



KUMPULAN FIMA BERHAD
(11817-V)

Annual Report 2009



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37th Annual General Meeting

Date : 30 September 2009 (Wednesday)

Venue : Dewan Berjaya,
Bukit Kiara Equestrian &
Country Resort,
Jalan Bukit Kiara,
Off Jalan Damansara,
60000 Kuala Lumpur

Time : 3.00 p.m.

Notice Of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Thirty Seventh (37th) Annual General Meeting (“AGM”) of **KUMPULAN FIMA BERHAD** will be held at the Dewan Berjaya, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on Wednesday, 30 September 2009 at 3.00 p.m. for the following purposes:-

1. To receive and adopt the Audited Financial Statements of the Company for the financial year ended 31 March 2009 and the Directors’ and Auditors’ Reports thereon. **Ordinary Resolution 1**
2. To declare a final dividend of 3% less 25% income tax in respect of the financial year ended 31 March 2009 as recommended by the Directors. **Ordinary Resolution 2**
3. To re-elect the following Directors who retire by rotation pursuant to Article 114 of the Company’s Articles of Association and who, being eligible, offer themselves for re-election:-
 - (i) Encik Roslan bin Hamir **Ordinary Resolution 3**
 - (ii) Puan Rozana Zeti binti Basir **Ordinary Resolution 4**
4. To approve the payment of Directors’ fees for the ensuing financial year. **Ordinary Resolution 5**
5. To re-appoint Messrs Hanafiah Raslan & Mohamad as Auditors of the Company and to authorise the Directors to fix their remuneration. **Ordinary Resolution 6**
6. As a special business:

ORDINARY RESOLUTION - PROPOSED SHAREHOLDERS’ MANDATE

“THAT pursuant to Paragraph 10.09 of the Bursa Securities Main Market Listing Requirements, a mandate be and is hereby granted to allow recurrent related party transactions of a revenue or trading nature, which are necessary for the day-to-day operations of the Company and/or its subsidiaries, entered into or to be entered into by the Company and/or its subsidiaries, provided that such transactions are in the ordinary course of business and are on terms not more favourable to the related party than those generally available to the public, particulars of which are set out in Section 2.1 of the Circular to Shareholders dated 8 September 2009 AND THAT such approval conferred by the mandate shall continue to be in force until:

Ordinary Resolution 7

- (a) the conclusion of the next AGM of the Company following this AGM at which such mandate is passed, at which time it will lapse, unless by a resolution at such general meeting whereby the authority is renewed;
- (b) the expiration of the period within which the next AGM of the Company after that date is required to be held pursuant to Section 143(1) of the Companies Act, 1965 (“Act”) (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or
- (c) revoked or varied by resolution passed by the shareholders in a general meeting;

whichever is earlier,

AND FURTHER THAT the Directors of the Company and/or any of them be and are/is (as the case may be) hereby 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 Articles of Association of the Company, as may be required) as they may consider expedient or necessary to give effect to the proposed mandate”.

Notice Of Annual General Meeting (Cont'd)

NOTICE OF DIVIDEND ENTITLEMENT

NOTICE IS ALSO HEREBY GIVEN that subject to the approval of the shareholders at the AGM to be held on 30 September 2009, a final dividend of 3% less 25% income tax for the financial year ended 31 March 2009 will be paid on 20 October 2009 to Depositors whose names appear in the Record of Depositors on 1 October 2009.

A Depositor shall qualify for entitlement to the dividend only in respect of:-

- a. Securities transferred into the Depositor's Securities Account before 4.00 p.m. on 1 October 2009 in respect of transfers; and
- b. Securities bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

BY ORDER OF THE BOARD

MOHD YUSOF BIN PANDAK YATIM (MIA 4110)
JASMIN BT HOOD (LS 0009071)
Company Secretaries

Kuala Lumpur
8 September 2009

Explanatory Note on Special Business:

The proposed Ordinary Resolution 7 if passed, will empower Kumpulan Fima Berhad and its group of companies ("the Group") to enter into recurrent related party transactions of a revenue or trading nature which are necessary for the Group's day-to-day operations, subject to the transactions being in the ordinary course of business and on terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company.

Detailed information on the Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature is set out in the Circular to Shareholders dated 8 September 2009 which is dispatched together with this Annual Report.

Note :

A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy may but need not be a Member of the Company and a Member may appoint more than two (2) proxies by specifying the proportion of his shareholding to be represented by each proxy. The instrument appointing a proxy must be completed and deposited at the registered office of the Company not less than forty eight (48) hours before the time of holding the Meeting or any adjournment thereof.

Statement Accompanying Notice Of Annual General Meeting

Encik Roslan bin Hamir and Puan Rozana Zeti binti Basir are standing for re-election.

