gender, age group, country, employment status, and category	Operations assessed: 1. Malaysia 2. Indonesia
		Labour relations: • total hours of training by employee category, country, and gender	
		Occupational safety and health: • work-related accidents and incidents • lost time injuries • fatalities • accident rates	

Type of Assurance	Component	Subject Matter/Performance Indicator	Scope
Internal Review	**Governance**	Value distribution to stakeholders: • community investment (for the Corporate Social Responsibility programmes) • dividend payout • employee wages and benefits • taxes	Operations assessed: 1. Malaysia 2. Indonesia
		Sustainable and traceable supply chain: • supporting local procurement	
		Upholding quality, standards and certifications: • certifications and international standards achieved	

During the review process, clarifications were sought from the business units on specific findings and to substantiate the accuracy of certain aspects of the reported information. The business units have satisfactorily corrected any errors and/or misstatements identified during the review, and all changes have been incorporated into the final version of the Sustainability Report.

Considerations and Limitations

Non-financial data are subject to more inherent limitations than financial data, given both their nature and the methods used for calculating or estimating such data. Qualitative interpretations of relevance, materiality and the accuracy of data are subject to individual assumptions and judgements. We have not undertaken work to confirm those factors, nor have we carried out any work on data reported in respect of future projections and targets.

Conclusion

Based on the procedures we have performed, we confirm that the selected subject matters and performance indicators listed above together with the related disclosures have been prepared and presented fairly in the Sustainability Report. Accordingly, GIA is of the opinion that the Sustainability Report provides a reasonable and well-balanced depiction of FimaCorp's sustainability performance.

Thank you.

Muhammed Erman Bin Mat Zoki
Head, Group Internal Audit

Date: 11 July 2024

PERFORMANCE DATA TABLE

Indicator	Measurement Unit	2022	2023	2024
Bursa (Water)				
Bursa C9(a) Total volume of water used	Megalitres	236.00	328.00	203.00
Does the company disclose the number of incidents of non-compliance with water quality/quantity permits, standards and regulations	Number	0	0	0
Three years of total water withdrawal data is disclosed by source - Surface water from rivers, lakes, natural ponds	Cubic meters	288,050.00	276,429.00	157,807.00
Three years of total water withdrawal data is disclosed by source - Groundwater from wells, boreholes	Cubic meters	10,301.00	19,033.30	13,746.00
Three years of total water withdrawal data is disclosed by source - Municipal potable water	Cubic meters	27,889.00	32,689.00	31,047.00
Three years of total water withdrawal data is disclosed by source - Total	Cubic meters	326,240.00	328,151.30	202,600.00
Water Intensity	cbm/MT	0.53	0.48	0.28
Bursa (Waste management)				
Bursa C10(a) Total waste generated	Metric tonnes	202,948.37	190,380.59	161,340.83
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	202,946.53	190,377.80	161,335.17
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	1.84	2.79	5.66
Disclosure of three years of hazardous waste generation (tonnes)	Metric tonnes	6.56	12.36	27.63
Bursa (Energy management)				
Bursa C4(a) Total energy consumption	Megawatt	17,082.98	20,078.85	20,088.23
Plantation Fuel Intensity	L/MT	3.04	3.34	3.35
Bursa (Emissions management)				
Bursa C11(a) Scope 1 emissions in tonnes of CO_2e	Metric tonnes	3,832.73	4,576.33	4,861.95
Bursa C11(b) Scope 2 emissions in tonnes of CO_2e	Metric tonnes	1,783.18	2,100.46	1,484.06
Bursa C11(c) Scope 3 emissions in tonnes of CO_2e (at least for the categories of business travel and employee commuting)	Metric tonnes	93.08	133.52	298.00
Bursa (Diversity)				
Bursa C3(a) Percentage of employees by gender and age group, for each employee category				
Age Group by Employee Category				
Senior Management Under 30	Percentage	0.00	0.00	0.00
Senior Management Between 30-50	Percentage	60.00	60.00	20.00
Senior Management Above 50	Percentage	40.00	40.00	80.00
Management Under 30	Percentage	4.00	0.00	0.00
Management Between 30-50	Percentage	60.00	68.00	68.00
Management Above 50	Percentage	36.00	32.00	32.00
Executive Under 30	Percentage	29.03	20.97	11.67
Executive Between 30-50	Percentage	62.90	69.35	80.00
Executive Above 50	Percentage	8.06	9.68	8.33
Non-executive Under 30	Percentage	30.80	30.37	25.59
Non-executive Between 30-50	Percentage	60.35	61.23	63.72
Non-executive Above 50	Percentage	8.85	8.40	10.69
Gender Group by Employee Category				
Senior Management Male	Percentage	80.00	80.00	80.00
Senior Management Female	Percentage	20.00	20.00	20.00
Management Male	Percentage	88.00	88.00	84.00
Management Female	Percentage	12.00	12.00	16.00
Executive Male	Percentage	70.97	70.97	73.33
Executive Female	Percentage	29.03	29.03	26.67
Non-executive Male	Percentage	76.16	75.62	78.55
Non-executive Female	Percentage	23.84	24.38	21.45

Indicator	Measurement Unit	2022	2023	2024
Bursa (Diversity)				
Bursa C3(b) Percentage of directors by gender and age group				
Male	Percentage	83.33	83.33	83.33
Female	Percentage	16.67	16.67	16.67
Under 30	Percentage	0.00	0.00	0.00
Between 30-50	Percentage	0.00	0.00	0.00
Above 50	Percentage	100.00	100.00	100.00
Percentage of women in the global workforce.	Percentage	23.84	24.36	21.55
Bursa (Labour practices and standards)				
Bursa C6(a) Total hours of training by employee category				
Senior Management	Hours	68	64	164
Management	Hours	389	672	794
Executive	Hours	915	1,257	983
Non-executive	Hours	1,806	2,944	2,766
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	35.53	31.19	36.36
Bursa C6(c) Total number of employee turnover by employee category				
Senior Management	Number	0	0	0
Management	Number	0	1	0
Executive	Number	6	3	5
Non-executive	Number	432	572	427
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0	0
Bursa (Health and safety)				
Bursa C5(a) Number of work-related fatalities	Number	0	0	1
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.69	1.46	2.51
Bursa C5(c) Number of employees trained on health and safety standards	Number	75	82	206
Number of work-related employee fatalities, over last 3 years	Number	0	0	1
Number of work-related contractor fatalities, over last 3 years	Number	0	0	0
Bursa (Community/Society)				
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	147,197.00	396,038.00	319,664.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	92	107	124
Bursa (Anti-corruption)				
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category				
Senior Management	Percentage	100.00	0.00	60.00
Management	Percentage	76.00	4.00	8.00
Executive	Percentage	24.19	3.23	18.33
Non-executive	Percentage	1.38	3.21	4.52
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00	100.00	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0	0
Bursa (Supply chain management)				
Bursa C7(a) Proportion of spending on local suppliers	Percentage	42.71	67.64	88.44
Bursa (Data privacy and security)				
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	0
Fima (Governance)				
Number of Board Directors	Number	6	6	6
Number of independent Directors on the board	Number	3	3	3
Number of women on the board	Number	1	1	1
Annual General Meeting: Number of days between the date of notice and date of meeting	Number	25	28	28

CORPORATE GOVERNANCE

Our Board of Directors

Datuk Bazlan Bin Osman

Dato' Roslan Bin Hamir

Rosely Bin Kusip

Rezal Zain Bin Abdul Rashid

Dr. Roshayati Binti Basir

Nik Feizal Haidi Bin Hanafi

Areas of Expertise

- Leadership
- Strategic Planning
- Accounting, Financial Literacy
- Corporate Governance, Risk Management & Internal Controls
- Corporate Finance & Investment Banking
- Legal & Regulatory
- Government Relationships
- Plantation
- Sales & Marketing
- ESG
- Health & Safety
- Information Technology
- Project Marketing
- Procurement Management

Datuk Bazlan Bin Osman

Chairman / Independent Non-Executive Director

60 years | Male | Malaysian

Date of Appointment
- 5 April 2019

Length of Tenure as Director *(as at 31 July 2024)*
- 5 years 3 months

Date of Last Re-election
- 23 August 2022

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, Bursa Malaysia Berhad
- Senior Independent Non-Executive Director, Bank Islam Malaysia Berhad
- Independent Non-Executive Director, Telekom Malaysia Berhad

Areas of Expertise

Past Directorship(s) and / or Appointment(s)
- Independent Non-Executive Director, Syarikat Takaful Malaysia Keluarga Berhad (2020-2024)
- Director, Malaysia Professional Accountancy Centre (2020-2024)
- President, Malaysian Institute of Accountants (2022-2023)
- Chair, ACCA Malaysia Advisory Committee (2021-2023)
- Ex-Officio, Financial Reporting Foundation (2022-2023)
- Independent Non-Executive Director, Glomac Berhad (2020-2023)
- 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 Committee 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)
- Industry Advisory Panel, Azman Hashim International Business School, Universiti Teknologi Malaysia (2018)
- Industrial Advisory Board, Universiti Kuala Lumpur (2017)
- Non-Executive Director, Labuan Reinsurance (L) Ltd (2007-2012)
- Issues Committee, Malaysian Accounting Standards Board (2006-2010)
- Commissioner, PT XL Axiata Tbk (2005-2008)
- Chief Financial Officer (2002-2005) and Senior Vice President, Corporate Finance & Treasury (2001-2002), Celcom Malaysia 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

Membership of Other Committee(s)
- Group Investment Committee

Dato' Roslan Bin Hamir

Managing Director / Non-Independent Executive Director

57 years | Male | Malaysian

Date of Appointment
- 8 December 1998
  (He was appointed as Managing Director on 1 August 2005)

Length of Tenure as Director *(as at 31 July 2024)*
- 25 years 7 months

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
- Independent Non-Executive Director, Riverview Rubber Estates Berhad
- Chairman, Narborough Plantations Plc (non-listed)
- Director, Fima Bulking Services Berhad (non-listed)
- Director, Malaysian Transnational Trading (MATTRA) Corporation Berhad (non-listed)

Areas of Expertise

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

Membership of Other Committee(s)
- Risk Steering Committee
- Group Sustainability Committee
- Group Investment Committee
- Plantation Executive Committee

Rosely Bin Kusip

Senior Independent Non-Executive Director

73 years | Male | Malaysian

Date of Appointment
- 14 March 2019

Length of Tenure as Director *(as at 31 July 2024)*
- 5 years 4 months

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

Areas of Expertise

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

57 years | Male | Malaysian

Date of Appointment
- 25 June 2022

Length of Tenure as Director *(as at 31 July 2024)*
- 22 years 1 month

Date of Last Re-election
- 23 August 2022

Academic / Professional Qualification / Membership(s)
- Bachelor of Arts (Accounting), 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

Areas of Expertise

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

Membership of Other Committee(s)
- Risk Steering Committee (*Chairman*)
- Group Sustainability Committee (*Chairman*)
- Group Investment Committee
- Plantation Executive Committee (*Chairman*)

Dr. Roshayati Binti Basir

Non-Independent Non-Executive Director

60 years | Female | Malaysian

Date of Appointment
- 23 November 2009

Length of Tenure as Director ***(as at 31 July 2024)***
- 14 years 8 months

Date of Last Re-election
- 29 August 2023

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
- Director, Nationwide Express Holdings Berhad (non-listed)

Present Appointment(s)
- Consultant Radiologist, Sunway Medical Centre
- Director, BHR Enterprise Sdn. Bhd.

Areas of Expertise

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

52 years | Male | Malaysian

Date of Appointment
- 3 August 2021

Length of Tenure as Director ***(as at 31 July 2024)***
- 2 years 11 months

Date of Last Re-election
- 29 August 2023

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.

Areas of Expertise

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

Declaration by the Board:

1. ***Securities holdings in the Company:***
   Please refer to disclosure of Directors' Interests in the Company's Financial Statements.
2. ***Family relationship with any Director and/or major shareholder of the Company:***
   Save as disclosed below, none of the Directors have any family relationships 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., the major shareholder of the Company.
3. ***Conflict of interest:***
   None of the Directors have any conflict of interest with the Company.
4. ***Convictions for offences:***
   Other than traffic offences, none of the Directors have been convicted for any offences within the past 5 years nor have been imposed of any public sanction or penalty by the relevant regulatory bodies during the financial year under review.
5. ***Attendance of Board meetings:***
   Please refer to Meetings and Time Commitment section of the Corporate Governance Overview Statement of this Annual Report.

Our Group Management

Dzakwan Bin Mansori

Executive Director, Sales,
Percetakan Keselamatan Nasional Sdn. Bhd.

62 years | Male | Malaysian

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 of PKN 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 Consultants Berhad upon completion in July 1990. He later joined CIMB Securities Berhad and K & N Kenanga Berhad prior to joining Fima Securities Sdn. Bhd. He holds an Advanced Diploma in Accountancy from Universiti Teknologi Mara.

He is also a Board member of Malaysian Transnational Trading (MATTRA) Corporation Berhad (non-listed), a subsidiary of KFima.

Jasmin Binti Hood

Company Secretary

51 years | Female | Malaysian

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 FimaCorp and for all Board Committees of KFima and FimaCorp. She is also a member of the Risk Steering Committee and Group Sustainability Committee.

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 25 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

37 years | Male | Malaysian

He joined the Company in September 2017 as Financial Controller and was promoted to Chief Financial Officer on 27 June 2022. He was subsequently appointed as Company Secretary on 1 July 2022. He sits on the Board of several of the Group’s subsidiaries, and currently oversees the Plantation division.

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

He graduated with First-Class Honours from Universiti Teknologi Mara 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.

52 years | Male | Malaysian

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 28 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.

Additional Information on Our Senior Management:

Except as otherwise stated in the individual Senior Management’s profile, none of the Senior Management has:

- *any directorship in public companies and listed issuers;*
- *any family relationship with any Director and/or major shareholders of the Company;*
- *any conflict of interest with the Company;*
- *been convicted of any offences (excluding traffic offences) within the past 5 years; and*
- *been subjected to any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.*

Corporate Governance **Overview Statement**

This Corporate Governance Overview Statement seeks to provide our stakeholders with an overview of the corporate governance practices of FimaCorp during the year under review.

Overview

The Board views good governance as a business enabler and is committed to the highest governance standards, ethics and integrity. In this regard, the Board's governance oversight is guided by its commitment to its responsibilities and governance objectives achieved through applying the principles and practices articulated in the Companies Act 2016, the Malaysian Code on Corporate Governance ("MCCG") issued by the Securities Commission Malaysia and compliance with the Bursa Malaysia Securities Berhad ("Bursa") Main Market Listing Requirements ("Listing Requirements").

For the year under review, we complied substantially with the practices outlined in the MCCG.

This Corporate Governance Overview Statement is prepared in compliance with the Bursa Listing Requirements and embodies the spirit and principles of the MCCG with regards to the recommendations stated under each principle. This overview is to be read together with the Corporate Governance Report of the Company ("CG Report") which is available on the Company's website at www.fimacorp.com/corporate-governance.

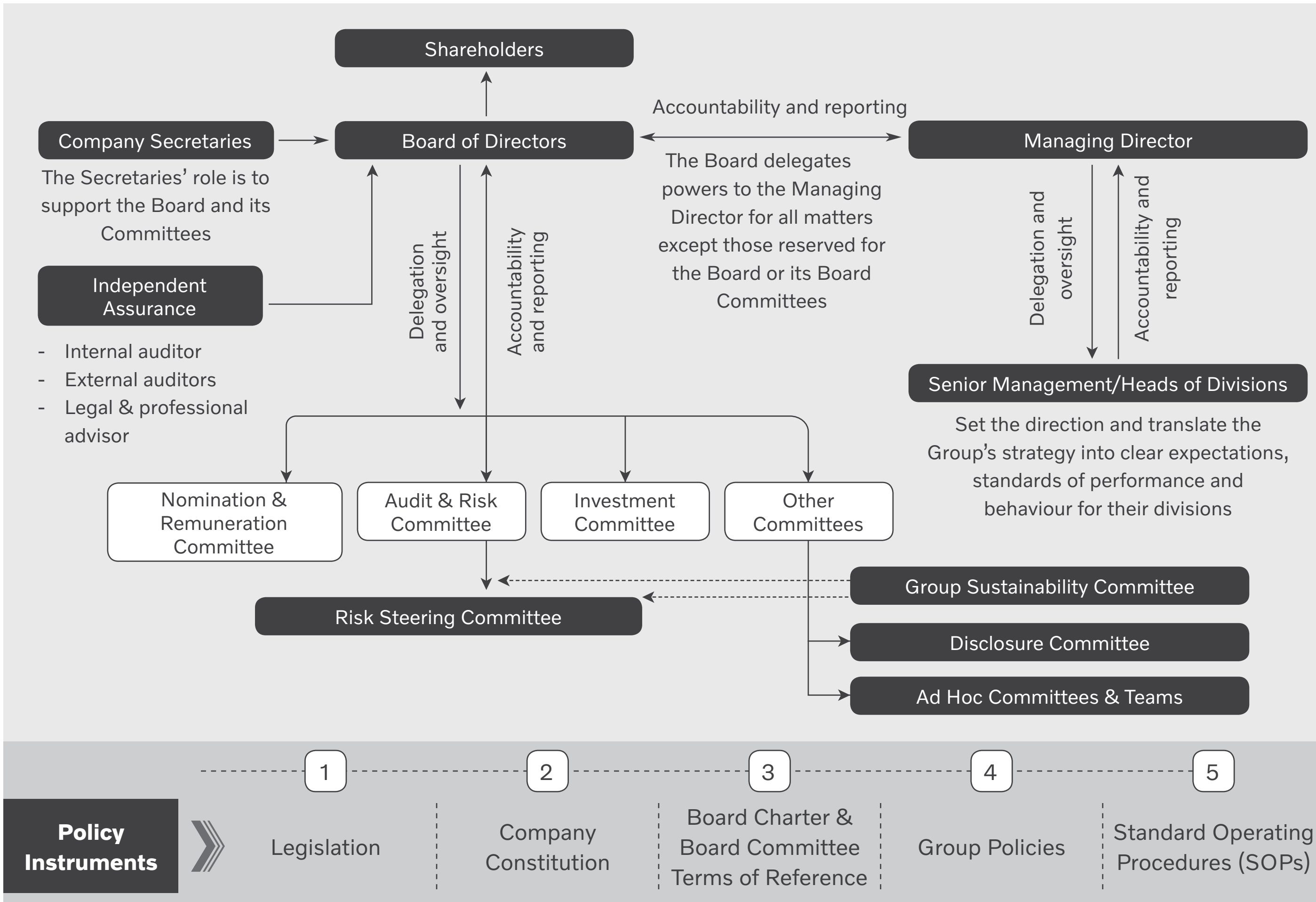
The Corporate Governance ("CG") Framework

With guidance from the Board, the day-to-day responsibility for ensuring that the Group's businesses are managed appropriately, rests with management. There exists a formal governance framework and defined reporting lines between divisional level, the Managing Director, Board Committees and the Board to ensure that the divisions' approach to corporate governance remains in line with Group policies. The ultimate responsibility for decision making, however, lies with the Board.

Decisions on strategy and other material matters are reserved for the Board, including but not limited to decisions on the allocation of capital resources and the authorisation of procurement capital expenditure, borrowings and investments, save where pre-approved materiality levels apply.

The Board exercises control via the Group's CG framework, which includes:

- a governance structure, including Board committees and divisional boards and management committees, each with approved Terms of Reference ("TOR"), which are reviewed from time to time as necessary;
- an approvals framework for the Board and the divisions, through which authority is delegated to management;
- detailed reporting to the Board and its committees; and
- the maintenance and monitoring of a system of internal controls.



Through this CG framework, we strive to ensure that our governance processes drive a strong culture of ethical behaviours, transparency and accountability and go beyond compliance to align with the spirit, rather than the letter, of legislation and principles. This approach establishes a foundation for strategic decision-making that in turn generates sustainable shared value through balancing short-term and long-term goals.

The following sections outline how the Group has applied the three principles under the MCCG:

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

I. Board Leadership

The Board is responsible to the shareholders and wider stakeholders for the stewardship and overall performance of the Group. The Board's role is to promote the long-term sustainable success of the Company, generating value for shareholders and contributing positively to the wider society, within a framework of prudent and effective controls, which enables risk to be assessed and managed. In performing this duty, the Board works together with the Managing Director and the senior management team to steer the Group's strategic direction.

The Board has a schedule of matters reserved for its consideration and approval supported by a set of operating principles. When making decisions, individual Board members ensure they are well-informed, act independently, with awareness and insight, and manage conflicts of interest if any arise.

II. Board Charter

The Board Charter sets out the role, responsibilities, structure, composition and conduct of the FimaCorp Board. It is a primary source of reference for the Board on the Group's governance practices. Matters requiring approvals from the Board and/or Committees are provided for in the Board Charter. The Board Charter is reviewed annually to ensure its continued relevance, effectiveness and alignment with current rules and regulations.

The Board Charter is available on the Company's website at http://www.fimacorp.com/pdf/corporate-governance/board-charter.pdf.

III. Board Governance and Access to Information

The roles of the Chairman and the Managing Director are separately held and the division of their responsibilities is clearly established in the Board Charter.

Datuk Bazlan Bin Osman is Chairman of the Board of FimaCorp. The Chairman is responsible for the leadership and operation of the Board, while the Managing Director, Dato' Roslan Bin Hamir, is responsible to the Board for executing the strategy and managing the day-to-day operations of the Group within a set of authorities delegated by the Board. The Managing Director is also responsible for implementing Board strategy and policy. The heads of each division report directly to the Managing Director.

Encik Rosely Bin Kusip is the Company's Senior Independent Non-Executive Director, to whom any concerns pertaining to the Company may be conveyed.

The Board is assisted by two Company Secretaries who ensure that Board members receive appropriate and timely information including meeting materials and minutes. All Directors have access to the advice of the Company Secretaries, and the Company provides access, at its expense, to the services of independent professional advisers in order to assist the Directors in their roles.

The Directors have full and unrestricted access to management and, in addition to the presentations made by management to Board and/or Board Committee meetings, to any information relating to the Group's business and affairs in the discharge of their duties. The Directors may request to be furnished with additional information or clarification, particularly in respect of any technical issues tabled to the Board. This helps to foster an open and regular exchange of knowledge and experience. Directors also visit the locations of operating units and estates to enable them to gain more insight into the business and operational aspects of the Group.

