# Chairman's Statement

## *Dear Shareholders,*

For the financial year ended 31 March 2026 (FYE2026), the Group recorded revenue of RM209.18 million, compared with RM236.79 million in FYE2025. Profit before tax stood at RM37.22 million, against RM50.96 million in the previous year.

**Datuk Bazlan Bin Osman**
Chairman

The lower performance was mainly due to decrease in contribution from the Indonesian plantation operations and the normal tapering of civil engineering revenue following project timing and completion. This was partly offset by improved earnings in Manufacturing and steady progress across our Malaysian estates. Taken together, the year reinforced the value of a diversified business base, disciplined execution and a long-term approach to building value.

Beyond the headline numbers, I am encouraged that our discipline around risk and capital allocation remained sound through the year and that capital was committed with care and clear purpose. The Board also remains mindful of its responsibility to balance prudent reinvestment with fair returns to shareholders and will continue to weigh both considerations carefully.

The Plantation Division had a challenging year, especially in Indonesia, where lower sales volumes, softer selling prices and operational disruptions affected output. In Malaysia, however, the Board is encouraged by improved FFB production and yields and by the better performance of estates such as Ladang Cendana and Ladang Bunga Tanjong. These improvements are still developing, but they point to the value of consistent agronomic work and closer estate-level discipline.

Manufacturing delivered a meaningful improvement in profitability despite lower revenue, supported by a better product and cost mix and more disciplined cost management. The award of the new security documents contract subsequent to the financial year-end provides the division with greater medium-term visibility.

Property and related non-core activities continued to contribute recurring income, although at a more moderate level than last year, reflecting the timing of civil engineering works.

A more detailed review of the Group's financial and operational performance is set out in the Managing Director's Review.

**Dividend**

For FYE2026, the Board approved the payment of two interim dividends. The first interim dividend of 5.0 sen was paid on 29 December 2025, while the second interim dividend of 7.5 sen per share will be paid on 30 July 2026. This brings the total dividend for the full year to 12.5 sen per share (FYE2025: 12.5 sen).

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The dividends paid out represents approximately 131.8% of profit after taxation and non-controlling interest (PATANCI), and 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**

Ultimate accountability to the Group's stakeholders' rests with the Board and with it the duty to provide ethical leadership and steady oversight. We regard sound governance as part of how value is built and held over time and that conviction shaped the way the Board conducted itself through the year.

During FYE2026, the Board commissioned an independent external review of its own effectiveness. The assessment confirmed that the Board continues to work well, drawing on a complementary mix of experience and on a sound working relationship with management, while also pointing to areas where we can be sharper still, which we have taken up in the same candid spirit we ask of the business. The Board remains well-constituted, with the breadth of professional and sectoral experience and the independence of mind that allow questions to be asked properly and decisions to be tested before they are taken. To my mind, this reflects the very substance of good governance. The Board also kept a steady eye on succession at the executive and management levels, so that continuity of leadership and oversight is assured as the Group grows and changes.

**Environmental, Social and Governance**

Responsible stewardship remains central to the Board's oversight. During the year, the Group continued to strengthen its approach to environmental management, health and safety, integrity and governance. These are not separate from performance; they are part of how a business earns trust and remains durable over time.

**Our discipline around risk and capital allocation remained sound through the year, and that capital was committed with care and clear purpose**

We are also encouraged by the progress being made to improve the systems that support sustainability reporting and oversight. The ongoing digitisation of operational and management systems should give management better visibility of resource use, operating performance and environmental indicators across the business. Together with the Group's work on climate scenario analysis, this will help us better understand longer-term risks and make more informed decisions over time.

The Group recorded zero work-related fatalities in FYE2026. While this is encouraging, the Board expects management to continue reinforcing safe work practices, improving supervision and building a culture where safety is treated as a shared responsibility across every operation.

**Outlook**

Looking ahead, the Board shares management's measured reading of this current FY2027. Plantation will require sustained effort, particularly in improving productivity and addressing agronomic challenges. We also remain hopeful that the outstanding land status matter at PTNJL will move towards resolution in this current year and we will continue to engage constructively with the relevant authorities to that end.

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Manufacturing has a more sustainable revenue base with the new security documents contract but execution and margin discipline will be important. Property and engineering activities should continue to provide useful recurring income while management evaluates opportunities with care.

From the Board's perspective, we will continue to support management in their efforts to improve yields, strengthen field standards, managing input costs and directing capital to areas where the risks are understood and the returns are reasonable. Our aim is to build value carefully, in businesses where we have experience, relationships and a practical path to improvement.

This is especially important in a year where we expect many factors to be outside of our control, including commodity prices, variable weather patterns, currency movements and geopolitical developments, all of which can affect our businesses. What remains within our control is the quality of our execution, the discipline of our capital allocation and the willingness to address issues early and honestly.


*PT Nunukan Jaya Lestari, Kalimantan Utara*

FimaCorp has been built over time and it will continue to be strengthened in the same way: through steady work, sensible decisions and respect for the trust placed in us. On behalf of the Board, I would like to thank our management team and employees for their commitment during a demanding year. I also extend our appreciation to our shareholders, customers, suppliers and business partners for their continued support and trust.

**Datuk Bazlan Bin Osman**
Chairman