Please refer to their respective particulars in the Directors Profile section of this Annual Report.

Board of Directors

Tan Sri Dato' Ir. Muhammad Radzi bin Haji Mansor
*Chairman/
Independent Non-Executive Director*

Encik Roslan bin Hamir
*Group Managing Director/
Non-Independent Executive Director*

Encik Ahmad Riza bin Basir
Non-Independent Non-Executive Director

Encik Azizan bin Mohd Noor
Independent Non-Executive Director

Puan Rozana Zeti binti Basir
Non-Independent Non-Executive Director

Encik Rosman bin Abdullah
Independent Non-Executive Director

Audit Committee

Encik Azizan bin Mohd Noor
Chairman

Encik Rosman bin Abdullah
Member

Puan Rozana Zeti binti Basir
Member

Nomination Committee

Encik Rosman bin Abdullah
Chairman

Encik Azizan bin Mohd Noor
Member

Puan Rozana Zeti binti Basir
Member

Remuneration Committee

Tan Sri Dato' Ir. Muhammad Radzi bin Haji Mansor
Chairman

Encik Azizan bin Mohd Noor
Member

Encik Rosman bin Abdullah
Member

Company Secretaries

Encik Mohd Yusof bin Pandak Yatim
MIA 4110

Puan Jasmin binti Hood
LS 0009071

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 : enquiry@fima.com.my
Website : http://www.fima.com.my

Share Registrar

Symphony Share Registrars Sdn. Bhd.
26th Floor, Menara Multi-Purpose, Capital Square
No. 8, Jalan Munshi Abdullah
50100 Kuala Lumpur
Telephone No. : +603-2721 2222
Facsimile No. : +603-2721 2530

Stock Exchange Listing

Main Market of Bursa Malaysia Securities Berhad

Auditors

Messrs Hanafiah Raslan & Mohamad

Principal Bankers

Malayan Banking Berhad
Maybank International (L) Ltd.
CIMB Bank Berhad
Public Bank Berhad

Profile of Directors

TAN SRI DATO' IR. MUHAMMAD RADZI BIN HAJI MANSOR

Chairman

Independent Non-Executive Director

Aged 68, Malaysian

Tan Sri Dato' Ir. Muhammad Radzi bin Haji Mansor ("Tan Sri Radzi") was appointed a Director and Chairman of the Company on 10 April 2008. He is also Chairman of the Remuneration Committee.

Tan Sri Radzi graduated with a Diploma in Electrical Engineering in 1962 from Faraday House Engineering College, London and a Masters in Science (Technological Economics) from the University of Stirling, Scotland in 1975. A Chartered Professional Engineer registered with the Board of Engineers, Malaysia and Engineering Council, United Kingdom, he is a corporate member of the Institution of Engineers, Malaysia, the Institution of Engineering and Technology, United Kingdom and the Chartered Management Institute, United Kingdom.

He served in various engineering and management capacities in Government with Jabatan Telekom Malaysia ("JTM") over a 22-year period, including a three-year secondment as Technical Adviser to the Ministry of Energy, Telecommunications and Post. Tan Sri Radzi retired as Director General of Telecommunications upon corporatisation of JTM on 1 January 1987 and was subsequently appointed as Director of Operations, Telekom Malaysia Berhad ("TM"). He served as Director of Marketing and Customer Services from 1989 to 1995 and later as Director of Regulatory Management and External Affairs before retiring in July 1996. He was an independent Consultant for 3 years and was retained by Multimedia Development Corporation Sdn Bhd ("MDeC") between 1997 to 1999.

Tan Sri Radzi has served as Chairman and Director of TM for 10 years from July 1999 to July 2009. He is currently Chairman of Menara Kuala Lumpur Sdn Bhd, President Commissioner of PT Excelcomindo Pratama Tbk, Indonesia; Joint Chairman of the Malaysian Industry-Government Group for High Technology (MIGHT) and a Director of MDeC. He was appointed Pro-Chancellor of Multimedia University in August 2008.

He has never been convicted for any offence within the past 10 years. He has no family relationship with any Director and/or major shareholder of the Company and has no conflict of interest with the Company. He attended all Board Meetings held during the financial year ended 31 March 2009 since the date of his appointment on 10 April 2008.

ENCIK ROSLAN BIN HAMIR

Group Managing Director

Non-Independent Executive Director

Aged 42, Malaysian

Encik Roslan bin Hamir was appointed a Director of the Company on 11 October 2002. He was a member of Audit Committee from 24 August 2004 until 26 February 2009. In 26 February 2009, he was appointed as Deputy Group Managing Director and subsequently appointed as Group Managing Director of the Company with effect from 1 April 2009. He is also the Managing Director of Fima Corporation Berhad.