Key Responsibilities of Chairman and Managing Director

Chairman ("INED")		Managing Director
• Provides leadership to the Board. • Monitors Board effectiveness. • Fosters constructive relationships among Directors. • Acts as Company representative.	**Promote integrity and probity** **Ensure effective stakeholder communication**	• 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.

IV. Board Independence

The Nomination and Remuneration Committee ("NRC") and the Board, upon their assessment, have concluded that the following Non-Executive Directors have maintained their independence: Datuk Bazlan Bin Osman, Encik Rosely Bin Kusip and Encik Nik Feizal Haidi Bin Hanafi. The Board has considered the criteria established under Paragraph 1.01 of the Bursa Listing Requirements in assessing these Directors' independence.

The Board is satisfied that they are independent in character and judgement and that they are each free from any business or other relationships which would materially interfere with the exercise of their independent judgement. Further, as at the date of this Annual Report, none of our Independent Non-Executive Directors' tenure exceeds the cumulative term limit of 9 years.

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

V. Managing Conflicts of Interest

In order to avoid potential conflicts or biases, all Directors are required to make a general disclosure of their interests, at appointment, at the beginning of every financial year and during the year as required. Any interests and their extent and any possible conflicts that may arise are reviewed by the Board according to the Bursa Listing Requirements and recorded to ensure the integrity of the Board.

Each of the Directors understands that they have an ongoing responsibility to identify and manage conflicts of interest, and to make the appropriate disclosures to the Board and the Company Secretaries, and must not take part in any Board deliberation on the matter unless permitted by law.

VI. Discharging Board Responsibilities

Key focus areas and matters reviewed and deliberated by the Board in FYE2024 included:

Financial and Performance Management

- Group Performance Report – financial and operational performance against forecast and prior periods.
- quarterly financial results and performance as well as outlook for the year.
- the Directors' Report and Audited Financial Statements for the financial year ended 31 March 2023 ("FYE2023").
- the Group's solvency and financial position.
- major acquisitions, investments and capital investment.
- payment of interim dividends in FYE2023 and FYE2024.
- recurrent related party transactions/related party transactions entered into by the Group and any potential or perceived conflicts of interest.
- capital reduction and disposal of assets by a subsidiary.
- bank mandates and treasury-related matters.

Strategy

- considering and approving the Group's annual budget, business plans and key performance targets.
- receiving senior management presentations from Group business segments.
- progress updates of major acquisitions, investments and capital expenditure.

People

- the Managing Director's key performance indicators for FYE2023.
- re-appointment of Dato' Roslan Bin Hamir as Managing Director.
- FYE2023 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 appointment to the Investment, Risk Steering and Group Sustainability Committees.
- receiving report (half-yearly) on succession planning of Group leadership.
- appointment of Directors to the Investment and Plantation EXCO Committees.

Governance and Reporting

- draft statements for the FYE2023 Annual Report and Circular to the Shareholders.
- resolutions to be put to shareholders at the 48th Annual General Meeting ("AGM") held on 29 August 2023.
- re-appointment of Messrs. Ernst & Young PLT as the Company's auditors and for the same to be put forward for shareholders' approval at the 48th AGM.
- participation in as well as review and discussion of recommendations from the internal Board evaluation.
- external and internal auditors' assessment based on the recommendation of the Audit and Risk Committee.
- updates on material litigation, industrial relation/ accidents cases and/or whistle-blowing complaints.
- 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 & Risk Appetite Statements.
- annual review of Board Charter and Board Committees' TOR.
- updates on corporate governance and regulatory matters.
- establishment of the Group Investment Committee and its TOR.
- adoption of the Board annual outline agenda.

Corporate Governance Overview Statement

VII. Meetings and Time Commitment

The Board had 6 scheduled Board meetings in FYE2024. The annual Board and Board Committee meetings schedule for the ensuing financial year are prepared and shared with all Directors to enable the Directors to plan and accommodate their schedules accordingly. An annual outline agenda which provides an overview of the Board and/or Board Committee's focus areas at each of its meeting is also shared and circulated to the Board in advance.

The attendance of Directors at Board and Committee meetings held in FYE2024 is set out below:

	Board	Audit & Risk Committee	Nomination & Remuneration Committee	Investment Committee	Group Sustainability Committee	Risk Steering Committee
Number held	6	5	2	1	3	2
Directors						
Datuk Bazlan Bin Osman	6/6	N/A	N/A	1/1	N/A	N/A
Dato' Roslan Bin Hamir	6/6	N/A	N/A	1/1	3/3	2/2
Rosely Bin Kusip	6/6	5/5	2/2	N/A	N/A	N/A
Rezal Zain Bin Abdul Rashid	6/6	5/5	2/2	1/1	3/3	2/2
Dr. Roshayati Binti Basir	6/6	N/A	N/A	N/A	N/A	N/A
Nik Feizal Haidi Bin Hanafi	6/6	5/5	2/2	N/A	N/A	N/A

Meetings are conducted according to a formal agenda, ensuring that the Board and/or Board Committees properly address and follows up on all substantive matters. Directors are given the opportunity to add non-standard matters to the agenda at each Board meeting. Members of management are invited, when appropriate, to attend Board and/or Board Committee meetings to make presentations. Papers for the Board and Committee meetings are generally provided to directors a week in advance of the meetings.

In addition to the Board meetings, the Board approved 2 transactions via circular resolutions in FYE2024.

VIII. Board Committees

The Board has established three (3) Board committees and is supported by several other committees which have been established to assist in the discharge of the Board's oversight functions:

Audit and Risk Committee
The primary objective of the ARC is to assist the Board in fulfilling its fiduciary and statutory duties 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 summary of activities of the ARC during FYE2024 is set out in the Audit and Risk Committee Report of this Annual Report.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee ("NRC") comprises 3 members, all of whom are Non-Executive Directors with the majority of them being Independent Directors.

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

The NRC ensures the Board composition meet the needs of the 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.

The NRC's remuneration function is to support the Board in maintaining, assessing and developing the 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 the remuneration entitlements of the Non-Executive Directors of the Company and Directors of subsidiaries.

The TOR of the NRC is available on the Company's website.

FYE2024 Key Activities

During the FYE2024, 2 NRC meetings were held, with full attendance by the members, as described under Meetings and Time Commitment section of this Annual Report.

Among the key activities of the NRC during FYE2024 were as follows:

- reviewed the composition of the Board and its Committees;
- reviewed the performance evaluation of the Board, its Committees and individual Directors, as well as the results of the annual fit and proper assessment of Directors, and made appropriate recommendations to the Board;

Nomination and Remuneration Committee (cont'd.)

- reviewed the independence of the Independent Non-Executive Directors;
- reviewed and recommended the re-appointment of the Managing Director;
- reviewed the bonus pool and salary increment for the Group employees for FYE2023;
- reviewed the time commitment of Directors for performance of their responsibilities;
- reviewed the training of the Directors;
- reviewed and recommended the total rewards (variable bonus and salary increment) for the Managing Director for FYE2023 and making the appropriate recommendations to the Board;
- reviewed and received updates on the succession plan for senior management; and
- reviewed the Group and Managing Director's key performance indicators for FYE2024 and made the appropriate recommendations to the Board.

The NRC's performance for FYE2024 was evaluated as part of the overall Board Effectiveness Evaluation and the Board was satisfied that the NRC has discharged its duties responsibly and effectively in accordance with its TOR.

Investment Committee

The Investment Committee ("IC") was established in FYE2024 following recommendations from last year's Board evaluation. The IC comprises directors from FimaCorp as well as from our ultimate holding company, Kumpulan Fima Berhad ("KFima"), with the majority of them being Independent Directors.

Chairman

- Dato' Idris Bin Kechot
  Independent Non-Executive Director, KFima

Members

- Datuk Bazlan Bin Osman
  Independent Non-Executive Director
- Dato' Roslan Bin Hamir
  Non-Independent Executive Director
- Rezal Zain Bin Abdul Rashid
  Non-Independent Non-Executive Director
- Danny Hoe Kam Thong
  Independent Non-Executive Director, KFima

The primary responsibility of the IC is to review potential new business opportunities and investments proposed by Group management, providing initial in-principal support before any detailed negotiations and workstreams can commence.

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, and is involved in reviewing and monitoring whistle-blowing, bribery and corruption as well as ESG-related matters.
- The RSC is composed of Board representatives from KFima and FimaCorp and members of senior management. The RSC is chaired by a Non-Independent Non-Executive Director of the Company.
- The 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.
- Oversees how the Group's sustainability programmes support business goals and aspirations, and monitors the progress thereof.
- Provides oversight and input to management on the Group's policies, strategies and programmes related to ESG matters and corporate responsibility.
- Consists of representatives from the Boards of KFima and FimaCorp and members of senior management. The GSC is chaired by a Non-Independent Non-Executive Director of the Company.
- The GSC's TOR can be found on the Company's website.

Disclosure Committee

- The Disclosure Committee is 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 the Group's senior management, and is chaired by the Managing Director.

Ad Hoc Committees and Teams

- Ad hoc committees and teams are established for a set time to focus on a specific task/project.
- The committees are set up at the Group, divisional and/or operating levels as may be appropriate under the respective circumstances.
- The committees 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.

Each Committee has its own TOR which clearly sets out its remit and decision-making powers. The TOR of each Board Committee is also reviewed annually. Amendments are made (where necessary) to ensure that the TORs of the respective Committees are updated with the latest best practices, processes and/or procedures prescribed or recommended by the regulators and are of market standard. The TORs of these Committees are available on the Company's website.

During the year, a Plantation EXCO chaired by Encik Rezal Zain Bin Abdul Rashid and comprising of members of the plantation division management was set up to oversee and monitor operational and strategic matters of estates within the Group.

In addition, Heads of Divisions ("HOD") meetings chaired by the Managing Director are held monthly to deliberate on the Group's financial performance, business development, operational and corporate issues. The minutes of the HOD meeting is tabled to the Board on a quarterly basis and the Managing Director will update the Board of any significant matters that require the Board's immediate attention.

IX. Board Commitment to Sustainability

The Board has ultimate oversight of ESG matters, but has delegated responsibility for certain matters to the Audit and Risk Committee and the Group Sustainability Committee.

A comprehensive overview of the Group's sustainability framework, initiatives and progress in FYE2024 are addressed in the Sustainability section of this Annual Report.

X. Board Performance

A Board Effectiveness Evaluation ("BEE") to assess the performance of the Board as a whole, its committees and the individual Directors is conducted annually with the aim of improving the effectiveness of the Board and its members and the performance of the Group.

The NRC is responsible for overseeing the implementation of the evaluation process, identifying issues and making appropriate recommendations to the Board. Usually 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 Secretaries.

Progress from FYE2023 evaluation

Various recommendations from the externally facilitated FYE2023 BEE were implemented in FYE2024. This included the establishment of IC comprising directors from FimaCorp as well as from its ultimate holding company, KFima. The IC serves as a platform to inter-alia scrutinise strategic proposals and engage in meaningful dialogue with management.

FYE2024 evaluation

The evaluation of the performance of the Board and that of its Committees and individual Directors in respect of FYE2024 was undertaken in the later part of 2024, concluding in a report presented to the Board in May 2024. While there were no significant areas of concern arising from the BEE, the Board had indicated for it to be kept abreast on the progress of the Group's sustainability projects and initiatives, which will be addressed in this current financial year.

The average ratings of all assessment areas remained positive (trending between 'above average' and 'exceptional'), with improved ratings in 3 areas while 3 areas remained unchanged as compared to the previous BEE.

Overall, the Board and its Committees were found to be performing well and were engaged, with a good balance of challenge and support in providing oversight of the Company. Each Director was considered to be demonstrating proper commitment, including time, to their respective roles.

XI. Board Size, Composition and Diversity

As at FYE2024, the Board comprised of 6 members, comprising of 3 Independent Non-Executive Directors, 1 Non-Independent Executive Director and 2 Non-Independent Non-Executive Directors. There has been no change to the Board composition since the last report.

The overview of the current Board composition is as follows:

EFFECTIVE LEADERSHIP

Directors to be elected or re-elected

Article 108 of the Company's Constitution provides that one-third (1/3) of the Directors of the Company for the time being or, if their number is not 3 or a multiple of 3, then the number nearest to one-third (1/3) shall retire by rotation at an AGM of the Company provided always that all Directors, shall retire from office at least once in every 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 forthcoming AGM of the Company, Dato' Roslan Bin Hamir and Encik Rosely Bin Kusip are to retire by rotation in accordance with Article 108 of the Company's Constitution.

Corporate Governance Overview Statement

Our board's composition, diversity and tenure

The independence of our board protects shareholder interests

17% Non-Independent Executive Director

33% Non-Independent Non-Executive Directors

50% Independent Non-Executive Directors

Gender diversity

Practice 5.9 of MCCG 2021: 30% of women directors not reached

83% Men

17% Women

Racial diversity

100% Malay

BOARD TENURE

The average age of our board members is
59.8 years*

The average tenure of our Independent Non-Executive Directors
4 years 6 months*

0 - 3 years

3 - 5 years

Board attendance

100%

Committee attendance

100%

* As at 31 July 2024

The Non-Executive Directors play a key role in providing a solid foundation for good corporate governance, and ensure that no individual or group dominates the Board's decision-making. Each Non-Executive Director brings unique skill sets and valuable external perspectives to the Board's deliberations through their diverse experience and insights from different industry sectors. This enables them to contribute significantly to Board decision-making by constructively challenging and holding to account the management against agreed upon performance objectives.

While no firm targets have been set for Board diversity, the NRC considers potential candidates based on merit against objective criteria, with due regard to gender, personal qualities, relevant skills and expertise when recommending any new appointments to the Board.

Details of the Directors, including their qualifications, experience and tenure can be referred to in the Profile of Our Board of Directors section of this Annual Report and is also available on the Company's website.

XII. Appointment Process for Nomination and Selection of New Directors

Appointments to the Board are formal and transparent. Proposals for appointment to the Board are, after review, recommended by the NRC and are considered by the Board as a whole, subject to the approval/ratification thereof by shareholders at the first subsequent general meeting or annual general meeting following their appointment.

Any new Board appointment is overseen by the NRC and in doing so, where necessary or appropriate, the NRC and Board may tap their networking contacts and/or engage external professional agencies to assist with identifying and shortlisting candidates.

In reviewing and assessing the candidates that are to be appointed to the Board, the NRC will consider factors such as boardroom diversity, fitness and propriety of the candidate, and whether there are any gaps in the Board composition based on the Board skills matrix, with the aim of closing these gaps (if any) and strengthening the Board composition in line with the Company's strategic direction. The demands of a candidate's other professional commitments are also assessed to ensure the candidate has sufficient time and capacity to effectively execute his/her duties. The NRC then meets the shortlisted potential candidates before recommending the most suitable candidate to the Board for appointment as director.

No new directors were appointed to the Board in the FYE2024.

XIII. Re-election and Re-appointment of Directors

The Company's Constitution 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 the shareholders at the AGM.

At the forthcoming AGM of the Company, the following Directors who are to retire from the Board pursuant to Article 108 of the Constitution, were rated favourably in the BEE:

- Dato' Roslan Bin Hamir; and
- Encik Rosely Bin Kusip.

Based on the outcome of the BEE, both Directors continue to fulfil the Company's fitness and propriety criteria, and their ability to act in the best interest of the Company. Accordingly, therefore the Board is recommending that shareholders vote in favour of their re-election at the forthcoming 49th AGM.

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

XIV. Directors Training

The Directors are mindful of the need for continuous training to keep abreast of new developments in the marketplace and regulatory environment, to meet the Directors' respective needs in discharging their duties as directors. In this regard, the Company Secretaries provide assistance in Directors' training and development including the induction programme for newly appointed Directors.

During FYE2024, all Board members attended various training programmes and workshops on issues relevant to the Group, among others on ESG, corporate governance and risk management. In total, Board members collectively attended 471 hours of training in FYE2024. The trainings attended by Board members in FYE2024 were recorded and presented to the Board on a half-yearly basis.

A list of training sessions attended by each Director during FYE2024 can be found in Section 1.1 of the Corporate Governance Report.

XV. Induction Programme

An induction programme is conducted to ease new Directors into their role and to provide the necessary information to assist them in understanding the Group's business strategies and operations. The new Directors will also be provided with a Director's Kit containing the Company's Constitution, Board Charter and Board Committees' TOR, Group policies and other relevant key information.

XVI. 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. Directors' fees are based on a standard fixed fee while meeting allowances are paid based on attendance at Board and/or Committee meetings. No revision has been proposed to the prevailing Directors' fee quantum.

The aggregate amount of remuneration paid to the Directors for FYE2024 is set out below:

	Executive Director	**Non-Executive Directors**				
	Dato' Roslan Bin Hamir	**Datuk Bazlan Bin Osman**	**Rosely Bin Kusip**	**Rezal Zain Bin Abdul Rashid**	**Dr. Roshayati Binti Basir**	**Nik Feizal Haidi Bin Hanafi**
Company	**RM**	**RM**	**RM**	**RM**	**RM**	**RM**
Directors' Fees	-	90,000	60,000	60,000	50,000	65,000
Meeting Allowance	-	16,000	28,000	42,000	14,000	28,000
Salaries	287,856	-	-	-	-	-
Bonus	209,605	-	-	-	-	-
Benefits-in-Kind	62,089	23,466	36,632	30,743	2,950	19,699
Others	95,691	-	-	-	-	-
TOTAL	**655,241**	**129,466**	**124,632**	**132,743**	**66,950**	**112,699**

	Executive Director	Non-Executive Directors				
	Dato' Roslan Bin Hamir	**Datuk Bazlan Bin Osman**	**Rosely Bin Kusip**	**Rezal Zain Bin Abdul Rashid**	**Dr. Roshayati Binti Basir**	**Nik Feizal Haidi Bin Hanafi**
Subsidiaries	**RM**	**RM**	**RM**	**RM**	**RM**	**RM**
Directors' Fees	-	-	-	30,000	-	12,000
Meeting Allowance	-	-	-	5,000	-	3,000
Salaries	287,856	-	-	-	-	-
Bonus	209,604	-	-	-	-	-
Benefits-in-Kind	24,875	-	-	-	-	-
Others	95,680	-	-	-	-	-
TOTAL	**618,015**	**-**	**-**	**35,000**	**-**	**15,000**

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 2025, respectively.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

Internal Controls and Risk Management

In accordance with its TOR, the ARC's primary responsibilities is to assist the Board in monitoring the Group's management of its financial risk processes, accounting and financial reporting practices, as well as the activities of the Group's external auditors. The ARC is also to ensure the effectiveness of the Group's risk management standards and internal controls as well as oversee sustainability reports, related party transactions and conflicts of interest situations.

The ARC's performance for FYE2024 was evaluated as part of the overall BEE. The Board is satisfied that the ARC has discharged its duties responsibly and effectively in accordance with its TOR.

Information about the ARC, including its work in FYE2024 are set out in the Audit and Risk Committee Report. The Group's risk governance structure and risk management approaches are discussed in the SORMIC section of this Annual Report.

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 with its shareholders and various stakeholders are transparent, accurate and timely. The Company has in place a Corporate Disclosure Policy which defines how and when information should be given and by whom it is given.

It 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.

II. Website

The Company's website www.fimacorp.com forms part of the Company's communication medium with shareholders and the wider investment community. It provides a brief description of the Group's history, current operations and strategy, as well as an archive of news and historical financial information on the Group.

III. General Meetings

The Board views the Company's general meetings as a valuable opportunity for shareholders to exchange views and engage in active and meaningful dialogue with the Board.

The Company's 48th AGM was held virtually on 29 August 2023 via a secure digital platform which live streamed and used Remote Participation and Voting ("RPEV") facilities, in accordance with the Guidance and FAQs on the conduct of General Meetings for Listed Issuers issued by the Securities Commission.

All 6 members of the Board including the Chairman were physically present and in attendance at the designated broadcast venue alongside the Company Secretaries, external auditors and senior management.

The 48th AGM was attended by 282 shareholders through live streaming and online remote voting via the RPEV platform. The remote poll voting results were scrutinised and validated by an independent scrutineer and made available immediately for the benefit of all shareholders, following the broadcast.

During the 48th AGM, the Managing Director gave a presentation to shareholders on various topics, including the Group's FYE2023 financial and business performance, sustainability progress, as well as the Group's performance outlook and priorities for FY2024. All the questions raised by shareholders prior to and during the meetings, as well as the Group's responses, were shared with shareholders during the virtual AGM ("Q&As"). Subsequent to the 48th AGM, these Q&As were uploaded onto the Company's website.

This Corporate Governance Overview Statement was approved by the Board of Directors on 25 June 2024.

Financial Calendar

FINANCIAL YEAR

1 April 2023 to 31 March 2024

ANNUAL REPORT

Issued 31 July 2024

ANNUAL GENERAL MEETING

To be held 29 August 2024

RESULT

First Quarter Announced	Second Quarter Announced	Third Quarter Announced	Fourth Quarter Announced
21 August 2023	22 November 2023	21 February 2024	21 May 2024

DIVIDENDS

	Announced	Entitlement Date	Payment Date
INTERIM DIVIDEND	22 November 2023	13 December 2023	29 December 2023
SECOND INTERIM DIVIDEND	21 May 2024	19 July 2024	2 August 2024

Audit and Risk **Committee Report**

The Audit and Risk Committee ("ARC") was established to assist the Board in overseeing the accounting, financial reporting, internal control and risk management processes as well as the Company's practices and policies on corporate responsibility and sustainability.

Composition

The ARC is chaired by an Independent Non-Executive Director and comprises of 3 members, with the majority of whom are Independent Directors. The composition of the ARC fulfills the requirements of paragraph 15.09 of the Bursa Listing Requirements. The members of the ARC as at the date of this Report are:

Members	Designation/Membership
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 does not comprise former partners or directors of the Company's existing auditing firm. Each member of the ARC brings an appropriate mix of extensive financial and commercial experience, combined with an understanding of the Group's business.

Roles and Responsibilities

In performing its duties and discharging its responsibilities, the ARC is guided by its own Terms of Reference ("ARC TOR"). The ARC TOR is reviewed annually taking into account relevant regulatory changes and recommended best practices. The ARC TOR is available on the Company's website at www.fimacorp.com under 'Investors' section.

The ARC's key roles and focus areas include:

- 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.

Meetings

The ARC's meetings are generally scheduled in line with the Group's financial reporting calendar. During the FYE2024, the ARC met 5 times with all members in attendance at all meetings.

Members	Number of meetings attended
Nik Feizal Haidi Bin Hanafi	5/5
Rosely Bin Kusip	5/5
Rezal Zain Bin Abdul Rashid	5/5

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.

Quarterly	Half-yearly	Annually
• Unaudited quarterly financial results and announcement. • ARC minutes of meetings and matters arising. • Risk Steering Committee minutes of meetings. • Group Internal Audit Report. • Sustainability Report. • Recurrent related party transactions.	• Private sessions with the external auditors. • Private sessions with Group Internal Audit. • Annual internal audit plan. • Enterprise Risk Management and Risk Appetite Statement. • Review of Conflict of Interest.	• External audit plan. • External audit results/status. • Audited financial statements. • Assessment of internal and external auditors. • Audit and Risk Committee Report, Statement on Risk Management and Internal Control and Circular to Shareholders. • Appointment/re-appointment of external auditors. • ARC TOR and Risk Steering Committee's Terms of Reference.

The Managing Director, Chief Financial Officer and Head of Group Internal Audit ("GIA") or relevant members of the management, upon invitation by the ARC, attend the meetings to facilitate the discussion, as well as to provide explanation on the Group's performance and financial results, reports on the activities of the internal audit, risk management and internal controls, related party transactions, material litigation and whistleblowing as well as other matters within the ARC TOR. The external auditors are also invited to present their key audit findings/matters, audit plan and other relevant matters.

The ARC holds private meetings with the external auditors and GIA at least once annually. In FYE2024, the ARC met with the external auditors on 23 June 2023 and 22 November 2023, and with GIA on 19 May 2023 and 21 August 2023. Rezal Zain Bin Abdul Rashid, a member of the ARC, also serves as Chairman of the Risk Steering Committee and Group Sustainability Committee. Dato' Roslan Bin Hamir is also a member of both committees. These Directors would update and advise the ARC from time to time on the work undertaken by each committee, facilitating efficient communication between the committees.

The Company Secretaries act as the secretaries of the Committee, who is in attendance at all meetings and records the proceedings of the meetings. The ARC has access to any form of independent professional advice and the services of the Company Secretaries as and when required. All ARC meeting minutes, including meeting papers and matters deliberated by the ARC in the discharge of its functions are properly documented. 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.

During FYE2024, the ARC members attended various training programmes to keep them abreast of new developments pertaining to legislation, regulations and 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 Report.

The particulars in relation to the audit and non-audit fees incurred by the Company and its subsidiaries in FYE2024 are as follows:

	Audit Fees (RM'000)		Non-Audit Fees (RM'000)	
	2024	**2023**	**2024**	**2023**
Company	119	114	12	12
Subsidiaries	333	309	29	28
TOTAL	**452**	**423**	**41**	**40**

Summary of Activities of the ARC in FYE2024

Governance roles and responsibilities fulfilled and outcomes	Summary of activities
	Financial Reporting • Recommended for Board approval the Directors' Report and Audited Financial Statements for FYE2023. • Reviewed and ensured that the financial statements are in compliance to the MFRS, IFRS and Companies Act, 2016. • Reviewed the solvency and liquidity status of the Group and Company. • Reviewed trade receivables and any impairments made. • Reviewed the quarterly financial results for announcement to Bursa Malaysia before recommending for the Board's approval. • Reviewed the recurrent related party transactions/related party transactions including amount due and owing by the related party. • Reviewed share buy-back transactions.
	Risk Management and Material Litigation • Considered the Group's Enterprise Risk Management Report biannually with particular attention on the Group's top key risks, risk parameters and the mitigating measures. • Reviewed new and emerging risks. • Received updates on material litigation and industrial relation/accidents cases and whistleblowing complaints received through the whistleblowing channels.
	Internal Audit • Considered GIA's Audit Plan for financial year 2025 including GIA key result areas/performance measures, budget and adequacy of resources and competencies of GIA's staff to execute the audit plan. • Reviewed GIA reports including investigations and special assignments, main observations made by GIA, and the management's responses. • Monitored the implementation of the recommendations made by GIA or management. • Private sessions with GIA without management presence to discuss key issues within their audit of interest. • Annual assessment of the effectiveness of GIA's performance.
	External Audit • Considered Messrs. Ernst & Young PLT's ("EY PLT") Audit Plan which outlined the audit strategy and approach for FYE2024. • Considered EY PLT's fees and non-audit services before recommending to the Board for approval. • Reviewed significant audit and accounting issues that arose during the course of the audit and their resolution. • Reviewed key audit matters, which involved estimation and material judgement regarding the assumptions taken and the estimates made, accounting policies and audit judgements. • Considered the recommendations made by EY PLT in their management letters and the adequacy of management's response. • Reviewed the outcome of the annual assessment of EY PLT's performance for the year. • Recommended for Board approval EY PLT's re-appointment as the Company's auditors and for the same to be put forward for shareholders' approval at the 48th AGM. • Private sessions with EY PLT to discuss any issues of concern.

Governance roles and responsibilities fulfilled and outcomes	Summary of activities
	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. • Annual review of the Terms of Reference of ARC and Risk Steering Committee. • Reviewed the Audit and Risk Committee Report together with the Statement on Risk Management and Internal Control, prior to submission to the Board for approval. • Recommended for Board approval the Circular to Shareholders in relation to the proposed renewal of shareholders' mandate for RRPT and shares buy-back. • Considered the Group's ESG/sustainability performance on a quarterly basis. • Considered the results of the Malaysian Sustainability Palm Oil annual surveillance audit and the key observations therefrom. • Reviewed the Conflict of Interest situations (actual or potential) within the Group, excluding related party transactions.

LEGEND

Governance roles and responsibilities
- Steers and sets strategic direction
- Oversees and monitors
- Approves policy and planning
- Ensures accountability

Outcomes
- Ethical culture
- Effective control
- Good performance

Evaluation of the Audit and Risk Committee

For the FYE2024, the annual assessment and evaluation of the performance of the ARC was conducted in-house by the Company Secretaries. An overview of the evaluation process and questionnaires can be found under Corporate Governance Overview Statement section of this Annual Report.

Based on the results of the exercise, the Board is satisfied that the ARC has discharged its duties responsibly and effectively in accordance with the ARC TOR.

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 the 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 FYE2024, 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.

Statement on Risk Management **and Internal Control**

This Statement on Risk Management and Internal Control is made in compliance with the Bursa Listing Requirements and is guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers. The following statement outlines the nature and scope of risk management and internal controls within FimaCorp Group during the FYE2024.

Accountability of the Board

The Board is responsible for establishing and maintaining a sound risk management and internal control framework with the objective of safeguarding the shareholders' interest and the Group's assets.

The Board is supported by the Audit and Risk Committee ("ARC") in fulfilling its responsibility of overseeing the Group's risk management and internal control systems. The ARC, with the support of the Risk Steering Committee ("RSC"), oversees the Group's risk management framework and ensures that appropriate measures are implemented by management to provide the desired level of assurance to the Board. Group Internal Audit ("GIA") assists the ARC by providing assurance on the adequacy and effectiveness of the risk management and internal control systems. This structure ensures a robust system of checks and balances to mitigate risks and safeguard the interests of stakeholders.

The Board retains ultimate responsibility for the governance of risk management and internal control, and all the actions of the ARC and RSC with regards to the execution of the delegated oversight responsibilities.

Audit and Risk Committee

The ARC shall carry out the following duties in regard to the Group's risk management and internal control:

- oversee, agree and recommend for Board approval a risk management framework consistent with the agreed Company's risk appetite and profile parameters.
- oversee the establishment of processes and procedures for the monitoring and evaluation of the Company's risk management and internal control systems.
- assess the adequacy and effectiveness of the Group's financial and non-financial internal control and risk management activities in relation to the organisation's risk appetite.

Audit and Risk Committee (cont'd.)

- receive and discuss periodic enterprise risk management reports or any other matters which the RSC refers to the ARC.
- to consider major investigation findings on risk management, whistleblowing and/or internal control matters as delegated by the Board or on its own initiative and management's response to these findings.

Risk Steering Committee

The RSC assist the ARC in fulfilling its responsibilities for review and oversight of the Group's risk management and internal control framework:

- oversee the enterprise risk management and internal control framework and policies and annual risk management plan of FimaCorp and its subsidiaries. In doing this, the RSC is to identify the Group's level of risk tolerance and to actively identify, assess and monitor key business risks of the Group including risk treatment/mitigation action plans for the business unit and control of key business risks.
- review and discuss with management, and consult with the ARC, where applicable, regarding the Group's risk governance structure, risk assessment and ERM practices and guidelines, policies and processes.
- deliver reports on risk management and risk assessment to the ARC or to the Board.
- review and discuss with divisions the risks, risk strategies and monitoring.
- review and discuss with management the Group's sustainability and safety programmes and implementation thereof.
- report to the ARC on the risk topics as the RSC deems appropriate from time to time.
- report on the Group's safety, environmental, social and governance responsibility.

The roles and responsibilities of the ARC and RSC are set out in their written Terms of Reference which are accessible on the Company's website.

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 include the following:

- **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 add value to and improve the Group's business operations.

- **Heads of Divisions' ("HOD") meetings**, which are held by the ultimate holding company, Kumpulan Fima Berhad ("KFima") and chaired by the Group Managing Director, are held 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 on any significant matters that require the Board's immediate attention.

- the **Managing Director actively participates** and is involved in the day-to-day running of the major businesses and regular discussions with the senior management.

- 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.

- the periodic review of **procurement limits of authority, investment and other standard operating procedures** to ensure a robust framework of authority and accountability. This process streamlines decision-making within the organisation, promoting well-informed and timely corporate decision-making at the appropriate levels in the organisation's hierarchy.

- the **compliance function**, consisting of the ARC and internal audit function, supports the Board to oversee the management of risks and maintain a robust control environment. The ARC reviews GIA's reports and conducts annual assessments on the adequacy of GIA's scope of work.

- an **escalation policy** setting out the pathways to be followed when dealing with incidents, allegations and/or discoveries, which have resulted or are likely to result in risk of harm, loss or damage to people, property, environment or reputation.

- 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.

- the review and award of **major contracts** which exceed the limits delegated to the tender committee or subsidiary Boards are undertaken by the Board.

- a major procurements and/or proposals must **include comprehensive assessments of risk, financial and ESG considerations.**

- **strict procurement processes and reporting procedures** are in place to address conflict of interest situations, disposal of scraps and sludge oils as well as issuance of credit notes.

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

Internal Audit Function

The Group's internal audit function is undertaken by GIA of KFima. Empowered by its audit charter, GIA provides independent assurance on the efficiency and effectiveness of the Group's governance, risk management and internal controls processes. GIA's role includes evaluating and improving the design and effectiveness of the Group's risk management, control, and governance processes through a systematic and disciplined approach. GIA follows the standards and practices outlined in the International Professional Practices Framework issued by the Institute of Internal Auditors.

GIA reports directly to the ARC to preserve its independence and objectivity. Administratively, GIA reports to the Managing Director which provides the necessary stature to fulfil its responsibilities.

The annual audit plan, which includes the scope of works and resource allocation, is approved by the ARC. The audit plan is developed primarily using a risk-based approach taking into account input and feedback from management and the ARC.

Statement on Risk Management and Internal Control

GIA reports to the ARC and communicates audit observations to management. GIA also monitors the progress of actions taken by the operating units in response to audit findings. GIA conducts independent reviews of the key activities within the Group's operating units to assess their compliance, effectiveness and efficiency.

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:

1. 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.

2. the extent of compliance with established policies, procedures and statutory requirements.

3. adequacy of policies, procedures and guidelines on the Company and Group's accounting, financial and operational activities.

Summary of key activities carried out by GIA during FYE2024 are as follows:

- prepared and presented the annual audit plan for the review and approval by the ARC.

- conducted risk-based audits and issued internal reports to management. These reports identified issues related to risk management, control, compliance, and governance. GIA also provided recommendations for improvement in these areas. The specific actions to be taken by management will be determined through discussions with them.

- reported on a quarterly basis to the ARC the achievement of the audit plan, training and development of the GIA staff and status of resources of the GIA function.

- conducted regular follow-up and monitored the implementation of any corrective actions are taken on a timely basis or within agreed timelines.

- conducted labour practices and human rights audits on subsidiary companies to ensure compliance with regulations and recommend remedial/improvement actions.

- coordinated and facilitated the review of the Group's risk management framework together with the Risk Coordinator, and attended meetings of the RSC.

- reviewed the accuracy of the monthly ESG data submitted by the business units to the Head Office and provided assurance on the data published in the annual Sustainability Report.

- performed risk-based audits based on the approved annual audit plan, including follow-up of matters from previous internal audit reports.

- reported on a quarterly basis to the ARC on significant risk management, control and governance issues from the internal audit reports.

- 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.

- conducted quarterly reviews on the internal control process and reporting of recurrent related party transactions to provide assurance to the ARC that its implementation in compliance with the Bursa Listing Requirements.

- 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 in Malaysia.

- conducted on-site training for the estates' data entry staff to improve their proficiency in operating the plantation division's management information system.

During FYE2024, GIA issued a total of 19 reports arising from planned audits. Audit findings were presented to the ARC for deliberation. In cases where weaknesses were identified, the ARC will request management to rectify them based on recommendations provided by GIA.

The total costs incurred in discharging the internal audit functions during FYE2024 was RM204,307.62 compared to FYE2023 of RM196,995.28. This amount mainly comprised of staff costs, training and travelling expenses. Further information on GIA is provided in the Corporate Governance Report.

Statement on Risk Management and Internal Control

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 standard, 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.

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 loss or fraud.

Risk Appetite Statement

The Risk Appetite Statement outlines the Group's predefined boundaries for risk-taking and serves as a guideline to demonstrate the organisation's risk tolerance levels. Any significant breach of these 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 formulated at Group level and cascaded down to divisions, departments and operating unit levels through policies, procedures, practices and decision making. The monitoring of risk appetite occurs within the risk management framework and is supported through periodic risk assessments by the RSC, with reporting to the Board through 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 is designed to reinforce and facilitate ownership, accountability, and proactive risk mitigation. The structure enables timely reporting and escalation of risks, facilitating effective risk management practices across the Group.

Statement on Risk Management and Internal Control

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

Risk Ownership

- 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 encounter 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

Risk Management

- The RMU is the second line of defence that oversees risk and monitors the first line of defence controls. Comprising executives/management of the respective business units, the RMU is responsible for monitoring and measuring operational risks, particularly critical and highly rated residual risks, to determine if the processes and systems implemented by the first line of defence 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

Risk Assurance

- 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 overseeing the implementation of the Group's risk management framework. It serves as a central platform for coordinating and driving the risk management efforts across the Group. The RSC is responsible for monitoring and assessing significant risks, ensuring appropriate risk mitigation measures are in place, and providing guidance on risk-related matters. By actively engaging with management and divisional heads, the RSC helps anticipate and manage risks, considering changes in the business and regulatory environment and aligning with the Group's strategies.

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 its related controls, and that action plans are developed and implemented to manage the risks within the acceptable levels 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 and facilitating and supervising the development and implementation of policy, procedures and strategies relating to ERM.

The Group has a Group Risk Management Unit ("GRMU") which is headed by the Chief Financial Officer. The GRMU will be responsible for monitoring and reporting on the effectiveness of risk mitigation measures, as well as providing recommendations for improvement. The GRMU will be supported by a Risk Officer who will interact and communicate with the RMU, and facilitates the implementation of risk management strategies to enhance operational resilience and minimise exposure to risks.

Statement on Risk Management and Internal Control

Prepare 1

RMU prepares the Risk Register indicating the current condition of each risk and plan

Compile 2

Risk Coordinator compiles all Risk Registers

Review 3

RMU reviews their Risk Registers quarterly

Update 4

Risk Registers are updated based on the latest risk information

Monitor 5

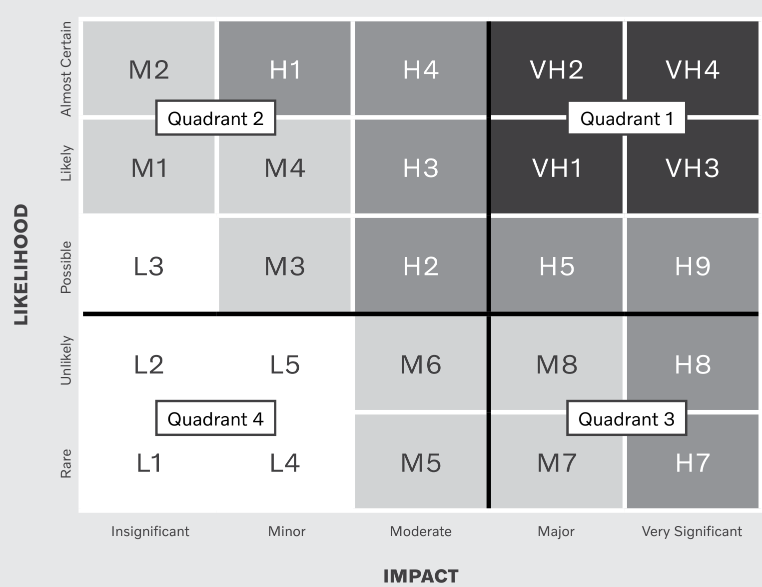
RMU monitors and reports risk information

During the FYE2024, the RSC held 2 meetings on 10 May 2023 and 9 November 2023. The meetings discussed among others, the progress of ERM activities initiatives undertaken by the RMU, updating of risk profiles, as evolving circumstances has resulted in some risks increasing/decreasing in significance and the consequential adjustments in risk mitigation measures and residual risk ratings.

The ERM Report is presented to the ARC and Board biannually. This allows the Board to keep abreast and updated on the major risks within the Group. In FYE2024, the ERM Report was presented to the Board on 19 May 2023 and 22 November 2023 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 Group employs a two-variable risk matrix to analyse potential risks. This matrix considers the likelihood of an event occurring and its potential impact on the business. During the identification and evaluation phase, risks are assessed based on these criteria and then plotted on the risk matrix, which helps prioritise them for further action. The matrix provides a combined rating that establishes the overall risk level. Issues may be categorised as 'Insignificant', 'Minor', 'Moderate', 'Major' or 'Very Significant'. Each business unit shall refer to their respective ERM profiles and risk matrix in assessing which risk category a particular incident/event is likely to result in risk to and/or risk of harm, loss or damage to people, property, environment or reputation. Importantly, the process acknowledges that even after implementing controls, some level of risk (residual risk) remains. The effectiveness of existing controls is assessed to determine the residual risk rating.



Quadrant	Proposed Treatment Action
1	Critical/To Take Action Immediately
2	Additional Controls & Monitoring
3	Contingency Plan/Monitoring
4	Housekeeping

Statement on Risk Management and Internal Control

Risks are primarily managed at the business unit level on an ongoing basis, ensuring a focus on unit-specific risks. GIA, GRMU and assigned risk champions provide ongoing support and guidance throughout the year. The Group maintains a risk register that contains a comprehensive list of risks critical to the Group. This register also includes corresponding risk mitigation and key risk indicators that help monitor status of these risks. The key risk indicators are reviewed and updated quarterly, at both the business unit and Group levels, allowing management to track the movement of risks and respond promptly with the appropriate measures. This review employs both top-down (corporate perspective) and bottom-up (business unit perspective) approaches, ensuring consensus and thorough consideration and prioritisation of risks across the organisation.

The summary of the Group's key risk areas as at 31 March 2024 and mitigating actions are detailed in the later section of this Report.

Monitoring and Review

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

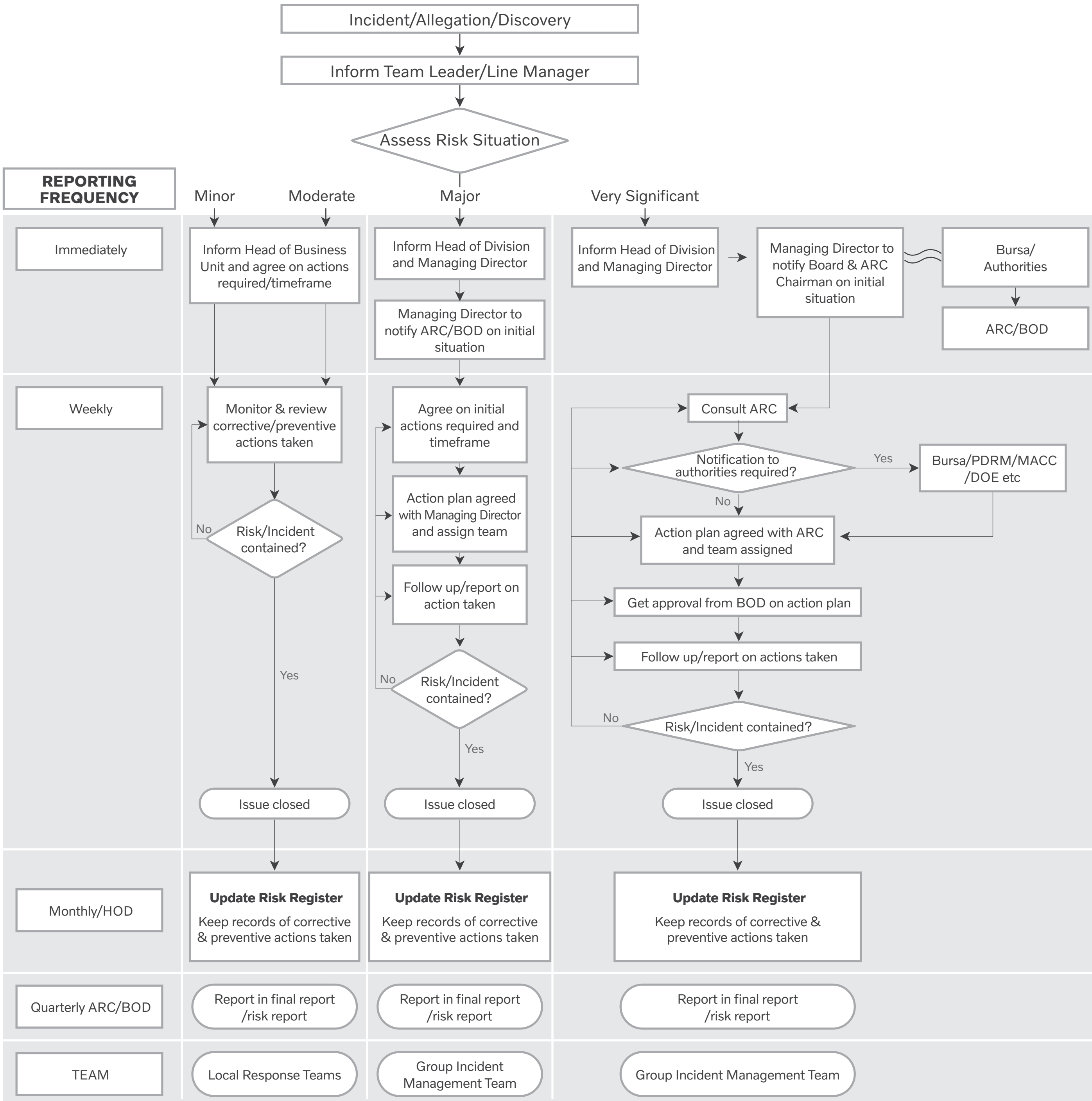
The risk management process facilitates clear and concise risk reporting to management and the Board. This enables informed decision-making based on a comprehensive understanding of potential risks. The ARC and the Board receive regular updates on risk management activities through the following monitoring 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;
- 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; and
- 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.