He is an ACCA graduate with Bachelor of Arts (Honours) in Accounting and Finance. He began his career with Messrs. Ernst & Young in 1993 as an auditor. In 1998, he joined Kumpulan Fima Berhad as Senior Vice President, Corporate Services. Currently, he is a Director of Riverview Rubber Estate Berhad, a company listed on Bursa Malaysia Securities Berhad, Narborough Plantations Plc, a company listed on the London Stock Exchange and Director of Malaysian Transnational Trading (MATTRA) Corporation Berhad and Fima Bulking Services Berhad.

He holds shares in the Company and has never been convicted for any offence within the past 10 years. He attended all Board Meetings held during the financial year ended 31 March 2009.

Profile of Directors (Cont'd)

ENCIK AHMAD RIZA BIN BASIR

Non-Independent Non-Executive Director

Aged 49, Malaysian

Encik Ahmad Riza bin Basir was appointed a Director of the Company on 1 October 1996 and subsequently, on 11 October 2002, he was appointed as Group Managing Director of the Company, a position he held until 31 March 2009. He remains as Non-Executive Director of the Company.

A lawyer by training, he graduated with a Bachelor of Arts in Law (Honours) degree from University of Hertfordshire, Hertford, United Kingdom and Barrister-at-Law (Lincoln's Inn), London in 1984 and was called to the Malaysian Bar in 1986. Currently, he is the Chairman of Fima Corporation Berhad. He is also a Director of KESM Industries Berhad, Manulife Holdings Berhad, Jerneh Asia Berhad, United Plantations Berhad and Jerneh Insurance Berhad.

He is the brother of Puan Rozana Zeti binti Basir, a Director of the Company. He has never been convicted for any offence within the past 10 years. He attended all Board Meetings held during the financial year ended 31 March 2009.

ENCIK AZIZAN BIN MOHD NOOR

Independent Non-Executive Director

Aged 68, Malaysian

Encik Azizan bin Mohd Noor was appointed a Director of the Company on 2 April 2003. He is also Chairman of the Audit Committee, member of Remuneration Committee and member of Nomination Committee.

He is a fellow member of the Institute of Chartered Accountants in England & Wales (ICAEW). He is also a member of the Malaysian Institute of Accountants (MIA) and the Malaysian Institute of Certified Public Accountants (MICPA) respectively.

The positions held by him previously include as a senior auditor with Azman, Wong, Salleh & Co., Chartered Accountants, Chief Internal Auditor of the former Bank Bumiputra Malaysia Berhad and as a senior partner with Anuarul, Azizan, Chew & Co., Chartered Accountants.

He has no family relationship with any Director and/or major shareholders of the Company and has no conflict of interest with the Company. He has never been convicted for any offence within the past 10 years. He attended all Board Meetings held during the financial year ended 31 March 2009.

Profile of Directors (Cont'd)

PUAN ROZANA ZETI BINTI BASIR

Non-Independent Non-Executive Director

Aged 34, Malaysian

Puan Rozana Zeti binti Basir was appointed a Director of the Company on 30 March 2004. She was appointed as member of Audit Committee on 26 February 2009 and also member of the Nomination Committee.

She graduated with a Bachelor of Arts in Fashion Marketing from American College in London. She began her career with Metro Jaya Bhd in 1998 as Visual Merchandising Executive. She was with Kumpulan Fima Berhad as Corporate Services Executive from 2000 to 2001. She is a Director of BHR Enterprise Sdn Bhd which is the major shareholder of the Company.

She is the sister of Encik Ahmad Riza bin Basir, a Director of the Company. She has never been convicted for any offence within the past 10 years. She attended six out of seven Board Meetings held during the financial year ended 31 March 2009.

ENCIK ROSMAN BIN ABDULLAH

Independent Non-Executive Director

Aged 42, Malaysian

Encik Rosman bin Abdullah was appointed to the Board of the Company on 5 May 2004. He is the Chairman of the Nomination Committee and also a member of the Audit Committee and Remuneration Committee.

An accountant by profession, he holds a Bachelor of Commerce (Accounting) degree from the Australian National University and had attended the Advanced Management Programme at the Oxford University. He is a chartered member of the Malaysian Institute of Accountants and a member of the Australia Society of Certified Practising Accountants.

Previously, he was the Group Chief Executive Officer of PECD Berhad from 30 May 2006 to 7 April 2009, the Executive Director of Malaysia Airport Holdings Berhad from 1997 until 2003 and was with Arthur Andersen & Co. from 1989 to 1997. At present, he serves as a Non-Independent Non-Executive Director of Cuscapl Berhad, a company listed on MESDAQ and KUB Malaysia Berhad and as an Independent Non-Executive Director of Narra Industries Berhad.