Incident Management

The Group has in place a tiered enterprise incident response structure to ensure a swift, coordinated, and effective response to any disruptive event and/or unexpected occurrences that could impact our business operations. This standardise approach applies to all our operations and outlines clear procedures for internal response, escalation protocols, and external communication when necessary.

Each incident is categorised based on severity - Minor, Moderate, Major and Very Significant. This categorisation considers factors outlined in each business unit's ERM profile and corresponding risk matrix. The response pathways are depicted in the flowchart below:



Review of Key Risk Areas

During the period under review, we have reviewed our key risk areas as at 31 March 2024 and the mitigating actions as set out below:

Key Risk Areas	Our Risk Appetite	Change Reporting/Causes as at 31 March 2024	Mitigation Actions as at 31 March 2024	Connection	
				Material Matters	Stakeholders
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.	**Unchanged** 2023 2024 1. Government policies of the originating country have an impact on the recruitment of their workers 2. Regulatory issues on land matters in Indonesia **Exposure:**	1. Upskilling and reskilling estate workers, which in turn can help increase their wage-earning potential 2. Consultation with legal advisers on land matters in Indonesia 3. Accelerating mechanisation initiatives	• Code of Ethics & Governance • Community Investments	a. Investors b. Communities c. Suppliers d. Employees e. Shareholders
Technology Disruption Risk	FimaCorp seeks 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.	**Heightened Risk** 2023 2024 1. Government's digitalisation initiatives on core services (road tax and licence) 2. Preference to Internet of Things including adoption of paperless practices **Exposure:**	1. Shifting focus on new business opportunities 2. Continuous exploring of synergistic opportunities and ongoing engagements with technological partners	• Innovation & Technology Excellence	a. Investors b. Communities c. Suppliers d. Employees e. National & Local Governments f. Strategic Technological Partners

Legends:

New Low Medium High Very High Increasing risk Unchanged Decreasing risk Plantation Manufacturing

Statement on Risk Management and Internal Control

Key Risk Areas	Our Risk Appetite	Change Reporting/Causes as at 31 March 2024	Mitigation Actions as at 31 March 2024	Connection	
				Material Matters	Stakeholders
Customer Concentration Risk	FimaCorp seeks to minimise exposures by expanding its customer base.	**Heightened Risk** 2023 2024 **Exposure:**	1. Securing new businesses 2. Go to market with Strategic Technological Partners 3. Continuous engagement with key Government agencies	• Code of Ethics & Governance • Innovation & Technology Excellence • Product Quality and Safety	a. Investors b. Shareholders c. Suppliers d. Employees e. Strategic Technological Partners f. Customers
Competitor Risk	FimaCorp seeks to minimise exposures by developing innovative solutions for its customers.	**Unchanged** 2023 2024 **Exposure:**	Go to market with Strategic Technological Partners	• Code of Ethics & Governance • Innovation & Technology Excellence • Product Quality and Safety	a. Investors b. Shareholders c. Suppliers d. Employees e. Strategic Technological Partners f. Customers
Integrity	FimaCorp does not tolerate any breach of its Code of Ethics and Conduct and has zero-tolerance for bribery and corruption.	**Unchanged** 2023 2024 **Exposure:**	1. Annual Integrity Declaration completed by all employees 2. Integrity Pledge completed by all business associates 3. Escalation Policy for the reporting and escalation of incidents, allegations etc implemented 4. Whistle-Blowing Policy	• Anti-Bribery & Corruption • Code of Ethics & Governance	a. Employees b. Shareholders & Investors c. Customers d. Communities e. Memberships & Association f. Suppliers g. National & Local Governments

Legends:

New Low Medium High Very High Increasing risk Unchanged Decreasing risk Plantation Manufacturing

Statement on Risk Management and Internal Control

Key Risk Areas	Our Risk Appetite	Change Reporting/Causes as at 31 March 2024	Mitigation Actions as at 31 March 2024	Connection	
				Material Matters	Stakeholders
Supply Chain Management Risk	FimaCorp seeks to minimise the effects of price increases or delays in deliveries of goods and services by recovering the incremental costs through price adjustments over a period of time/ during contract review.	**Unchanged** 2023 2024 Deliveries of materials have significantly improved and all outstanding deliveries completed **Exposure:**	1. Alternative domestic supplier 2. Stock pile for raw and packaging materials	• Sustainable & Traceable Supply Chains	a. Customers b. Competitors c. Suppliers d. Employees
Skilled Workforce	FimaCorp seeks to minimise exposures by continuously attracting and retaining talent.	**Unchanged** 2023 2024 Recruitment of foreign labour from alternative country such as Bangladesh **Exposure:**	1. Upskilling and reskilling estate workers, which in turn can help increase their wage-earning potential 2. Review of remuneration rewards and benefits	• Occupational Safety & Health and Well-being • Code of Ethics & Governance • Community Investments	a. Employees b. Customers c. Communities d. Memberships & Association e. Suppliers

Legends:

New Low Medium High Very High Increasing risk Unchanged Decreasing risk Plantation Manufacturing

Emerging Risks

Some emerging risks and foreseeable challenges that the Group has identified during the year and is monitoring closely include interest rate hikes, disruptions caused by emerging digital technologies and business models, increase in operating/production costs, competition risk as well as delays in plantation development activities due to adverse weather/terrains.

Anti-bribery

In order to strengthen the Group's internal control system, particularly in relation to corporate liability risk, the Group has in place 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. A number of other Group policies also address bribery, conflict of interest and corruption risks in areas such as procurement, gifts and hospitality, and charitable donations. Training sessions, including e-learning refresher training and on-site workshops, are regularly conducted to educate employees on anti-bribery practices. Notably, staff members working in procurement, sales and operational functions are required to attend anti-bribery training on an annual basis as they are more likely to encounter bribery risks in their day-to-day activities.

Whistle-Blowing Policy

The Group's Whistle-blowing Policy 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 Chairman of the 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")*

Statement on Risk Management and Internal Control

The above mechanism protects employees and stakeholders who contemplates 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.

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 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, shareholders' investments and the interests of other stakeholders. The Board has received assurance from the Managing Director and the Chief Financial Officer that the Group's risk management and internal control systems have been 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 under the control of the associates.

Review of the Statement by External Auditors

The External Auditors have performed limited assurance procedures on this Statement on Risk Management and Internal Control pursuant to the scope set out in Audit and Assurance Practice Guide ("AAPG") 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants for inclusion in the Annual Report of the Group for FYE2024, and reported to the Board that nothing has come to their attention that causes them to believe the statement intended to be included in the Annual Report is not prepared, in all material respects, in accordance with the disclosures required by paragraph 41 and 42 of the Guidelines, nor is the Statement factually inaccurate.

AAPG 3 does not require the External Auditors to consider whether the Directors' Statement on Risk Management and Internal Control covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system including the assessment and opinion by the Directors and management thereon.

This Statement has been reviewed and approved by the Board of Directors on 25 June 2024.

NIK FEIZAL HAIDI BIN HANAFI
Chairman of Audit and Risk Committee

Additional **Disclosure**

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

RRPT of the Company for the FYE2024 was as follows:

Buyer/ Recipient	Seller/ Provider	Nature of RRPT	Related Parties	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	Muhammad Ramli (3) Asmi Andi Yakin (4)	11,000	9,095

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 Responsibility **by the Board of Directors**

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 results of the Company and the Group for the year then ended.

The Directors consider that in the preparation of the financial statements, the Group and the Company have used the appropriate accounting policies which are consistently applied and supported by reasonable and prudent judgments and estimates. The Directors are satisfied that the information contained in the financial statements gives a true and fair view of the financial position of the Group and of the Company at the end of the financial year and the financial performance of the Group and the Company for the financial year then ended.

The Directors have the responsibility for ensuring that the Company and the Group keep 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 other irregularities.

This Statement is made in accordance with the resolution of the Board dated 25 June 2024.

FINANCIAL STATEMENTS

Directors' **Report**

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 2024.

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 plantation, 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	25,955	31,523
Profit attributable to:		
- Equity holders of the Company	19,804	31,523
- Non-controlling interests	6,151	-
	25,955	31,523

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 2023 were as follows:

	RM'000
In respect of the financial year ended 31 March 2023 as reported in the directors' report for that year:	
Single-tier second interim dividend of 7.5 sen, paid on 4 August 2023	17,784
In respect of the financial year ended 31 March 2024:	
Single-tier first interim dividend of 5.0 sen, paid on 29 December 2023	11,855
	29,639

DIVIDENDS (CONT'D.)

Subsequent to the financial year end, on 21 May 2024, the directors declared a single-tier second interim dividend of 7.5 sen in respect of the current financial year ended 31 March 2024 on 237,113,530 shares, amounting to a total of RM17,784,000 payable on 2 August 2024.

The financial statements for the current financial year ended 31 March 2024 do not reflect this dividend. This dividend 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 2025.

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 *	

* Directors of the Company and subsidiaries

In accordance with Article 108 of the Company's Constitution, Dato' Roslan bin Hamir and Encik Rosely bin Kusip 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	
Irman bin Abdul Shukor	
Muhammad Fadzlilah bin Abdul Ra'far	
Hamka bin Usman	
Abdul Khudus bin Mohd Naaim	(Resigned on 31 December 2023)
Ab Aziz bin Yunus	(Resigned on 9 January 2024)
Dato' Sr. Hj Zamri bin Hj Ismail	(Appointed on 9 January 2024)
Mohd Mukhlis bin Mukhtar	(Appointed on 9 January 2024)

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	1,890	1,222

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 RM18,000.

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 2023	**Bought**	**Sold**	**31 March 2024**
The Company				
Direct interest				
Datuk Bazlan bin Osman	10,000	-	-	10,000
Dr. Roshayati binti Basir	175,600	-	-	175,600
Indirect interest				
Dato' Roslan bin Hamir [1]	601,800	-	-	601,800
Dr. Roshayati binti Basir [2][3][4][5]	150,413,658	-	-	150,413,658

DIRECTORS' INTERESTS (CONT'D.)

	Number of ordinary shares			
	1 April 2023	**Bought**	**Sold**	**31 March 2024**
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	50,020,700	63,400	-	50,084,100
Indirect interest				
Dato' Roslan bin Hamir (1)	1,291,000	-	-	1,291,000
Dr. Roshayati binti Basir (6)	121,036,000	176,700	-	121,212,700
BHR Enterprise Sdn. Bhd.				
- Corporate shareholder				
Direct interest				
Dr. Roshayati binti Basir	19,060,163	-	-	19,060,163
Indirect interest				
Dr. Roshayati binti Basir (7)	38,120,326	-	-	38,120,326

	Number of preference shares			
	1 April 2023	**Bought**	**Sold**	**31 March 2024**
BHR Enterprise Sdn. Bhd.				
- Corporate shareholder				
Indirect interest				
Dr. Roshayati binti Basir (8)	4	-	-	4

DIRECTORS' INTERESTS (CONT'D.)

	Number of ordinary shares			
	1 April 2023	**Bought**	**Sold**	**31 March 2024**
Nationwide Express Holdings Berhad - Related company				
Direct interest				
Dr. Roshayati binti Basir	27,354,100	-	-	27,354,100
Indirect interest				
Dr. Roshayati binti Basir [9]	42,761,870	-	-	42,761,870

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) Her sister-in-law, Zailini binti Zainal Abidin Abidin's indirect shareholding of 30,000 ordinary shares (or 0.01%) in the Company which is held under M & A Nominee (Tempatan) Sdn. Bhd..

(5) 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").

(6) 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.

(7) 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.

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

DIRECTORS' INTERESTS (CONT'D.)

Deemed interested by virtue of the following: (cont'd.)

(9) Dr. Roshayati binti Basir is deemed interested in Nationwide Express Holdings 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 44,000 of its issued ordinary shares.

As at 31 March 2024, the Company held as treasury shares a total of 8,210,800 of its 245,324,330 issued ordinary shares. Such treasury shares are held at a carrying amount of approximately RM11,375,000. 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.

OTHER STATUTORY INFORMATION (CONT'D.)

(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.

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	314	119
Other member firm of Ernst & Young Global	138	-
	452	119

No payment has been made to indemnify Ernst & Young PLT during or since the financial year end.

Signed on behalf of the Board in accordance with a resolution of the directors dated 25 June 2024.

Datuk Bazlan bin Osman

Dato' Roslan bin Hamir

Statement by **Directors**

Pursuant 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 142 to 216 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 2024 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 25 June 2024.

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 142 to 216 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 25 June 2024.

Muhammad Fadzlilah bin Abdul Ra'far
CA 39941

Before me,

Independent Auditors' **Report**

To the members of Fima Corporation Berhad (Incorporated in Malaysia)

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 2024 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 material accounting policy information, as set out on pages 142 to 216.

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 2024 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 other 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 RM206.7 million consisting of mainly revenue from sales of oil palm products and production of security documents which amounted to approximately RM139.1 million and RM61.6 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 used data analytics to perform correlation analysis between revenue, trade receivables and cash and bank balances;

(d) 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;

(e) We reperformed testing over cash entries that settle trade receivables and inspected documents evidencing customer acceptance; and

(f) 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.

Independent Auditors' Report

To the members of Fima Corporation Berhad (Incorporated in Malaysia)

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.

Independent Auditors' Report

To the members of Fima Corporation Berhad (Incorporated in Malaysia)

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

Abdul Hadi Bin Gonawan
No. 03676/07/2024 J
Chartered Accountant

Kuala Lumpur, Malaysia
25 June 2024

Statements of **Comprehensive Income**

For the financial year ended 31 March 2024

	Note	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
Revenue	3	**206,749**	295,917	**42,734**	48,838
Cost of sales/services	4	**(121,726)**	(182,404)	**(5,402)**	(7,139)
Gross profit		**85,023**	113,513	**37,332**	41,699
Other income	5	**10,468**	8,790	**1,213**	1,292
Other items of expense					
Administrative expenses		**(34,987)**	(35,847)	**(4,301)**	(4,372)
Selling and marketing expenses		**(8,295)**	(13,471)	**(38)**	(142)
Other operating expenses		**(21,651)**	(22,747)	**(2,905)**	(2,384)
Net writeback/(charge) of expected credit losses ("ECLs")	6	**283**	(1,274)	**108**	(5)
		(64,650)	(73,339)	**(7,136)**	(6,903)
Profit from operations		**30,841**	48,964	**31,409**	36,088
Finance costs	7	**(2,699)**	(1,304)	**(2,137)**	(600)
Share of results from associate		**3,816**	3,630	**-**	-
Profit before tax and zakat	8	**31,958**	51,290	**29,272**	35,488
Income tax (expense)/credit	11	**(6,003)**	(12,284)	**2,251**	970
Zakat paid		**-**	(10)	**-**	-
Profit for the year		**25,955**	38,996	**31,523**	36,458
Other comprehensive income/(expense), net of tax					
Item that will be subsequently reclassified to profit or loss					
Foreign currency translation gain		**982**	226	**-**	-
Item that will not be subsequently reclassified to profit or loss					
Remeasurement of defined benefit liability		**(1)**	(47)	**-**	-
Total comprehensive income for the year		**26,936**	39,175	**31,523**	36,458
Profit attributable to:					
Equity holders of the Company		**19,804**	36,100	**31,523**	36,458
Non-controlling interests		**6,151**	2,896	**-**	-
Profit for the year		**25,955**	38,996	**31,523**	36,458
Total comprehensive income attributable to:					
Equity holders of the Company		**20,501**	36,243	**31,523**	36,458
Non-controlling interests		**6,435**	2,932	**-**	-
Total comprehensive income for the year		**26,936**	39,175	**31,523**	36,458
Earnings per share attributable to equity holders of the Company (sen per share)					
Basic/diluted earnings per share	13	**8.35**	15.21		

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Statements of **Financial Position**

As at 31 March 2024

	Note	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
Assets					
Non-current assets					
Property, plant and equipment	14	**134,240**	108,219	**25,673**	10,373
Right-of-use assets	15	**213,745**	217,520	**118,424**	121,136
Investment properties	16	**42,746**	43,922	**42,782**	43,944
Investments in subsidiaries	17	**-**	-	**161,349**	156,149
Investment in associate	18	**43,538**	39,722	**10,000**	10,000
Goodwill on consolidation	19	**510**	510	**-**	-
Deferred tax assets	33	**14,865**	11,856	**3,396**	1,145
		449,644	421,749	**361,624**	342,747
Current assets					
Inventories	20	**21,304**	37,662	**374**	622
Biological assets	21	**1,896**	2,902	**19**	48
Trade receivables	22	**21,957**	43,837	**204**	355
Other receivables	23	**13,110**	11,622	**1,312**	1,455
Tax recoverable		**9,656**	3,609	**281**	257
Due from related companies	24	**72**	529	**95**	196
Financial investments	25	**143,653**	128,872	**17,376**	34,023
Cash and bank balances	26	**49,413**	67,747	**1,114**	1,068
		261,061	296,780	**20,775**	38,024
Total assets		**710,705**	718,529	**382,399**	380,771
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	**(11,375)**	(11,289)	**(11,375)**	(11,289)
Other reserves	29	**(2,040)**	(2,738)	**539**	539
Retained earnings	30	**460,969**	470,805	**200,620**	198,736
		570,216	579,440	**312,446**	310,648
Non-controlling interests		**17,121**	20,825	**-**	-
Total equity		**587,337**	600,265	**312,446**	310,648

Statements of Financial Position

As at 31 March 2024

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-current liabilities					
Lease liabilities	31	**79,372**	79,108	**65,191**	65,955
Retirement benefit obligation	32	**2,162**	1,636	**-**	-
Deferred tax liabilities	33	**5,887**	5,376	**-**	-
		87,421	86,120	**65,191**	65,955
Current liabilities					
Lease liabilities	31	**2,610**	3,164	**309**	703
Trade and other payables	34	**32,741**	27,876	**3,034**	3,097
Provision for warranty	35	**497**	970	**-**	-
Due to related companies	24	**59**	51	**1,419**	368
Tax payable		**40**	83	**-**	-
		35,947	32,144	**4,762**	4,168
Total liabilities		**123,368**	118,264	**69,953**	70,123
Total equity and liabilities		**710,705**	718,529	**382,399**	380,771
Net assets per share (RM)		**2.40**	2.44	**1.32**	1.31

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 2024

			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
2024										
At 1 April 2023		**600,265**	**579,440**	**122,662**	**(11,289)**	**470,805**	**(2,738)**	**(6,988)**	**4,250**	**20,825**
Profit for the year		**25,955**	**19,804**	**-**	**-**	**19,804**	**-**	**-**	**-**	**6,151**
Remeasurement of defined benefit liability		**(1)**	**(1)**	**-**	**-**	**(1)**	**-**	**-**	**-**	**-**
Foreign currency translation gain		**982**	**698**	**-**	**-**	**-**	**698**	**698**	**-**	**284**
Total comprehensive income for the year		**26,936**	**20,501**	**-**	**-**	**19,803**	**698**	**698**	**-**	**6,435**
Transactions with equity holders										
Purchase of treasury shares	28	**(86)**	**(86)**	**-**	**(86)**	**-**	**-**	**-**	**-**	**-**
Dividends paid to equity holders	12	**(29,639)**	**(29,639)**	**-**	**-**	**(29,639)**	**-**	**-**	**-**	**-**
Dividends paid to non-controlling interests		**(10,139)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(10,139)**
Total transactions with equity holders		**(39,864)**	**(29,725)**	**-**	**(86)**	**(29,639)**	**-**	**-**	**-**	**(10,139)**
At 31 March 2024		**587,337**	**570,216**	**122,662**	**(11,375)**	**460,969**	**(2,040)**	**(6,290)**	**4,250**	**17,121**

Statements of Changes in Equity

For the financial year ended 31 March 2024

			← 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**
2023										
At 1 April 2022		601,226	579,229	122,662	(10,858)	470,344	(2,919)	(7,169)	4,250	21,997
Profit for the year		38,996	36,100	-	-	36,100	-	-	-	2,896
Remeasurement of defined benefit liability		(47)	(38)	-	-	(38)	-	-	-	(9)
Foreign currency translation gain		226	181	-	-	-	181	181	-	45
Total comprehensive income for the year		39,175	36,243	-	-	36,062	181	181	-	2,932
Transactions with equity holders										
Purchase of treasury shares	28	(431)	(431)	-	(431)	-	-	-	-	-
Dividends paid to equity holders	12	(35,601)	(35,601)	-	-	(35,601)	-	-	-	-
Dividends paid to non-controlling interests		(4,104)	-	-	-	-	-	-	-	(4,104)
Total transactions with equity holders		(40,136)	(36,032)	-	(431)	(35,601)	-	-	-	(4,104)
At 31 March 2023		600,265	579,440	122,662	(11,289)	470,805	(2,738)	(6,988)	4,250	20,825

Statements of Changes in Equity

For the financial year ended 31 March 2024

				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**
2024						
At 1 April 2023		**310,648**	**122,662**	**(11,289)**	**198,736**	**539**
Total comprehensive income for the year		**31,523**	**-**	**-**	**31,523**	**-**
Transactions with equity holders						
Purchase of treasury shares	28	**(86)**	**-**	**(86)**	**-**	**-**
Dividends paid to equity holders	12	**(29,639)**	**-**	**-**	**(29,639)**	**-**
Total transactions with equity holders		**(29,725)**	**-**	**(86)**	**(29,639)**	**-**
At 31 March 2024		**312,446**	**122,662**	**(11,375)**	**200,620**	**539**
2023						
At 1 April 2022		310,222	122,662	(10,858)	197,879	539
Total comprehensive income for the year		36,458	-	-	36,458	-
Transactions with equity holders						
Purchase of treasury shares	28	(431)	-	(431)	-	-
Dividends paid to equity holders	12	(35,601)	-	-	(35,601)	-
Total transactions with equity holders		(36,032)	-	(431)	(35,601)	-
At 31 March 2023		310,648	122,662	(11,289)	198,736	539

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Statements of **Cash Flows**

For the financial year ended 31 March 2024

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Cash flows from operating activities				
Profit before tax and zakat	**31,958**	51,290	**29,272**	35,488
Adjustments for:				
Depreciation of:				
- property, plant and equipment	**8,578**	7,658	**995**	782
- right-of-use assets	**6,678**	7,591	**2,242**	2,128
- investment properties	**1,182**	1,529	**1,188**	1,170
Property, plant and equipment written off	**1,289**	-	**-**	-
Expected credit losses ("ECLs") on:				
- trade receivables	**123**	736	**-**	5
- other receivables	**-**	1,543	**-**	-
Write back of ECLs on:				
- trade receivables	**(406)**	(567)	**(108)**	-
- other receivables	**-**	(438)	**-**	-
Changes in fair value of biological assets	**1,066**	1,247	**29**	107
Provision/(reversal of provision) for retirement benefit obligation	**936**	(32)	**-**	-
Inventories written down	**605**	3,675	**-**	-
Gain on disposal of property, plant and equipment	**(82)**	(4)	**-**	-
Net reversal of provision for warranty	**(473)**	(53)	**-**	-
Share of results of associate	**(3,816)**	(3,630)	**-**	-
Dividend income	**-**	-	**(37,100)**	(41,850)
Interest expense on lease liabilities	**2,699**	1,304	**2,137**	600
Profit income on Islamic fixed deposits	**(1,705)**	(1,269)	**(56)**	(54)
Distribution from financial investments	**(4,752)**	(3,626)	**(852)**	(986)
Unrealised foreign exchange (gain)/loss	**(24)**	44	**-**	-
Operating profit/(loss) before working capital changes	**43,856**	66,998	**(2,253)**	(2,610)
Decrease/(increase) in trade and other receivables	**20,845**	(5,645)	**402**	(281)
Decrease/(increase) in inventories	**15,937**	5,837	**248**	(595)
Increase/(decrease) in trade and other payables	**4,750**	2,800	**(63)**	1,241
Changes in balances with related company	**489**	127	**1,152**	(27)
Cash generated from/(used in) operations	**85,877**	70,117	**(514)**	(2,272)
Taxes paid, net of tax refund	**(14,502)**	(30,903)	**(24)**	(969)
Zakat paid	**-**	(10)	**-**	-
Retirement benefits paid	**(425)**	(195)	**-**	-
Net cash generated from/(used in) operating activities	**70,950**	39,009	**(538)**	(3,241)

Statements of Cash Flows

For the financial year ended 31 March 2024

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Cash flows from investing activities				
Purchase of property, plant and equipment	**(35,673)**	(17,659)	**(16,295)**	(6,631)
Purchase of investment properties	**(6)**	(2,360)	**(26)**	(325)
Proceeds from disposal of property, plant and equipment	**82**	19	**-**	-
Distribution received from financial investments	**4,752**	3,626	**852**	986
Profit income received	**1,705**	1,269	**56**	54
Net (placement)/redemption of financial investments	**(14,781)**	24,452	**16,647**	10,615
Net dividends received from subsidiaries	**-**	-	**37,100**	41,850
Subscription of redeemable preference shares	**-**	-	**(8,200)**	(9,300)
Redemption of redeemable preference shares	**-**	-	**3,000**	5,000
Net cash (used in)/generated from investing activities	**(43,921)**	9,347	**33,134**	42,249
Cash flows from financing activities				
Dividends paid to equity holders	**(29,639)**	(35,601)	**(29,639)**	(35,601)
Dividends paid by a subsidiary to non-controlling interests	**(10,139)**	(4,104)	**-**	-
Acquisition of treasury shares	**(86)**	(431)	**(86)**	(431)
Repayment of lease liabilities	**(5,890)**	(6,790)	**(2,825)**	(2,687)
Net cash used in financing activities	**(45,754)**	(46,926)	**(32,550)**	(38,719)
Net (decrease)/increase in cash and cash equivalents	**(18,725)**	1,430	**46**	289
Effect of exchange rate changes in cash and cash equivalents	**391**	215	**-**	-
Cash and cash equivalents at beginning of year	**67,747**	66,102	**1,068**	779
Cash and cash equivalents at end of year (Note 26)	**49,413**	67,747	**1,114**	1,068

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Notes to the **Financial Statements**

31 March 2024

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. MATERIAL ACCOUNTING POLICY INFORMATION

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 2023, the Group and the Company adopted the following new amendments to MFRSs mandatory for annual financial periods beginning on or after 1 January 2023.

Description	Effective for financial periods beginning on or after
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: 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 112: International Tax Reform - Pillar Two Model Rules	1 January 2023

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. MATERIAL ACCOUNTING POLICY INFORMATION (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 financial periods beginning on or after
Amendments to MFRS 16: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101: Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025
MFRS 18: Presentation and Disclosures in Financial Statements	1 January 2027
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 material accounting policy information

(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. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.4 Summary of material accounting policy information (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).

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.4 Summary of material accounting policy information (cont'd.)

(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.

(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.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.4 Summary of material accounting policy information (cont'd.)

(d) Investment in associate companies (cont'd.)

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.

(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	4%
Infrastructure	2%

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.4 Summary of material accounting policy information (cont'd.)

(e) Property, plant and equipment (cont'd.)

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.

(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.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.4 Summary of material accounting policy information (cont'd.)

(g) Investment properties (cont'd.)

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.

(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.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.4 Summary of material accounting policy information (cont'd.)

(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.

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).

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.4 Summary of material accounting policy information (cont'd.)

(j) Financial assets (cont'd.)

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 2024, the Group or the Company measure their financial investments, which comprise of money market unit trust funds, at FVTPL.

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).

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.4 Summary of material accounting policy information (cont'd.)

(j) Financial assets (cont'd.)

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.

(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.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.4 Summary of material accounting policy information (cont'd.)

(k) Impairment of financial assets (cont'd.)

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 2024, the Group and the Company have not designated any financial liabilities at FVTPL.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.4 Summary of material accounting policy information (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.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.4 Summary of material accounting policy information (cont'd.)

(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.

(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) 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.

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.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.4 Summary of material accounting policy information (cont'd.)

(q) Revenue recognition (cont'd.)

Other revenue (cont'd.)

(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.

(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.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.4 Summary of material accounting policy information (cont'd.)

(s) Foreign currencies (cont'd.)

(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.

(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 national 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 2024 by Kantor Konsultan Aktuaria Yusi dan Rekan, an independent actuary, who issued a valuation report on 7 June 2024.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.4 Summary of material accounting policy information (cont'd.)

(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.

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 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.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.4 Summary of material accounting policy information (cont'd.)

(u) Leases (cont'd.)

(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.

(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.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.4 Summary of material accounting policy information (cont'd.)

(v) Income taxes (cont'd.)

(ii) Deferred tax (cont'd.)

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.

(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.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.4 Summary of material accounting policy information (cont'd.)

(w) Fair value measurement (cont'd.)

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:

(a) 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 2024 are disclosed in Note 22 and Note 23, respectively.

(b) 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 2024 are disclosed in Note 33.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.5 Significant accounting estimates and judgements (cont'd.)

(c) Impairment of investments in subsidiaries

Determining whether investments in subsidiaries are impaired requires an estimation of the recoverable amounts of the investments.

Management exercises its judgement in estimating the recoverable amounts of these investments.

When there is an indication that the carrying amount of the investments in subsidiary companies may be impaired, their respective recoverable amount, being the higher of its fair value less costs of disposal ("FVLCD") and its value in use ("VIU"), will be determined.

Determining the recoverable amount of an asset, involves estimating the future cash inflows and outflows that will be derived from these investments and discounting them at an appropriate rate. Changes in the assumptions could affect the results of the Company's financial position and results.

The Company's investment in subsidiaries as at 31 March 2024 are disclosed in Note 17.

(d) Impairment of property, plant and equipment and right-of-use assets

At each reporting date, the Group assesses if any indication of impairment exists. If there is any indication, the Group will make an estimate of the recoverable amounts of its property, plant and equipment and right-of-use assets.

The Group carried out the impairment test based on a variety of estimation including the value in use ("VIU") of the CGU to which the property, plant and equipment and right-of-use assets are allocated. Estimating the VIU requires the Group to make an estimate of the expected future cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

The carrying amounts of property, plant and equipment and right-of-use assets of the Group are disclosed in Note 14 and Note 15, respectively.

3. REVENUE

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Revenue from contracts with customers	**202,647**	291,367	**1,814**	3,108
Rental income	**4,102**	4,550	**3,820**	3,880
Dividend income from subsidiaries	**-**	-	**37,100**	41,850
	206,749	295,917	**42,734**	48,838

(a) Disaggregation of revenue from contracts with customers:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Production and trading of security and confidential documents	**61,573**	129,562	**-**	-
Sale of oil palm products	**139,068**	159,572	**1,154**	2,509
Property management services	**691**	609	**660**	599
Engineering consultancy services	**1,315**	1,624	**-**	-
	202,647	291,367	**1,814**	3,108
Timing of revenue recognition:				
Transferred at a point in time	**202,616**	291,357	**1,814**	3,108
Transferred over time	**31**	10	**-**	-
	202,647	291,367	**1,814**	3,108
Geographical market:				
Malaysia	**81,445**	149,306	**1,814**	3,108
Indonesia	**121,202**	142,061	**-**	-
	202,647	291,367	**1,814**	3,108

(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.

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	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Manufacturing	**46,986**	98,952	**-**	-
Sale of oil palm products	**70,441**	78,197	**1,986**	3,747
Investment property related expenses	**3,123**	3,910	**3,416**	3,392
Engineering consultancy services	**1,176**	1,345	**-**	-
	121,726	182,404	**5,402**	7,139

5. OTHER INCOME

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Profit income on Islamic fixed deposits	**1,705**	1,269	**56**	54
Distribution from financial investments	**4,752**	3,626	**852**	986
Gain on disposal of property, plant and equipment	**82**	4	**-**	-
Management fees	**280**	454	**255**	252
By-product and scrap sales	**1,108**	796	**-**	-
Others	**2,541**	2,641	**50**	-
	10,468	8,790	**1,213**	1,292

6. NET CHARGE/(WRITEBACK) OF EXPECTED CREDIT LOSSES ("ECLS")

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
ECLs on:				
- trade receivables (Note 22)	**123**	736	**-**	5
- other receivables (Note 23)	**-**	1,543	**-**	-
Writeback of ECLs on:				
- trade receivables (Note 22)	**(406)**	(567)	**(108)**	-
- other receivables (Note 23)	**-**	(438)	**-**	-
	(283)	1,274	**(108)**	5

7. FINANCE COSTS

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Interest expense on lease liabilities (Note 31)	**2,699**	1,304	**2,137**	600

8. PROFIT BEFORE TAX AND ZAKAT

The following amounts have been debited/(credited) in arriving at profit before tax and zakat:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Staff costs (Note 9)	**47,216**	46,180	**1,451**	1,548
Non-executive directors' remuneration (Note 10)	**617**	699	**567**	648
Auditors' remuneration:				
- Statutory audit				
(i) Ernst & Young PLT	**314**	300	**119**	114
(ii) Other member firm of Ernst & Young Global	**138**	123	**-**	-
- Other services				
(i) Ernst & Young PLT	**12**	12	**12**	12
(ii) Other member firm of Ernst & Young Global	**29**	28	**-**	-
Depreciation of:				
- property, plant and equipment (Note 14)	**8,578**	7,658	**995**	782
- right-of-use assets (Note 15)	**6,678**	7,591	**2,242**	2,128
- investment properties (Note 16)	**1,182**	1,529	**1,188**	1,170
Property, plant and equipment written off (Note 14)	**1,289**	-	**-**	-
Changes in fair value of biological assets (Note 21)	**1,066**	1,247	**29**	107
Provision/(reversal of provision) for retirement benefit obligations	**936**	(32)	**-**	-
Inventories written down	**605**	3,675	**-**	-
Net reversal of provision for warranty (Note 35)	**(473)**	(53)	**-**	-
Unrealised foreign exchange (gain)/loss	**(24)**	44	**-**	-
Realised foreign exchange loss	**72**	318	**-**	-

9. STAFF COSTS

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Wages and salaries	**40,613**	40,334	**1,147**	1,213
Social security costs	**409**	383	**25**	10
Pension costs:				
- Defined contribution plan	**3,946**	3,964	**204**	208
- Defined benefit plan (Note 32)	**936**	(32)	**-**	-
Other staff related expenses	**1,312**	1,531	**75**	117
	47,216	46,180	**1,451**	1,548

Included in staff costs of the Group and of the Company is the Managing Director's remuneration amounting to RM1,273,000 (2023: RM1,394,000) and RM655,000 (2023: RM702,000) 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	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Executive:				
Salaries and other emoluments	**576**	561	**288**	280
Bonus	**419**	543	**210**	272
Pension costs - defined contribution plan	**191**	209	**95**	105
Total excluding benefits-in-kind	**1,186**	1,313	**593**	657
Benefits-in-kind	**87**	81	**62**	45
	1,273	1,394	**655**	702
Non-executive:				
Fees	**367**	352	**325**	310
Other emoluments	**136**	131	**128**	122
Total excluding benefits-in-kind	**503**	483	**453**	432
Benefits-in-kind	**114**	216	**114**	216
	617	699	**567**	648
Total	**1,890**	2,093	**1,222**	1,350
Analysis excluding benefits-in-kind:				
Total executive director's remuneration	**1,186**	1,313	**593**	657
Total non-executive directors' remuneration	**503**	483	**453**	432
Total directors' remuneration	**1,689**	1,796	**1,046**	1,089

The total remuneration of the directors of the subsidiaries of the Group is disclosed in Note 37(b).

11. INCOME TAX EXPENSE/(CREDIT)

Major components of income tax expense/(credit)

The major components of income tax expense/(credit) for the years ended are as follows:

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Current income tax:				
- Malaysian income tax	**274**	2,596	**-**	-
- Indonesian income tax	**8,507**	11,847	**-**	-
- (Over)/under provision in prior years	**(369)**	(841)	**-**	41
	8,412	13,602	**-**	41
Deferred taxation (Note 33):				
- Relating to reversal and origination of temporary differences	**(1,817)**	(689)	**(2,836)**	(791)
- (Over)/under provision in prior years	**(592)**	(629)	**585**	(220)
	(2,409)	(1,318)	**(2,251)**	(1,011)
Total income tax expense/(credit)	**6,003**	12,284	**(2,251)**	(970)

Domestic income tax is calculated at the statutory tax rate of 24% (2023: 24%) of the estimated assessable profit for the year. The corporate rate tax applicable to the Indonesian subsidiary of the Group is 22% (2023: 22%).

Reconciliation between tax expense/(credit) and accounting profit

A reconciliation of income tax expense/(credit) applicable to profit before tax and zakat at the statutory income tax rate to income tax expense/(credit) at the effective income tax rate of the Group and of the Company is as follows:

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Profit before tax and zakat	**31,958**	51,290	**29,272**	35,488
Taxation at Malaysian statutory tax rate of 24% (2023: 24%)	**7,670**	12,310	**7,025**	8,517
Effect of tax rates in foreign jurisdiction	**(876)**	(944)	**-**	-
Effect of expenses not deductible for tax purposes	**3,251**	4,529	**1,199**	1,769
Effect of partial tax exemption	**(29)**	(21)	**-**	-
Deferred tax assets not recognised	**1,376**	1,299	**-**	-
Effect of share of results of associate	**(916)**	(871)	**-**	-
Effect of income and/or other items not subject to tax	**(3,512)**	(2,548)	**(11,060)**	(11,077)
(Over)/under provision of income tax expense in prior years	**(369)**	(841)	**-**	41
(Over)/under provision of deferred tax in prior years	**(592)**	(629)	**585**	(220)
	6,003	12,284	**(2,251)**	(970)

12. DIVIDENDS

	Dividends in respect of year		Dividends recognised in year	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
First interim				
Recognised during the financial year:				
Single-tier first interim dividend for year ended 31 March 2024 of 5.0 sen paid on 29 December 2023	**11,855**	-	**11,855**	-
Single-tier first interim dividend for year ended 31 March 2023 of 5.0 sen paid on 30 December 2022	**-**	11,863	**-**	11,863
Second interim				
Single tier second interim dividend for year ended 31 March 2023 of 7.5 sen paid on 4 August 2023	**-**	17,784	**17,784**	-
Single tier second interim dividend for year ended 31 March 2022 of 7.5 sen paid on 12 August 2022	**-**	-	**-**	17,803
Special				
Single tier special dividend for year ended 31 March 2022 of 2.5 sen paid on 12 August 2022	**-**	-	**-**	5,935
	11,855	29,647	**29,639**	35,601

Subsequent to the financial year end, on 21 May 2024, the directors declared a single-tier second interim dividend of 7.5 sen in respect of the current financial year ended 31 March 2024 on 237,113,530 shares, amounting to a total of RM17,784,000 payable on 2 August 2024.

The financial statements for the current financial year ended 31 March 2024 do not reflect this dividend. This dividend 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 2025.

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 2024 and 2023:

	Group	
	2024 RM'000	**2023 RM'000**
Profit attributable to equity holders of the Company used in the computation of basic/diluted earnings per share (RM'000)	**19,804**	36,100
Weighted average number of ordinary shares for basic earnings per share computation ('000)	**237,114**	237,295
Basic earnings per share for the year (sen)	**8.35**	15.21

(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 2024								
Cost								
At 1 April 2023	1,550	29,435	91,377	21,018	51,712	151,466	3,532	350,090
Additions	-	411	1,353	27	3,125	18,338	12,419	35,673
Disposals	-	-	(57)	-	(33)	-	-	(90)
Reclassification	-	279	1,437	206	-	-	(1,922)	-
Write-offs	-	-	(1,887)	(864)	(2,269)	(1,280)	(9)	(6,309)
Exchange differences	-	268	461	172	226	931	42	2,100
At 31 March 2024	1,550	30,393	92,684	20,559	52,761	169,455	14,062	381,464
Accumulated depreciation and impairment loss								
At 1 April 2023	-	20,054	86,517	20,585	47,146	67,569	-	241,871
Depreciation charge for the year	-	843	1,566	165	2,110	3,894	-	8,578
Disposals	-	-	(57)	-	(33)	-	-	(90)
Write-offs	-	-	(1,887)	(864)	(2,269)	-	-	(5,020)
Exchange differences	-	242	403	173	224	843	-	1,885
At 31 March 2024	-	21,139	86,542	20,059	47,178	72,306	-	247,224
Analysed as:								
Accumulated depreciation	-	17,004	86,477	20,059	47,178	55,013	-	225,731
Accumulated impairment loss	-	4,135	65	-	-	17,293	-	21,493
	-	21,139	86,542	20,059	47,178	72,306	-	247,224
Net carrying amount	1,550	9,254	6,142	500	5,583	97,149	14,062	134,240

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 2023								
Cost								
At 1 April 2022	1,550	20,009	91,091	20,836	51,969	138,580	334	324,369
Additions	-	108	921	121	1,863	12,886	1,760	17,659
Transfer from investment properties	-	9,080	-	-	-	-	2,057	11,137
Disposals	-	-	(632)	-	(2,076)	-	-	(2,708)
Reclassification	-	238	-	139	233	-	(610)	-
Write-offs	-	-	-	(78)	(275)	-	-	(353)
Exchange differences	-	-	(3)	-	(2)	-	(9)	(14)
At 31 March 2023	1,550	29,435	91,377	21,018	51,712	151,466	3,532	350,090
Accumulated depreciation and impairment loss								
At 1 April 2022	-	14,894	85,427	20,517	47,426	64,537	-	232,801
Depreciation charge for the year	-	683	1,733	146	2,058	3,038	-	7,658
Transfer from investment properties	-	4,481	-	-	-	-	-	4,481
Disposals	-	-	(632)	-	(2,061)	-	-	(2,693)
Write-offs	-	-	-	(78)	(275)	-	-	(353)
Exchange differences	-	(4)	(11)	-	(2)	(6)	-	(23)
At 31 March 2023	-	20,054	86,517	20,585	47,146	67,569	-	241,871
Analysed as:								
Accumulated depreciation	-	15,988	86,452	20,585	47,146	51,811	-	221,982
Accumulated impairment loss	-	4,066	65	-	-	15,758	-	19,889
	-	20,054	86,517	20,585	47,146	67,569	-	241,871
Net carrying amount	1,550	9,381	4,860	433	4,566	83,897	3,532	108,219

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 2024								
Cost								
At 1 April 2023	**1,550**	**437**	**5**	**885**	**2,608**	**7,590**	**75**	**13,150**
Additions	**-**	**387**	**-**	**16**	**890**	**14,262**	**740**	**16,295**
Reclassification	**-**	**262**	**-**	**206**	**-**	**-**	**(468)**	**-**
At 31 March 2024	**1,550**	**1,086**	**5**	**1,107**	**3,498**	**21,852**	**347**	**29,445**
Accumulated depreciation								
At 1 April 2023	**-**	**207**	**4**	**581**	**1,235**	**750**	**-**	**2,777**
Charge for the year	**-**	**31**	**-**	**136**	**453**	**375**	**-**	**995**
At 31 March 2024	**-**	**238**	**4**	**717**	**1,688**	**1,125**	**-**	**3,772**
Net carrying amount	**1,550**	**848**	**1**	**390**	**1,810**	**20,727**	**347**	**25,673**
At 31 March 2023								
Cost								
At 1 April 2022	1,550	437	5	746	1,962	1,744	75	6,519
Additions	-	-	-	-	564	5,846	221	6,631
Reclassification	-	-	-	139	82	-	(221)	-
At 31 March 2023	1,550	437	5	885	2,608	7,590	75	13,150
Accumulated depreciation								
At 1 April 2022	-	181	4	469	966	375	-	1,995
Charge for the year	-	26	-	112	269	375	-	782
At 31 March 2023	-	207	4	581	1,235	750	-	2,777
Net carrying amount	1,550	230	1	304	1,373	6,840	75	10,373

14. PROPERTY, PLANT AND EQUIPMENT (CONT'D.)

(a) The factory extension of the Group with a net book value of RM Nil (2023: RM9,000) was constructed on a piece of land leased from a lessor. The lease has expired on 30 April 2024.

(b) Included in the property, plant and equipment of the Group and the Company are cost of fully depreciated assets still in use of RM153,061,000 (2023: RM150,528,000) and RM1,531,000 (2023: RM1,382,000) respectively.

(c) During the year, the Group has written off bearer plants with net book value of RM1,280,000 (2023: RM Nil) in relation to unproductive palms damaged by elephant intrusion.

15. RIGHT-OF-USE ASSETS

As lessee

The carrying amount and the movement of right-of-use assets for the year ended 31 March 2024 and 2023 are as follows:

Group

At 31 March 2024

	Leasehold land RM'000	Buildings RM'000	Barge RM'000	Total RM'000
Cost				
At 1 April 2023	261,420	3,691	2,975	268,086
Additions	-	-	3,377	3,377
Modifications	(470)	-	-	(470)
Termination	-	(3,691)	(3,070)	(6,761)
Exchange differences	1	-	42	43
At 31 March 2024	260,951	-	3,324	264,275
Accumulated depreciation and impairment loss				
At 1 April 2023	45,422	3,659	1,485	50,566
Depreciation charge for the year	5,108	32	1,538	6,678
Termination	-	(3,691)	(3,070)	(6,761)
Exchange differences	-	-	47	47
At 31 March 2024	50,530	-	-	50,530
Analysed as:				
Accumulated depreciation	38,554	-	-	38,554
Accumulated impairment loss	11,976	-	-	11,976
	50,530	-	-	50,530
Net carrying amount	210,421	-	3,324	213,745

15. RIGHT-OF-USE ASSETS (CONT'D.)

As lessee (cont'd.)

Group (cont'd.)

At 31 March 2023

	Leasehold land RM'000	Buildings RM'000	Barge RM'000	Total RM'000
Cost				
At 1 April 2022	248,868	3,691	2,975	255,534
Additions	5,739	-	-	5,739
Transfer from investment properties	6,813	-	-	6,813
At 31 March 2023	261,420	3,691	2,975	268,086
Accumulated depreciation and impairment loss				
At 1 April 2022	39,034	2,484	-	41,518
Depreciation charge for the year	4,919	1,175	1,497	7,591
Transfer from investment properties	1,469	-	-	1,469
Exchange differences	-	-	(12)	(12)
At 31 March 2023	45,422	3,659	1,485	50,566
Analysed as:				
Accumulated depreciation	33,446	3,659	1,485	38,590
Accumulated impairment loss	11,976	-	-	11,976
	45,422	3,659	1,485	50,566
Net carrying amount	215,998	32	1,490	217,520

15. RIGHT-OF-USE ASSETS (CONT'D.)

As lessee (cont'd.)

Company

Leasehold land

	2024 RM'000	2023 RM'000
Cost		
At 1 April 2023/2022	**125,077**	119,338
Additions	**-**	5,739
Modifications	**(470)**	-
At 31 March	**124,607**	125,077
Accumulated depreciation		
At 1 April 2023/2022	**3,941**	1,813
Depreciation charge for the year	**2,242**	2,128
At 31 March	**6,183**	3,941
Net carrying amount	**118,424**	121,136

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	Work in progress RM'000	Total RM'000
At 31 March 2024					
At cost					
At 1 April 2023	**-**	**14,270**	**57,954**	**195**	**72,419**
Additions	**-**	**-**	**-**	**6**	**6**
Reclassification	**-**	**-**	**201**	**(201)**	**-**
At 31 March 2024	**-**	**14,270**	**58,155**	**-**	**72,425**
Accumulated depreciation					
At 1 April 2023	**-**	**-**	**28,497**	**-**	**28,497**
Charge for the year	**-**	**-**	**1,182**	**-**	**1,182**
At 31 March 2024	**-**	**-**	**29,679**	**-**	**29,679**
Net carrying amount	**-**	**14,270**	**28,476**	**-**	**42,746**
At 31 March 2023					
At cost					
At 1 April 2022	6,813	14,270	66,926	-	88,009
Additions	-	-	108	2,252	2,360
Transfer to property, plant and equipment	-	-	(9,080)	(2,057)	(11,137)
Transfer to right-of-use assets	(6,813)	-	-	-	(6,813)
At 31 March 2023	-	14,270	57,954	195	72,419
Accumulated depreciation					
At 1 April 2022	1,383	-	31,535	-	32,918
Charge for the year	86	-	1,443	-	1,529
Transfer to property, plant and equipment	-	-	(4,481)	-	(4,481)
Transfer to right-of-use assets	(1,469)	-	-	-	(1,469)
At 31 March 2023	-	-	28,497	-	28,497
Net carrying amount	-	14,270	29,457	195	43,922

16. INVESTMENT PROPERTIES (CONT'D.)

Company

	Freehold land RM'000	Building RM'000	Work in progress RM'000	Total RM'000
At 31 March 2024				
At cost				
At 1 April 2023	**14,270**	**57,954**	**217**	**72,441**
Additions	**-**	**-**	**26**	**26**
Reclassification	**-**	**243**	**(243)**	**-**
At 31 March 2024	**14,270**	**58,197**	**-**	**72,467**
Accumulated depreciation				
At 1 April 2023	**-**	**28,497**	**-**	**28,497**
Charge for the year	**-**	**1,188**	**-**	**1,188**
At 31 March 2024	**-**	**29,685**	**-**	**29,685**
Net carrying amount	**14,270**	**28,512**	**-**	**42,782**
At 31 March 2023				
At cost				
At 1 April 2022	14,270	57,846	-	72,116
Additions	-	108	217	325
At 31 March 2023	14,270	57,954	217	72,441
Accumulated depreciation				
At 1 April 2022	-	27,327	-	27,327
Charge for the year	-	1,170	-	1,170
At 31 March 2023	-	28,497	-	28,497
Net carrying amount	14,270	29,457	217	43,944

(a) The land title of a freehold land and building of the Company with a net book value of approximately RM42,084,000 (2023: RM43,228,000) 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 RM698,000 (2023: RM716,000) has yet to be finalised.

16. INVESTMENT PROPERTIES (CONT'D.)

(c) On 31 March 2023, the cost and accumulated depreciation of a building and a leasehold land of a subsidiary, Percetakan Keselamatan Nasional Sdn. Bhd. have been transferred to property, plant and equipment and right-of-use assets as the significant portion of them are now intended for own use.

(d) As at 31 March 2024 and 2023, 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 is RM56,460,000 (2023: RM53,218,000) 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 RM40,000 (2023: RM38,000) is 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**	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Comparison approach:				
Average value (RM/psf)				
- Land	**12 - 550**	10 - 510	**12 - 550**	10 - 510
- Buildings	**250**	220	**250**	220
Cost approach:				
- Buildings cost (RM/psf)	**150**	130	**150**	130

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**	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Rental income	**4,102**	4,550	**3,820**	3,880
Direct operating expenses	**(3,123)**	(3,910)	**(3,416)**	(3,392)

(f) Other details of future minimum rental receivable under non-cancellable operating leases are disclosed in Note 36(b).

17. INVESTMENTS IN SUBSIDIARIES

	Company 2024 RM'000	Company 2023 RM'000
Unquoted ordinary shares, at cost	**27,449**	27,449
Redeemable preference shares	**133,900**	128,700
	161,349	156,149

(a) Details of subsidiaries are as follows:

Name of subsidiaries	Country of incorporation	Effective ownership interest 2024 %	Effective ownership interest 2023 %	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 plantation, 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
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

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.

(i) Summarised statement of financial position

	2024 RM'000	2023 RM'000
Non-current assets - Property, plant and equipment	**9,662**	11,128
Non-current assets - Right-of-use assets	**11,391**	10,156
Non-current assets - Others	**3,047**	4,129
Current assets - Cash and cash equivalents	**42,823**	57,774
Current assets - Others	**28,331**	25,294
Total assets	**95,254**	108,481
Current liabilities	**8,148**	8,484
Non-current liabilities	**3,386**	1,210
Total liabilities	**11,534**	9,694
Net assets	**83,720**	98,787
Equity attributable to equity holders of the Company	**66,976**	79,030

(ii) Summarised statement of comprehensive income

	2024 RM'000	2023 RM'000
Revenue	**121,202**	142,061
Profit for the year	**34,206**	35,316
Other comprehensive income	**981**	179
Total comprehensive income for the year	**35,187**	35,495
Dividend paid to non-controlling interests	**10,139**	4,104

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.)

(iii) Summarised statement of cash flows

	2024 RM'000	2023 RM'000
Net cash generated from operating activities	**36,803**	22,581
Net cash generated from/(used in) investing activities	**274**	(853)
Net cash used in financing activities	**(52,419)**	(22,203)
Net decrease in cash and cash equivalents	**(15,342)**	(475)
Cash and cash equivalents at beginning of the year	**57,774**	58,034
Effect of exchange rate changes	**391**	215
Cash and cash equivalents at end of the year	**42,823**	57,774

(c) During the year, the Company subscribed to 82 units (2023: 93 units) of redeemable preference shares at RM100,000 each, issued by the following subsidiaries, for a total cash consideration of RM8,200,000 (2023: RM9,300,000):

	2024 RM'000	2023 RM'000
Gabungan Warisan Sdn. Bhd.	**1,000**	900
Taka Worldwide Trading Sdn. Bhd.	**900**	800
Etika Gangsa Sdn. Bhd.	**700**	200
Ladang Bunga Tanjong Sdn. Bhd.	**600**	2,000
Fima Sg. Siput Estate Sdn. Bhd.	**5,000**	5,400
	8,200	9,300

(d) During the year, the Company has redeemed 30 units (2023: 50 units) of redeemable preference shares RM100,000 each from a subsidiary, Cendana Laksana Sdn. Bhd., for a total cash consideration of RM3,000,000 (2023: RM5,000,000).

(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 year, Percetakan Keselamatan Nasional Sdn. Bhd. has issued bonus shares of 43,200,000 ordinary shares on the basis of six (6) bonus shares for every one (1) existing share to the Company.

18. INVESTMENT IN ASSOCIATE

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Unquoted shares, at cost	**10,000**	10,000	**10,000**	10,000
Share of post acquisition results	**33,538**	29,722	**-**	-
	43,538	39,722	**10,000**	10,000

Details of the associate, which is incorporated in Malaysia, are as follows:

	Group's effective interest		
Name of associate	**2024 %**	**2023 %**	**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 2023 have been used and appropriate adjustments have been made for the effects of transactions between 31 December 2023 and 31 March 2024.

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

	2024 RM'000	**2023 RM'000**
Current assets	**124,884**	91,862
Non-current assets	**154,812**	159,635
Total assets	**279,696**	251,497
Current liabilities	**3,670**	10,284
Non-current liabilities	**58,336**	42,601
Total liabilities	**62,006**	52,885
Net assets	**217,690**	198,612

18. INVESTMENT IN ASSOCIATE (CONT'D.)

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. (cont'd.)

(ii) Summarised statement of comprehensive income

	2024 RM'000	2023 RM'000
Revenue	**209,088**	185,191
Profit for the year, representing total comprehensive income for the year	**19,078**	18,151

(iii) Reconciliation of the summarised financial information presented above to the carrying amount of the Group's interest in associate

	2024 RM'000	2023 RM'000
Net assets at 1 April 2023/2022	**198,612**	180,461
Total comprehensive income for the year	**19,078**	18,151
Net assets at 31 March	**217,690**	198,612
Interest in associate	**20%**	20%
Carrying value of Group's interest in associate	**43,538**	39,722

19. GOODWILL ON CONSOLIDATION

	Group	
	2024 RM'000	2023 RM'000
At 1 April 2023/2022 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% (2023: 15.5%) is used based on the risk specific to the CGU.

(c) Sensitivity analysis

In assessing value-in-use, 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	
	2024 RM'000	2023 RM'000	**2024 RM'000**	2023 RM'000
Work-in-progress	**7,287**	17,691	**-**	-
Oil palm products	**4,082**	5,864	**-**	-
Printing materials	**5,083**	6,233	**-**	-
Fertilizer	**959**	2,981	**229**	227
Consumables	**3,893**	4,893	**145**	395
Total inventories at the lower of cost and net realisable value	**21,304**	37,662	**374**	622

During the year, the amount of inventories recognised as an expense in cost of sales of the Group was RM47,565,000 (2023: RM99,004,000).

21. BIOLOGICAL ASSETS

	Group		Company	
	2024 RM'000	2023 RM'000	**2024 RM'000**	2023 RM'000
At 1 April 2023/2022	**2,902**	4,143	**48**	155
Changes in fair value less cost to sell (Note 8)	**(1,066)**	(1,247)	**(29)**	(107)
Exchange differences	**60**	6	**-**	-
At 31 March	**1,896**	2,902	**19**	48

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 3,206 (2023: 5,096) and 47 (2023: 97) 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	
	2024 RM'000	2023 RM'000	**2024 RM'000**	2023 RM'000
10% increase	**221**	335	**4**	8
10% decrease	**(221)**	(335)	**(4)**	(8)

22. TRADE RECEIVABLES

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Third parties	**23,364**	45,527	**481**	740
Less: Allowance for ECLs	**(1,407)**	(1,690)	**(277)**	(385)
Trade receivables, net	**21,957**	43,837	**204**	355

Trade receivables are non-interest bearing. The Group's normal trade credit term ranges from 30 to 90 days (2023: 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 RM9,984,000 (2023: RM28,767,000) 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 disclosed in Note 40(d).

Movements in allowance accounts are as follows:

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
At 1 April 2023/2022	**1,690**	1,521	**385**	380
Charge for the year (Note 6)	**123**	736	**-**	5
Write back of ECLs (Note 6)	**(406)**	(567)	**(108)**	-
As 31 March	**1,407**	1,690	**277**	385

23. OTHER RECEIVABLES

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Deposits	**580**	719	**162**	165
Sundry receivables	**2,677**	5,478	**314**	294
Prepayments	**10,954**	6,412	**936**	1,096
VAT receivables	**402**	557	**-**	-
Staff loan	**155**	88	**-**	-
	14,768	13,254	**1,412**	1,555
Less: Allowance for ECLs	**(1,658)**	(1,632)	**(100)**	(100)
	13,110	11,622	**1,312**	1,455

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	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
At 1 April 2023/2022	**1,632**	535	**100**	100
Charge for the year (Note 6)	**-**	1,543	**-**	-
Write back of ECLs (Note 6)	**-**	(438)	**-**	-
Exchange differences	**26**	(8)	**-**	-
As 31 March	**1,658**	1,632	**100**	100

24. DUE FROM/(TO) RELATED COMPANIES

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Due from ultimate holding company	**15**	14	**2**	3
Due from subsidiaries	**-**	-	**2,437**	2,555
Due from other related companies	**57**	515	**18**	-
Less: Allowance for impairment	**-**	-	**(2,362)**	(2,362)
	72	529	**95**	196
Due to ultimate holding company	**(59)**	(50)	**-**	-
Due to subsidiaries	**-**	-	**(1,419)**	(368)
Due to other related companies	**-**	(1)	**-**	-
	(59)	(51)	**(1,419)**	(368)

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	
	2024 RM'000	**2023 RM'000**
At 1 April 2023/2022 and at 31 March	**2,362**	2,362

25. FINANCIAL INVESTMENTS

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
At FVTPL:				
Islamic money market unit trust funds, in Malaysia	**143,653**	128,872	**17,376**	34,023

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	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash and bank balances	**25,790**	31,116	**1,090**	1,045
Fixed deposits with licensed banks	**23,623**	36,631	**24**	23
Total cash and cash equivalents	**49,413**	67,747	**1,114**	1,068

The weighted average effective interest rates ("WAEIR") per annum of deposits at the reporting date are as follows:

	Group		Company	
	2024 %	2023 %	2024 %	2023 %
Licensed banks	**4.40**	2.72	**2.72**	2.00

The average maturity of deposits as at the end of the financial year are as follows:

	Group		Company	
	2024 Days	2023 Days	2024 Days	2023 Days
Licensed banks	**29**	27	**31**	31

27. SHARE CAPITAL

	Number of shares		Amount	
	2024 '000	2023 '000	2024 RM'000	2023 RM'000
Issued and fully paid:				
At 1 April 2023/2022 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 29 August 2023, 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 44,000 (2023: 222,900) of its issued ordinary shares from the open market at an average price of RM1.96 (2023: RM1.94) per ordinary share. The total consideration paid for the buy back including transactions costs was RM86,000 (2023: RM431,000). 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 (2023: 245,324,330) issued and fully paid ordinary shares as at 31 March 2024, 8,210,800 (2023: 8,166,800) are held as treasury shares by the Company. As at 31 March 2024, the number of outstanding ordinary shares in issue and fully paid-up is therefore 237,113,530 (2023: 237,157,530).

29. OTHER RESERVES

	Foreign currency translation deficit RM'000	Equity contribution from parent RM'000	Total RM'000
Group			
At 1 April 2022	(7,169)	4,250	(2,919)
Foreign currency translation	181	-	181
At 31 March 2023	6,988	4,250	(2,738)
At 1 April 2023	**(6,988)**	**4,250**	**(2,738)**
Foreign currency translation	**698**	**-**	**698**
At 31 March 2024	**(6,290)**	**4,250**	**(2,040)**
Company			
At 1 April 2023/2022 and at 31 March 2024/2023		**539**	**539**

29. OTHER RESERVES (CONT'D.)

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 2024, 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 years ended 31 March 2024 and 2023 are as follows:

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
At 1 April 2023/2022	**82,272**	82,006	**66,658**	63,006
Additions	**3,377**	5,739	**-**	5,739
Modifications	**(470)**	-	**(470)**	-
Payments	**(5,890)**	(6,790)	**(2,825)**	(2,687)
Interest expense (Note 7)	**2,699**	1,304	**2,137**	600
Exchange differences	**(6)**	13	**-**	-
At 31 March	**81,982**	82,272	**65,500**	66,658
Analysed as:				
Current	**2,610**	3,164	**309**	703
Non-current	**79,372**	79,108	**65,191**	65,955
	81,982	82,272	**65,500**	66,658

31. LEASE LIABILITIES (CONT'D.)

The following are the amounts recognised in profit or loss:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Depreciation expense of right-of-use use assets (Note 7)	**6,678**	7,591	**2,242**	2,128
Interest expense on lease liabilities	**2,699**	1,304	**2,137**	600

(a) As lessee

The Group and the Company have lease contract for a leasehold land that contains variable payments based on the average Crude Palm Oil ("CPO") price for the year. The following provides information on the Group's and the Company's variable lease payments, including the magnitude in relation to fixed payments:

	Fixed payments RM'000	Variable payments RM'000	Total RM'000
Group			
At 31 March 2024			
Fixed rent	**3,065**	**-**	**3,065**
Variable rent with minimum payment	**1,566**	**1,259**	**2,825**
	4,631	**1,259**	**5,890**
At 31 March 2023			
Fixed rent	4,103	-	4,103
Variable rent with minimum payment	1,567	1,120	2,687
	5,670	1,120	6,790
Company			
At 31 March 2024			
Variable rent with minimum payment	**1,566**	**1,259**	**2,825**
At 31 March 2023			
Variable rent with minimum payment	1,567	1,120	2,687

Certain lease contract of the Group and the Company contain variable payments, which is based on future of CPO price and tenure of the lease.

32. RETIREMENT BENEFIT OBLIGATION

	Group	
	2024 RM'000	2023 RM'000
At 1 April 2023/2022	**1,636**	1,801
Recognised in profit or loss (Note 9)	**936**	(32)
Benefits paid	**(425)**	(195)
Remeasurement of defined benefit liability	**1**	60
Exchange differences	**14**	2
At 31 March	**2,162**	1,636

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 2024.

(a) The amount recognised in the statement of financial position is determined as follows:

	Group	
	2024 RM'000	2023 RM'000
Present value of unfunded defined benefits obligations	**2,162**	1,636
Analysed as:		
Non-current	**2,162**	1,636

(b) The amounts recognised in the profit or loss are as follows:

	Group	
	2024 RM'000	2023 RM'000
Current service cost	**395**	246
Past service cost	**457**	(366)
Interest cost	**84**	88
Total, included in staff costs (Note 9)	**936**	(32)

32. RETIREMENT BENEFIT OBLIGATION (CONT'D.)

(c) Principal assumptions used by the foreign subsidiary in Indonesia in determining the employee benefits liability as of 31 March 2024 and 2023 are as follows:

	Group	
	2024 RM'000	2023 RM'000
Discount rate	**6.62%**	6.53%
Annual salary increase	**7.00%**	7.00%
Retirement age	**58 to 65**	58 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.

33. DEFERRED TAXATION

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
At 1 April 2023/2022	**(6,480)**	(5,150)	**(1,145)**	(134)
Recognised in:				
- profit or loss (Note 11)	**(2,409)**	(1,318)	**(2,251)**	(1,011)
- other comprehensive income	**-**	(13)	**-**	-
Exchange differences	**(89)**	1	**-**	-
At 31 March	**(8,978)**	(6,480)	**(3,396)**	(1,145)
Presented after appropriate offsetting as follows:				
Deferred tax assets	**(14,865)**	(11,856)	**(3,396)**	(1,145)
Deferred tax liabilities	**5,887**	5,376	**-**	-
	(8,978)	(6,480)	**(3,396)**	(1,145)

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:

Deferred tax liabilities of the Group:

	Accelerated capital allowances RM'000	Others RM'000	Total RM'000
At 1 April 2022	13,563	3,025	16,588
Recognised in profit or loss	395	(122)	273
Exchange differences	-	1	1
At 31 March 2023	**13,958**	**2,904**	**16,862**
Recognised in profit or loss	**19,578**	**(236)**	**19,342**
Exchange differences	**-**	**13**	**13**
At 31 March 2024	**33,536**	**2,681**	**36,217**

	Tax losses and unabsorbed capital allowances RM'000	Retirement benefit obligations RM'000	Provision and other liabilities RM'000	Others RM'000	Total RM'000
At 1 April 2022	(13,129)	(406)	(2,772)	(5,431)	(21,738)
Recognised in:					
- profit or loss	(1,523)	51	(826)	707	(1,591)
- other comprehensive income	-	(13)	-	-	(13)
At 31 March 2023	**(14,652)**	**(368)**	**(3,598)**	**(4,724)**	**(23,342)**
Recognised in profit or loss	**(5,377)**	**(115)**	**(18,068)**	**1,809**	**(21,751)**
Exchange differences	**-**	**(3)**	**-**	**(99)**	**(102)**
At 31 March 2024	**(20,029)**	**(486)**	**(21,666)**	**(3,014)**	**(45,195)**

Deferred tax (assets)/liability of the Company:

	Tax losses and unabsorbed capital allowances RM'000	Provision and other liabilities RM'000	Others RM'000	Total RM'000
At 1 April 2022	(336)	(188)	390	(134)
Recognised in profit or loss	(1,425)	(16)	430	(1,011)
At 31 March 2023	**(1,761)**	**(204)**	**820**	**(1,145)**
Recognised in profit or loss	**(4,338)**	**(15,693)**	**17,780**	**(2,251)**
At 31 March 2024	**(6,099)**	**(15,897)**	**18,600**	**(3,396)**

33. DEFERRED TAXATION (CONT'D.)

Deferred tax assets have not been recognised in respect of the following items:

	Group	
	2024 RM'000	**2023 RM'000**
Unutilised tax losses	**31,507**	27,247
Unabsorbed capital allowances	**6,514**	5,041
	38,021	32,288

In prior years, 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	
	2024 RM'000	**2023 RM'000**
Year of assessment 2028	**12,060**	12,060
Year of assessment 2029	**2,108**	2,108
Year of assessment 2030	**3,002**	3,002
Year of assessment 2031	**2,797**	2,797
Year of assessment 2032	**2,804**	2,804
Year of assessment 2033	**4,476**	4,476
Year of assessment 2034	**4,260**	-
	31,507	27,247

34. TRADE AND OTHER PAYABLES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Current				
Trade payables				
Third parties	**4,209**	5,613	**906**	858
Other payables				
Tenants' rental deposits	**1,253**	1,158	**1,121**	1,026
Accruals	**16,362**	13,711	**632**	838
Provision for bonus	**3,846**	4,598	**375**	375
Receipts in advance	**6,266**	1,992	**-**	-
Others	**805**	804	**-**	-
	28,532	22,263	**2,128**	2,239
Total trade and other payables	**32,741**	27,876	**3,034**	3,097

Trade payables are non-interest bearing which are normally settled within 30 to 90 days (2023: 30 to 90 days).

35. PROVISION FOR WARRANTY

	Group	
	2024 RM'000	2023 RM'000
Provision for warranty	**497**	970

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	
	2024 RM'000	2023 RM'000
At 1 April 2023/2022	**970**	1,023
Charge for the year (Note 8)	**205**	396
Reversal during the year (Note 8)	**(678)**	(449)
At 31 March	**497**	970

36. COMMITMENTS

(a) Capital expenditure

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Approved and contracted for:				
Property, plant and equipment	**20,995**	11,860	**12,126**	196
Approved but not contracted for:				
Property, plant and equipment	**28,444**	22,610	**17,304**	17,833
	49,439	34,470	**29,430**	18,029

(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 2024 and 2023 for the Group and the Company are as follows:

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Within one year	**2,041**	3,603	**1,996**	3,081
After one year but not more than five years	**636**	2,376	**636**	2,097
	2,677	5,979	**2,632**	5,178

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)	
	2024	**2023**
	RM'000	**RM'000**
Group		
Ultimate holding company		
- Rental income	**904**	887
- Sales/services rendered	**275**	300
- Management fees	**(1,197)**	(1,043)
Fellow subsidiaries:		
- Rental income	**180**	180
- Sales/services rendered	**1,313**	1,597
- Management services	**301**	460
Related by virtue of common shareholder of the Company:		
- Purchases made	**-**	(82)
- Rental income	**52**	76
- Sales/services receivable	**7**	7
Related by virtue of Company's director, subsidiaries' director and corporate shareholder of the subsidiary:		
- Services received	**(266)**	(241)
- Purchases made	**(9,095)**	(7,274)
Company		
Ultimate holding company		
- Rental income	**904**	887
- Management fees	**(431)**	(341)
Related by virtue of common shareholder of the Company:		
- Rental income	**52**	52
- Sales/services receivable	**7**	7
Subsidiaries:		
- Rental income	**138**	180
- Management services	**255**	251
- Management fees	**(136)**	(113)
- Plantation management services	**(4,562)**	(4,232)
- Purchases made	**(1,120)**	(934)

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	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Salaries and other short-term employee benefits	**3,674**	3,783	**1,479**	1,561
Contributions to defined contribution plan	**404**	417	**150**	155
	4,078	4,200	**1,629**	1,716

Included in the total key management personnel above are the remuneration in respect of the directors of the Company:

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Directors' remuneration:				
Directors of the Company (Note 10)	**1,890**	2,093	**1,222**	1,350

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	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Revenue												
External	**61,573**	129,562	**-**	-	**6,108**	6,783	**139,068**	159,572	**-**	-	**206,749**	295,917
Inter-segment	**-**	-	**77,216**	58,140	**2,209**	1,005	**-**	-	**(79,425)**	(59,145)	**-**	-
Total revenue	**61,573**	129,562	**77,216**	58,140	**8,317**	7,788	**139,068**	159,572	**(79,425)**	(59,145)	**206,749**	295,917
Results												
Profit from operations	**389**	10,130	**71,035**	54,508	**2,067**	1,882	**34,792**	40,607	**(77,442)**	(58,163)	**30,841**	48,964
Finance costs	**-**	(25)	**-**	-	**-**	-	**(2,699)**	(1,279)	**-**	-	**(2,699)**	(1,304)
Share of results of associate	**-**	-	**3,816**	3,630	**-**	-	**-**	-	**-**	-	**3,816**	3,630
Profit before tax and zakat											**31,958**	51,290
Income tax expense											**(6,003)**	(12,284)
Zakat paid											**-**	(10)
Profit for the year											**25,955**	38,996
Assets												
Segment assets	**147,741**	164,538	**236,452**	247,969	**46,486**	47,504	**421,795**	400,633	**(200,172)**	(193,693)	**652,302**	666,951
Deferred tax assets	**3,496**	1,883	**-**	-	**24**	25	**11,345**	9,948	**-**	-	**14,865**	11,856
Interest in associate	**-**	-	**43,538**	39,722	**-**	-	**-**	-	**-**	-	**43,538**	39,722
Consolidated total assets											**710,705**	718,529
Liabilities												
Segment liabilities	**20,654**	16,284	**591**	580	**2,486**	1,597	**99,846**	99,798	**(209)**	5	**123,368**	118,264
Consolidated total liabilities											**123,368**	118,264
Other information												
Capital expenditure	**13,314**	3,129	**402**	84	**-**	122	**22,693**	16,798	**(730)**	(114)	**35,679**	20,019
Depreciation and amortisation	**1,608**	2,757	**93**	46	**1,277**	1,316	**13,711**	12,860	**(251)**	(201)	**16,438**	16,778
Net (write back)/charge of ECLs	**(175)**	164	**-**	-	**(108)**	5	**-**	1,105	**-**	-	**(283)**	1,274
Net reversal of provision for warranty	**(473)**	(53)	**-**	-	**-**	-	**-**	-	**-**	-	**(473)**	(53)
Fair value changes in biological assets	**-**	-	**-**	-	**-**	-	**1,066**	1,247	**-**	-	**1,066**	1,247

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	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Malaysia	**85,547**	153,856	**615,451**	610,048	**34,519**	18,132
Indonesia	**121,202**	142,061	**95,254**	108,481	**1,160**	1,887
	206,749	295,917	**710,705**	718,529	**35,679**	20,019

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 or loss ("FVTPL").

	Note	Carrying amount RM'000	AC RM'000	FVTPL RM'000
Group				
At 31 March 2024				
Financial assets				
Trade receivables	22	**21,957**	**21,957**	**-**
Other receivables (less prepayments and VAT receivables)	23	**1,754**	**1,754**	**-**
Due from related companies	24	**72**	**72**	**-**
Financial investments	25	**143,653**	**-**	**143,653**
Cash and bank balances	26	**49,413**	**49,413**	**-**
		216,849	**73,196**	**143,653**
Financial liabilities				
Trade payables	34	**4,209**	**4,209**	**-**
Other payables	34	**28,532**	**28,532**	**-**
Due to related companies	24	**59**	**59**	**-**
Lease liabilities	31	**81,982**	**81,982**	**-**
		114,782	**114,782**	**-**

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.)				
At 31 March 2023				
Financial assets				
Trade receivables	22	43,837	43,837	-
Other receivables (less prepayments and VAT receivables)	23	4,653	4,653	-
Due from related companies	24	529	529	-
Financial investments	25	128,872	-	128,872
Cash and bank balances	26	67,747	67,747	-
		245,638	116,766	128,872
Financial liabilities				
Trade payables	34	5,613	5,613	-
Other payables	34	22,263	22,263	-
Due to related companies	24	51	51	-
Lease liabilities	31	82,272	82,272	-
		110,199	110,199	-
Company				
At 31 March 2024				
Financial assets				
Trade receivables	22	**204**	**204**	**-**
Other receivables (less prepayments)	23	**376**	**376**	**-**
Due from related companies	24	**95**	**95**	**-**
Financial investments	25	**17,376**	**-**	**17,376**
Cash and bank balances	26	**1,114**	**1,114**	**-**
		19,165	**1,789**	**17,376**
Financial liabilities				
Trade payables	34	**906**	**906**	**-**
Other payables	34	**2,128**	**2,128**	**-**
Due to related companies	24	**1,419**	**1,419**	**-**
Lease liabilities	31	**65,500**	**65,500**	**-**
		69,953	**69,953**	**-**

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.)				
At 31 March 2023				
Financial assets				
Trade receivables	22	355	355	-
Other receivables (less prepayments)	23	359	359	-
Due from related companies	24	196	196	-
Financial investments	25	34,023	-	34,023
Cash and bank balances	26	1,068	1,068	-
		36,001	1,978	34,023
Financial liabilities				
Trade payables	34	858	858	-
Other payables	34	2,239	2,239	-
Due to related companies	24	368	368	-
Lease liabilities	31	66,658	66,658	-
		70,123	70,123	-

(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, 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 (2023: 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 2024. 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	
	2024 RM'000	**2023 RM'000**
IDR		
Financial assets		
- Trade and other receivables	**10,879**	10,004
- Cash and cash equivalents	**42,823**	57,774
	53,702	67,778
Financial liabilities		
- Trade and other payables	**6,505**	6,747
Net exposure	**47,197**	61,031

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	
	2024 Effect on profit net of tax/ equity RM'000	**2023 Effect on profit net of tax/ equity RM'000**
IDR - strengthens 1% (2023: 1%)	**359**	464
IDR - weakens 1% (2023: 1%)	**(359)**	(464)

(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				
At 31 March 2024				
Financial liabilities:				
Trade and other payables (Note 34)	**32,741**	**-**	**-**	**32,741**
Amount due to related companies (Note 24)	**59**	**-**	**-**	**59**
Lease liabilities	**5,541**	**16,780**	**204,310**	**226,631**
	38,341	**16,780**	**204,310**	**259,431**

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
Group (cont'd.)				
At 31 March 2023				
Financial liabilities:				
Trade and other payables (Note 34)	27,876	-	-	27,876
Amount due to related companies (Note 24)	51	-	-	51
Lease liabilities	6,043	14,990	208,838	229,871
	33,970	14,990	208,838	257,798
Company				
At 31 March 2024				
Financial liabilities:				
Trade and other payables (Note 34)	**3,034**	**-**	**-**	**3,034**
Amount due to related companies (Note 24)	**1,419**	**-**	**-**	**1,419**
Lease liabilities	**2,420**	**9,855**	**127,797**	**140,072**
	6,873	**9,855**	**127,797**	**144,525**
At 31 March 2023				
Financial liabilities:				
Trade and other payables (Note 34)	3,097	-	-	3,097
Amount due to related companies (Note 24)	368	-	-	368
Lease liabilities	2,845	9,918	131,063	143,826
	6,310	9,918	131,063	147,291

40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

(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.

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 ("ECLs") approach. In determining the ECLs, 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 2024 and 31 March 2023:

	Weighted average loss rate %	Gross amount RM'000	Expected credit loss RM'000
Group			
At 31 March 2024			
Current	**0%**	**12,249**	**-**
1 to 60 days past due	**0%**	**4,192**	**-**
61 to 120 days past due	**0%**	**1,005**	**-**
More than 121 days past due	**24%**	**5,918**	**1,407**
		23,364	**1,407**

40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

(d) Credit risk (cont'd.)

Trade receivables (cont'd.)

Recognition and measurement of impairment loss (cont'd.)

The following table provides information about the exposure to credit risk and ECLs for trade receivables as at 31 March 2024 and 31 March 2023: (cont'd.)

	Weighted average loss rate %	Gross amount RM'000	Expected credit loss RM'000
Group (cont'd.)			
At 31 March 2023			
Current	0%	15,719	-
1 to 60 days past due	0%	9,798	-
61 to 120 days past due	0%	11,729	-
More than 121 days past due	20%	8,281	1,690
		45,527	1,690
Company			
At 31 March 2024			
Current	**0%**	**148**	**-**
1 to 60 days past due	**0%**	**47**	**-**
61 to 120 days past due	**0%**	**9**	**-**
More than 121 days past due	**100%**	**277**	**277**
		481	**277**
At 31 March 2023			
Current	0%	220	-
1 to 60 days past due	0%	104	-
61 to 120 days past due	0%	31	-
More than 121 days past due	100%	385	385
		740	385

40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

(d) Credit risk (cont'd.)

Trade receivables (cont'd.)

Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the geographical location of its business on an ongoing basis. The credit risk concentration profile of the Group's net trade receivables at the reporting date are as follows:

	Group			
	2024		2023	
	RM'000	% of total	RM'000	% of total
Malaysia	**12,407**	**57%**	37,717	86%
Indonesia	**9,550**	**43%**	6,120	14%
	21,957	**100%**	43,837	100%

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 RM9,984,000 (2023: RM28,767,000) of the Group's trade receivables was due from the Government of Malaysia.

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.

(e) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than interest or exchange rates).

The Group and the Company are exposed to market price risk arising from its investment in money market fund. The Group and the Company do not have exposure to commodity price risk.

Sensitivity analysis for market price risk

As at reporting date, if the net asset value of the money market fund had been 1% higher/lower, with all other variables held constant, the Group's and the Company's profit for the year would have been RM1,436,530 (2023: RM1,288,720) and RM173,760 (2023: RM340,230) higher/lower.

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. CONTINGENT LIABILITY

Based on the decision of the Ministerial Order 25 July 2016, PTNJL is to apply for a new land title for the Area Penggunaan Lain ("APL") areas. The APL area is outside the forest area and the Bupati Nunukan is empowered to approve or issue the Izin Usaha Perkebunan ("IUP") for the APL area. Bupati Nunukan has issued the revised IUP for an area measuring 16,589 Ha via Keputusan Nunukan No. 188.45/24/I/2023 on 2 January 2023, covering the APL area (non-forestry) and forestry area, which is net of the overlapping area of 3,500ha with a third party.

The application of the land rights/Hak Guna Usaha ("HGU") will be initiated once PTNJL's application for release of forestry area for its plantation area has been approved. On 27 October 2021, PTNJL applied for the release of forest area for its plantation area of approximately 6.373 hectares overlapping with forest area. Kementerian Lingkungan Hidup dan Kehutanan Republik Indonesia ("KLHK") is still processing PTNJL's application for the release of forestry area and engagement with them are still ongoing.

As at 31 March 2024, the Group has contingent liabilities arising from PTNJL's application for release of forestry area. For this purpose, the administrative fine must be paid to the local authority for settlement of planted oil palm within the forestry area and subsequently the revised IUP and the License of the Release of Forest Area will be used to apply for HGU. The extent of the administrative fine, cannot be reliably ascertained at this reporting date. PTNJL will get the HGU upon approval and payment of the administrative fine.

43. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the year ended 31 March 2024 were authorised for issue in accordance with a resolution of the directors on 25 June 2024.

Properties of the **Group**

No.	Location	Description/ Existing Use	Tenure	Land Area (Acres)	Built-Up Area (Sq/ft.)	Net Book Value as at 31/03/2024 (RM'000)	Date of Acquisition/ Last Revaluation	Approximate Age of Building (Years)
	FIMA CORPORATION BERHAD							
1.	PTD 4656 H.S(D) 13531 Mukim Jeram Batu Pontian, Johor	Industrial land and building	Freehold	2.72	66,608	698	07 July 1993/ 23 March 2015	56
2.	Lot 1176 Mukim Pasir Panjang Port Dickson Negeri Sembilan	Bungalow	Freehold	0.82	N/A	1,895	07 July 1993/ 12 February 2015	75
3.	Lot 52068 GRN 50064 Mukim of Kuala Lumpur Wilayah Persekutan	Office Building	Freehold	1.45	270,372	42,048	17 August 1995/ 23 March 2015	26
4	PT 363 HSD 27345 Mukim Kuala Betis Daerah Betis Jajahan Kecil Lojing Kelantan	Agriculture/ Oil Palm Plantation Estate building	Leasehold expiring 05/03/2077	5,688.36	N/A	98,359	3 May 2021	N/A
5	Lot 3468 PN 6353 Mukim Relai, Daerah Chiku Jajahan Gua Musang Kelantan	Agriculture/ Oil Palm Plantation	Leasehold expiring 05/03/2077	2,311.17	N/A	40,978	3 May 2021	N/A
	Sub Total			**8004.52**	**336,980**	**183,978**		
	PERCETAKAN KESELAMATAN NASIONAL SDN. BHD.							
1.	GRN 173 Lot 27306 Section 13, Mukim Kajang District of Hulu Langat Selangor	Industrial land and building	Leasehold expiring 29/09/2086	8.30	250,560	9,586	26 January 2006	37
	Sub Total			**8.30**	**250,560**	**9,586**		
	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)	1940.73	N/A	41,262	6 January 2014/ 20 March 2015	N/A
	Sub Total			**1940.73**	**N/A**	**41,262**		
	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	14,120	17 October 2014/ 10 March 2015	N/A
	Sub Total			**617.27**	**N/A**	**14,120**		

Properties of the Group

No.	Location	Description/ Existing Use	Tenure	Land Area (Acres)	Built-Up Area (Sq/ft.)	Net Book Value as at 31/03/2024 (RM'000)	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	9,177	18 March 2015	N/A
	Sub Total			**500.00**	**N/A**	**9,177**		
	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	8,103	18 March 2015	N/A
	Sub Total			**500.00**	**N/A**	**8,103**		
	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	3,288.97	N/A	48,330	20 February 2018	N/A
	Sub Total			**3,288.97**	**N/A**	**48,330**		
	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	34,390	4 December 2015	N/A
	Sub Total			**4,942.00**	**N/A**	**34,390**		
	PT NUNUKAN JAYA LESTARI							
1.	Izin Usaha Perkebunan	Agriculture Oil Palm Plantation	-	40,992.31				N/A
2.	Hak Guna Bangunan (HGB) No. 50 Kelurahan Nunukan Barat Kabupaten & Kecamatan Nunukan Propinsi Kalimantan Timur Indonesia	Palm Oil Mill	Expiring 18/03/2035	286.15	N/A	12,174	9 April 2007/ 31 December 2014	19
	Sub Total			**41,278.46**	**-**	**12,174**		
	GRAND TOTAL			**61,080.25**	**587,540**	**361,120**		

Analysis of **Shareholdings**

As at 24 June 2024

THIRTY LARGEST SHAREHOLDERS

No.	Name	No. of Shares	% of Total Shareholdings
1.	FIMA METAL BOX HOLDINGS SDN. BHD.	147,245,358	62.10
2.	LIAU KEEN YEE	2,794,200	1.18
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	1.03
6.	HAMIDAH BINTI ABDUL RAHMAN	1,816,800	0.77
7.	CITIGROUP NOMINEES (TEMPATAN) SDN. BHD. EXEMPT AN FOR BANK OF SINGAPORE LIMITED (LOCAL)	1,562,700	0.66
8.	TAN LAY HOON	1,523,838	0.64
9.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. MAYBANK PRIVATE WEALTH MANAGEMENT FOR ROZILAWATI BINTI HAJI BASIR (PW-M00823)(421210)	1,321,500	0.56
10.	KENANGA NOMINEES (TEMPATAN) SDN. BHD. CHIN KIAM HSUNG	1,260,000	0.53
11.	LEE SIEW PENG	1,260,000	0.53
12.	WONG YU @ WONG WING YU	1,260,000	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.	LIAU CHERN YEE	918,700	0.39
17.	YONG SIEW LEE	850,000	0.36
18.	YEO KHEE HUAT	830,100	0.35
19.	RHB NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR TAN YEE MING	810,000	0.34
20.	ONG CHIN THYE	724,000	0.31
21.	TAN SIEW YOKE	714,000	0.30
22.	UOB KAY HIAN NOMINEES (ASING) SDN. BHD. EXEMPT AN FOR UOB KAY HIAN PTE LTD (A/C CLIENTS)	712,140	0.30
23.	LIM SIEW GEOK	690,000	0.29
24.	SOH CHOO KEAN	639,000	0.27
25.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR ROSLAN BIN HAMIR	601,800	0.25
26.	INTROSCAPE SDN. BHD.	600,000	0.25
27.	TAN TEAN TUNE	600,000	0.25
28.	CITIGROUP NOMINEES (ASING) SDN. BHD. EXEMPT AN FOR OCBC SECURITIES PRIVATE LIMITED (CLIENT A/C-NR)	584,543	0.25
29.	HONG WENG HWA	580,100	0.25
30.	LIM KHUAN ENG	570,000	0.24

Analysis of Shareholdings

As at 24 June 2024

SUBSTANTIAL SHAREHOLDER

No.	Name	Direct Holdings No. of Shares	Direct Holdings % of Shareholdings
1.	FIMA METAL BOX HOLDINGS SDN. BHD.	147,245,358	62.10

DISTRIBUTION BY SIZE OF SHAREHOLDINGS

Size of Holdings	No. of Holders	% of Holders	No. of Shares	% of Shareholdings
Less than 100	321	9.60	3,523	0.00
100 - 1,000	509	15.22	284,080	0.12
1,001 - 10,000	1,611	48.16	7,999,072	3.38
10,001 - 100,000	763	22.81	22,820,037	9.62
100,001 to less than 5% of issued shares	140	4.19	58,761,460	24.78
5% and above of issued shares	1	0.03	147,245,358	62.10
TOTAL	**3,345**	**100.00**	**237,113,530**	**100.00**

CLASSIFICATION OF SHAREHOLDERS

Category of Holders	No. of Holders			No. of Shares			% of Shareholdings		
	Malaysian		Foreign	Malaysian		Foreign	Malaysian		Foreign
	Bumiputra	Non-Bumiputra		Bumiputra	Non-Bumiputra		Bumiputra	Non-Bumiputra	
1. Individual	93	2,710	69	2,598,620	65,760,854	1,530,300	1.10	27.73	0.65
2. Body Corporate									
a. Banks/ Finance Companies	0	0	0	0	0	0	0.00	0.00	0.00
b. Investment Trusts/ Foundation/ Charities	0	2	0	0	43,750	0	0.00	0.02	0.00
c. Industrial and Commercial Companies	5	58	3	147,275,708	6,979,000	116,673	62.11	2.94	0.05
3. Government Agencies/ Institutions	1	0	0	7,500	0	0	0.00	0.00	0.00
4. Nominees	174	193	36	6,094,432	4,246,932	2,459,759	2.57	1.79	1.04
5. Others	0	1	0	0	2	0	0.00	0.00	0.00
TOTAL	**273**	**2,964**	**108**	**155,976,260**	**77,030,538**	**4,106,732**	**65.78**	**32.49**	**1.73**
GRAND TOTAL	**3,345**			**237,113,530**			**100.00**		

Analysis of Shareholdings

As at 24 June 2024

DIRECTORS' SHAREHOLDINGS

	Direct Holdings		Indirect Holdings	
Directors	**No. of Shares**	**% of Shareholdings**	**No. of Shares**	**% of Shareholdings**
DATUK BAZLAN BIN OSMAN	10,000	0.00	-	-
DATO' ROSLAN BIN HAMIR	-	-	601,800[a]	0.25
ROSELY BIN KUSIP	-	-	-	-
REZAL ZAIN BIN ABDUL RASHID	-	-	-	-
DR. ROSHAYATI BINTI BASIR	175,600	0.07	150,413,658[b]	63.44
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 KFima.*
- *(ii) Her sister, Datin Rozilawati Binti Haji Basir's indirect shareholding of 1,321,500 ordinary shares (or 0.56%) 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 of 1,816,800 ordinary shares (or 0.77%) in the Company.*
- *(iv) Zailini Binti Zainal Abidin's ("Zailini") indirect shareholding of 30,000 ordinary shares (or 0.01%) in the Company which is held under M & A Nominee (Tempatan) Sdn. Bhd. Zailini is the sister-in-law of Dr. Roshayati.*

Notice of 49th Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Forty-Nineth ("49th") Annual General Meeting ("AGM") of FIMA CORPORATION BERHAD ("FimaCorp" and/or "the Company") will be conducted on a virtual basis via live streaming and online remote voting using Remote Participation and Electronic Voting ("RPEV") facilities available at https://meeting.boardroomlimited.my, from 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 Thursday, 29 August 2024 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 2024 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) Dato' Roslan Bin Hamir **Resolution 1**
   (ii) Rosely Bin Kusip **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 30 August 2024 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 30 August 2024 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 2025 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 NEW AND 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 with the specified classes of Related Parties as stated in Sections 2.4.1 and 2.4.2 Part A of the Company's Circular/Statement to Shareholders dated 31 July 2024 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 parties than those generally available to the public and are not detrimental to the minority shareholders of the Company; and the aggregate value of such transactions conducted pursuant to the Proposed Shareholders' Mandate during the financial year will be disclosed in the Annual Report for the said financial year.

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 they 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 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 they deem 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
31 July 2024

NOTES:

(I) **Note A**
The Audited Financial Statements is for discussion only as 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 49th AGM, Dato' Roslan Bin Hamir and Encik Rosely Bin Kusip being the longest in office since their last retirements are to stand for re-election as Directors of the Company and being eligible, have offered themselves for re-election.

For the purpose of determining the eligibility of the Directors to stand for re-election at the 49th AGM, the Board through its Nomination and Remuneration Committee (NRC), had assessed each of the retiring Director, and considered the following:

(i) the Directors' level of contribution to Board discussions through their skills, experience and strength in qualities and their ability to act in the best interests of the Company in decision-making;

(ii) the evaluation of Directors' fitness and propriety to discharge their roles effectively as determined by the self and peer assessments conducted during the Board Effectiveness Evaluation for FYE2024; and

(iii) the Directors' commitment and time allocation to ensure effective fulfilment of their responsibilities.

Based on the outcome of the said assessments, the Board and the NRC are satisfied that the performance of each of the retiring Directors have met the performance criteria and the Board's expectations by continuously discharging their duties diligently as Directors of the Company. Accordingly, the Board recommends that shareholders vote in favour of their re-election.

Both Directors have completed their Annual Declaration and Disclosure of Interests Form, and there are no concerns noted.

The profiles of the retiring Directors are set out in Our Board of Directors section of the Company's Annual Report 2024.

(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 49th 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 30 August 2024 until the conclusion of the next AGM of the Company.
- **Resolution 5** on payment of Directors' remuneration (excluding Directors' fees) to the NEDs from 30 August 2024 until the conclusion of the next AGM of the Company.

Ordinary Resolutions 3, 4 and 5 comprises fees, allowances and other benefits payable to the Non-Executive Chairman, NEDs and Board Committees, including fees and allowances payable to them by the 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	RM90,000	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

		Fee (per annum)	Meeting Allowance (per meeting)	Benefits
Other 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 Investment Committee	N/A	RM2,000	N/A
	Member of Plantation Executive 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 for 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 had at its meeting held on 25 June 2024 approved the Audit and Risk Committee's recommendation for shareholders' approval to be sought at the 49th AGM for re-appointment of Messrs. Ernst & Young PLT as Auditors of the Company for the financial year ending 31 March 2025.

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 new and 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 New and 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 31 July 2024, 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 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 31 July 2024, 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 49th AGM of the Company will be conducted on a virtual basis via live streaming and RPEV facilities provided by Boardroom Share Registrars Sdn. Bhd. at https://meeting.boardroomlimited.my. Please follow the procedures provided in the Administrative Guide for the 49th AGM in order to register, participate and vote remotely via the RPEV facilities.

2. The Broadcast Venue of the 49th AGM is strictly for the purpose of complying with Section 327(2) of the Act which requires the Chairman of the 49th 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 and during the 49th AGM

1. Members may submit questions electronically in relation to the agenda items for the 49th AGM prior to the meeting via https://investor.boardroomlimited.com no later than 9.30 a.m. on Thursday, 22 August 2024. The responses to these questions will be shared at the 49th AGM.

2. Members may also pose questions via real time submission at https://meeting.boardroomlimited.my during the 49th AGM.

C. Appointment of Proxy(ies)

1. Only members whose names appear in the General Meeting Record of Depositors as at 22 August 2024 shall be entitled to participate, speak and vote at the 49th 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 49th 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 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 49th 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 49th 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 49th 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 49th AGM and subsequently, decide to participate in the 49th AGM yourself, please write in to BSR.Helpdesk@boardroomlimited.com to revoke the appointment of your proxy(ies) 48 hours before the 49th AGM. Your proxy(ies) on revocation will not be allowed to participate in the 49th AGM. In such event, you should advise your proxy(ies) accordingly.

7. The voting at the 49th AGM will be conducted on a poll. The Company will appoint independent scrutineers to verify the poll results.

Statement Accompanying **Notice of Annual General Meeting**

The Directors who are retiring pursuant to Article 108 of the Company's Constitution and seeking re-election are:

(i) Dato' Roslan Bin Hamir
(ii) Encik Rosely Bin Kusip

The profiles of the above Directors are set out in Our Board of Directors section of this Annual Report.

Administrative Guide **for the 49th AGM**

Meeting Day and Date	: Thursday, 29 August 2024
Online Meeting Platform	: https://meeting.boardroomlimited.my
Registration	: Virtual Meeting using Remote Participation and Electronic Voting ("RPEV") facilities online via the 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 49th Annual General Meeting ("49th AGM")

1.1 The Company's 49th AGM will be conducted virtually through live streaming and online remote participation using RPEV facilities from the Broadcast Venue, 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. In this respect, the Company will continue to leverage technology, to ensure that the 49th AGM supports meaningful engagement between the Board and shareholders of the Company.

1.2 The main and only venue for the 49th 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 49th AGM.

1.3 Shareholders can participate in our 49th AGM via online meeting platform at https://meeting.boardroomlimited.my by registering online via the Boardroom Smart Investor Portal at https://investor.boardroomlimited.com. 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 49th AGM.

1.4 Kindly ensure the stability of the internet connectivity throughout the 49th 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.

1.5 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 22 August 2024 shall be entitled to participate in the 49th AGM or appoint proxies to participate and vote on their behalf.

3. Proxy

3.1 If you are unable to participate in the 49th AGM and wish to appoint the proxies to participate and vote on your behalf or the Chairman of the meeting as your proxy, please indicate your voting instructions in the proxy form.

3.2 Corporate shareholders who require their corporate representative to participate and vote at the 49th AGM must deposit their proxy form or certificate of appointment of corporate representative to the Company's share registrar, Boardroom Share Registrars Sdn. Bhd. ("Boardroom Share Registrars").

3.3 You may download the proxy form from our website http://www.fimacorp.com/agm.php.

4. Lodgement of Proxy Form

4.1 The instrument appointing a proxy (proxy form) may be made in hard copy form or by electronic means, and must be deposited to the Boardroom Share Registrars, not less than 48 hours before the time appointed for holding the 49th AGM or adjournment thereof:

(a) In hard copy form

The proxy form must be deposited at the Boardroom Share Registrars' office situated at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan. Boardroom Share Registrars will also provide a box at the ground floor of its office building to facilitate drop-off of proxy forms.

(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 procedures for electronic lodgement of proxy form 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 e-Proxy Lodgement.

a. Access website https://investor.boardroomlimited.com.
b. Click <<Register>> to sign up as a user.
c. Complete your registration and upload softcopy of MyKad/Identification Card (front and back in JPEG/PNG/PDF format only) or Passport (for foreign shareholder) (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: e-Proxy Lodgement

a. Login to https://investor.boardroomlimited.com using your user ID and password provided by Boardroom Share Registrars.
b. Select "FIMA CORPORATION BERHAD 49TH ANNUAL GENERAL MEETING" from the list of Corporate Meeting and click "Enter".

For Individual/Corporate Shareholders:
a. Go to "PROXY" and click on "Submit e-Proxy Form".
b. Select the Company you would like to be represented if more than one Company (for Corporate Shareholder).
c. Enter your Central Depository System ("CDS") account number and insert the number of securities held.
d. Appoint your proxy(ies) or the Chairman of the AGM and enter the required particulars for your proxy(ies).
e. Read and agree to the Terms and Condition by clicking "Next".
f. Indicate your voting instructions – For, Against or Abstain, otherwise your proxy(ies) will decide your votes.
g. Review and confirm your proxy(ies) appointment.
h. Click "Apply".
i. Download or print the e-Proxy form acknowledgment.

For Authorised Nominee and Exempt Authorised Nominee:
a. Go to "PROXY" and click on "Submit e-Proxy Form".
b. Select the company you would like to be represented (if more than one).
c. Proceed to download the file format for "Submission of e-Proxy Form".
d. Prepare the file for the appointment of proxies by inserting the required data.
e. Proceed to upload the duly completed Proxy Appointment file.
f. Review and confirm your proxy appointment and click "Submit".
g. Download or print the e-Proxy form as acknowledgement.

Note: If you are the authorised representatives for more than one authorised nominee/exempt authorised nominee/corporate shareholder, kindly click the home button and select "Edit Profile" in order to add company's name.

4.2 If you wish to participate in the 49th AGM yourself, please do not submit any proxy form for the 49th AGM. You will not be allowed to participate in the 49th AGM together with a proxy appointed by you.

4.3 If you have submitted your proxy form prior to the 49th AGM and subsequently, decide to participate in the 49th AGM yourself, please write in to BSR.Helpdesk@boardroomlimited.com to revoke the appointment of your proxies 48 hours before the 49th AGM. Your proxies on revocation would not be allowed to participate in the 49th AGM. In such event, you should advise your proxies accordingly.

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 SKY Corporate Services Sdn. Bhd. as Scrutineers to verify the poll results.

5.3 During the 49th AGM, the Chairman will invite the Poll Administrator to present a short video 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 49th 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 49th AGM.

6.2 If you wish to participate in the 49th AGM, you will be able to view a live webcast of the 49th AGM, ask questions and submit your votes in real time whilst the 49th 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 49TH 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 your registration and upload softcopy of MyKad/Identification Card (front and back in JPEG/PNG/PDF format only) or Passport (for foreign shareholder) (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.

Administrative Guide for the 49th AGM

BEFORE 49TH AGM (CONT'D.)	
Procedures	**Actions**
2. Submit Request for Remote Participation User ID and Password *Note: Registration for remote access will be opened on 31 July 2024. Please note that the **closing time to submit your request** is not less than 48 hours before the time of holding the 49th AGM or no later than 9.30 a.m. on 27 August 2024.*	**Individual Members** • Login to https://investor.boardroomlimited.com using your user ID and password. • Select "FIMA CORPORATION BERHAD 49TH ANNUAL GENERAL MEETING" 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) or Passport (for foreign shareholder) (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) or Passport (for foreign shareholder) (in JPEG/PNG/PDF format only) as well as his/her email address.
3. Email Notification	a. Upon system verification against the General Meeting Record of Depositors as at 22 August 2024, you will receive an email from Boardroom Share Registrars either approving or rejecting your registration for remote participation. b. 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 49TH AGM	
Procedures	**Actions**
1. Login to Online Meeting Platform	a. The Online Meeting Platform will be opened for login 1 hour before the commencement of the 49th AGM at 8.30 a.m. on 29 August 2024. 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	a. If you would like to view live webcast, select the broadcast icon. b. If you would like to ask a question during the 49th AGM, select the messaging icon. c. Type your message within the chat box, click the send button once completed. d. The Chairman/the Board 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 49th AGM, as well as financial performance/prospect of the Company. e. In order to ensure a smooth and efficient conduct of the 49th AGM, questions that are repetitive in nature and/or have been responded to will not be specifically addressed. f. All questions and responses will be made available on the Company's website after the 49th AGM.

ON THE DAY OF THE 49TH AGM (CONT'D.)	
Procedures	**Actions**
3. Voting	a. Once the 49th 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 49th 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

There will be no distribution of door gifts or vouchers for the participation at this 49th AGM.

8. Enquiries

8.1 The Company welcomes questions and views from shareholders on the 49th AGM resolutions and Annual Report 2024 to be raised at the 49th AGM. Please submit your questions(s) via Boardroom Share Registrars' website at https://investor.boardroomlimited.com using the same user ID and password provided in Step 2: e-Proxy Lodgement and select "SUBMIT QUESTION" to pose questions commencing from 31 July 2024 and in any event no later than 9.30 a.m. on Thursday, 22 August 2024. We will endeavour to provide responses to the queries during the 49th AGM session.

8.2 If you have any enquiry relating to RPEV facilities or any of the above, 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):

General Line : +603-7890 4700
Email : BSR.Helpdesk@boardroomlimited.com

8.3 Members are reminded to monitor the Company's website and announcements for any changes to the arrangements of the 49th AGM.

Annual Report 2024

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 2024 and Corporate Governance Report 2024 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

SHARE REGISTRAR

Boardroom Share Registrars Sdn. Bhd.
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya, Selangor
Telephone No. : +603-7890 4700

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

PRINCIPAL BANKERS

Malayan Banking Berhad
Public Bank Berhad

Directory of **Group Operations**

MANUFACTURING DIVISION

Percetakan Keselamatan Nasional Sdn. Bhd.
(198701007433) (166151-T)
No.6, Jalan P/1A
Kawasan Perindustrian Bangi
Seksyen 13, 43650 Bandar Baru Bangi
Selangor Darul Ehsan
Telephone : +603-8912 1312
Facsimile : +603-8912 0345

Security Printers (M) Sdn. Bhd.
(197701003239) (34025-W)
No.6, Jalan P/1A
Kawasan Perindustrian Bangi
Seksyen 13, 43650 Bandar Baru Bangi
Selangor Darul Ehsan
Telephone : +603-8912 1312
Facsimile : +603-8912 0345

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 : +603-2095 9302

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 2820

PLANTATION DIVISION

FCB Plantation Holdings Sdn. Bhd.
(199301015919) (270659-U)
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

PT Nunukan Jaya Lestari
(NPWP 02.033.898.4-725.000)
Jln. Hasanuddin No. 62, RT06
Sungai Bolong, Kec. Nunukan
Kab. Nunukan
Kalimantan Utara 77482
Indonesia

Cendana Laksana Sdn. Bhd.
(201201039689) (1024167-W)
Ladang Cendana
Batu 40, Jerangau-Jabor Highway
Air Putih, 24050 Kemaman
Terengganu

Gabungan Warisan Sdn. Bhd.
(199401042148) (327836-P)
Ladang Dabong
PT 4718 Mukim Kuala Stong
Jajahan Kuala Krai, Kelantan

Next Oasis Sdn. Bhd.
(201401033412) (1109497-D)
Ladang Aring
PT 6943 & PT 6944
Mukim Relai, Jajahan Gua Musang
Kelantan

Taka Worldwide Trading Sdn. Bhd.
(200501032715) (714855-P)
Ladang Aring
PT 6943 Mukim Relai
Jajahan Gua Musang, Kelantan

Etika Gangsa Sdn. Bhd.
(200601035188) (754947-D)
Ladang Aring
PT 6944 Mukim Relai
Jajahan Gua Musang, Kelantan

Fima Sg. Siput Estate Sdn. Bhd.
(201301038071) (1067900-V)
Ladang Sg. Siput
PT 14352 Mukim Sungai Siput
31100 Kuala Kangsar, Perak

FCB Eastern Plantations Sdn. Bhd.
(199101000385) (210695-H)
Lot 2429, Mukim Lubok Bongor
Daerah Kuala Balah
17600 Jeli, Kelantan

Ladang Bunga Tanjong Sdn. Bhd.
(199601017476) (389827-K)
Ladang Bunga Tanjong
Lot 2429, Mukim Lubok Bongor
Daerah Kuala Balah
17600 Jeli, Kelantan

Ladang Fima Kuala Betis
PT 363 Mukim Kuala Betis
Jajahan Kecil Lojing
18300 Gua Musang, Kelantan

Ladang Fima Aring
Lot 3468, Mukim Relai
Jajahan Gua Musang
18300 Gua Musang, Kelantan

Appendix

MEMBERSHIP OF ASSOCIATIONS

GRI 102-13

Our active membership in industry associations provides valuable opportunities for collaboration and knowledge sharing. Through consultation and engagements with fellow members, we address key industry issues and stay informed of emerging trends, ultimately contributing to our own success and the betterment of the industry.

Malaysia

Incorporated Society of Planters ("ISP")

Malaysian Employers Federation ("MEF")

Indonesia

Gabungan Pengusaha Kelapa Sawit Indonesia ("GAPKI")

Association of Plantation Investors of Malaysia in Indonesia ("APIMI")

FIMA CORPORATION BERHAD
(197401004110) (21185-P)

PROXY FORM

No. of Shares held	
CDS Account No.	
Telephone No.	

I/We ____ NRIC/Company No: ______________________
(Full Name in Capital Letters)

of ____
(Full Address)

being a Member of **FIMA CORPORATION BERHAD** ("FimaCorp" and/or "the Company"), do hereby appoint the following person(s):

Proxy	Full Name (in Block Letters) as per NRIC/Passport No.	Telephone No.	NRIC/Passport No.	No. of Shares	%
1.					
	Email Address:				
2.					
	Email 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-Nineth ("49th") Annual General Meeting ("AGM") of the Company to be held on 29 August 2024 and at any adjournment thereof in the manner indicated below in respect of the following Resolutions:

	RESOLUTIONS	FOR	AGAINST
1.	To re-elect Dato' Roslan Bin Hamir who retires by rotation in accordance with Article 108 of the Company's Constitution. **- Ordinary Resolution 1**		
2.	To re-elect Encik Rosely Bin Kusip 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 30 August 2024 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 30 August 2024 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 2025 and to authorise the Directors to determine their remuneration. **- Ordinary Resolution 6**		
AS SPECIAL BUSINESS:			
7.	Proposed new and 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.*

____
Signature *(If shareholder is a corporation, this part should be executed under seal)*

Dated this ____________________ **day of** ____________________ **2024**

Notes:

1. *The 49th AGM of the Company will be conducted on a virtual basis via 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 49th AGM in order to register, participate and vote remotely via the RPEV facilities.*
2. *The Broadcast Venue of the 49th AGM is strictly for the purpose of complying with Section 327(2) of the Act which requires the Chairman of the 49th 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 49th AGM prior to the meeting and no later than 9.30 a.m. on Thursday, 22 August 2024. The responses to these questions will be shared at the 49th AGM. Members may also pose questions via real time submission at https://meeting.boardroomlimited.my during the 49th AGM.*
5. *Only members whose name appears in the General Meeting Record of Depositors as at 22 August 2024 shall be entitled to participate, speak and vote at the 49th 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 49th 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.*
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.*

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FIMA CORPORATION BERHAD
(197401004110) (21185-P)

AFFIX STAMP

Boardroom Share Registrars Sdn. Bhd.
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13, 46200 Petaling Jaya
Selangor Darul Ehsan, Malaysia

Fold here

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 49th 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 49th 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 49th AGM and subsequently, decide to participate in the 49th AGM yourself, please write in to BSR.Helpdesk@boardroomlimited.com to revoke the appointment of your proxy(ies) 48 hours before the 49th AGM. Your proxy(ies) on revocation will not be allowed to participate in the 49th AGM. In such event, you should advise your proxy(ies) accordingly.*
11. *The voting at the 49th AGM will be conducted on a poll. The Company will appoint independent scrutineers to verify the poll results.*

FIMA CORPORATION BERHAD
(197401004110) (21185-P)

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The Annual Report is printed on FSC - Mix Certified Paper.