He has no family relationship with any Director and/or major shareholder of the Company and has no conflict of interest with the Company. He has never been convicted for any offence within the past 10 years. He attended all Board Meetings held during the financial year ended 31 March 2009.

Chairman's Statement

Dear Shareholders,

ON BEHALF OF THE BOARD OF DIRECTORS, I have the pleasure of presenting the Annual Report and Audited Financial Statements of Kumpulan Fima Berhad ("KFima") and its Group of Companies ("the Group") for the financial year ended 31 March 2009.

FINANCIAL RESULTS AND PERFORMANCE

I am happy to report that despite the current global economic and financial slowdown, for the year under review, the Group revenue and profit before and after tax exceeded those recorded in the last financial year. The Group achieved a turnover of RM369.07 million, an increase of 19.6% compared to RM308.71 million in the previous financial year and a profit before taxation and minority interest of RM81.19 million, a commendable 42.8% increase from RM56.86 million recorded in the preceding year. The Group registered profit after taxation and minority interests of RM46.16 million, representing an increase of 52.4% compared to RM30.29 million a year before.

The Group's shareholders' equity also rose by 11.8% to RM334.62 million from RM299.40 million recorded in the preceding year.

DIVIDEND

In consideration of the Group's business performance, the Board of Directors is pleased to recommend for shareholders' approval a final dividend of 3.0% less 25% taxation for the year ended 31 March 2009 at the forthcoming Annual General Meeting.

ECONOMIC OUTLOOK

Looking forward, the Group expects that the year ahead will be a challenging period for all sectors. Despite recent development of tentative signs of economic stabilization in several countries, the major advanced countries remain in severe recession. The global growth is forecasted to contract by 1.3% in 2009 after a robust eight-year stretch and it would be the first decline in world output since World War II (source: International Monetary Fund).

The Malaysian economy has been adversely affected by the negative global developments resulting in a sharp decline in exports. Bank Negara Malaysia has reported that in the first quarter of 2009, the Malaysian economy has contracted by 6.2% due to the significant deterioration in external demand and deepening recession in advanced economies.

In view of deteriorating global economy and the consequential adverse effects on the Malaysian economy, the Malaysian government has implemented the First and Second Stimulus Packages of RM7 billion and RM60 billion respectively, low Overnight Policy Rate (OPR) and the establishment of Financial Guarantee Institution. It was envisaged that these measures, coupled with the inherent strength of Malaysia's economic infrastructure and lower inflation would enable Malaysia to withstand the impact of external challenges and be able to recover quickly when the global economic and financial situation stabilizes.

Chairman's Statement (Cont'd)

GROUP'S OPERATIONAL OUTLOOK

During the financial year under review, focus was given to restructuring the Food and Plantation Divisions, whereby the Group had exited from non-performing businesses and re-organised the management teams. Specifically, the decision to discontinue the pineapple canning operations and feedlotting business of Pineapple Cannery of Malaysia Sdn Bhd and Fima-TLP Feedlot Sdn Bhd, respectively, will allow us to redeploy our capital towards strengthening and expanding other aspects of our core businesses where appropriate.

The Manufacturing and Bulking Divisions continued to deliver a satisfactory performance and remain the main thrust of the Group's business activities for the financial year under review. Moving forward, the Divisions will be looking at product innovation which complement the Group core business activities, and to explore new ventures and markets as well as prudent cost management in order to remain competitive in the industry.

The Group's Plantation Division will continue to contribute and become one of the major profit contributors in the Group. In order to support sustainable long term profitability of the plantation business, the main strategic thrust for the Group's Plantation Division is to expand the acreage as well as to increase yields and reduce costs through improvements in operational efficiency.

In the face of a weakening domestic and global economy, the Group is cognizant of the need to be resilient and exercise prudence in managing its resources to tide over this economic downturn. Notwithstanding, the Group remains strategically committed to strengthen and grow its core operations and will continue to explore new business opportunities via new acquisitions, joint ventures or expansion in order to drive earnings and ultimately, maximize shareholders' value.

APPRECIATION AND ACKNOWLEDGEMENT

On behalf of the Board, I would like to take this opportunity to express our appreciation to the management and staff of KFima and its Group of Companies for their professionalism, hard work and dedication in ensuring the success of the Group. I would like to thank our shareholders, valued clients, bankers and business associates, contacts and relevant approving authorities for their confidence, continued support, assistance and cooperation to the Group.

I wish to extend my appreciation and thanks to my fellow Board of Directors for their continue commitment, counsel and guidance during the course of the year.

As a special mention, I would also like to extend our heartfelt gratitude to Encik Ahmad Riza bin Basir who, although continues to remain as a member of the Board, has resigned as the Company's Group Managing Director with effect from 1 April 2009 after having served in that capacity since 2002; for the able manner in which he had carried out his duties throughout his tenure of office as Group Managing Director.

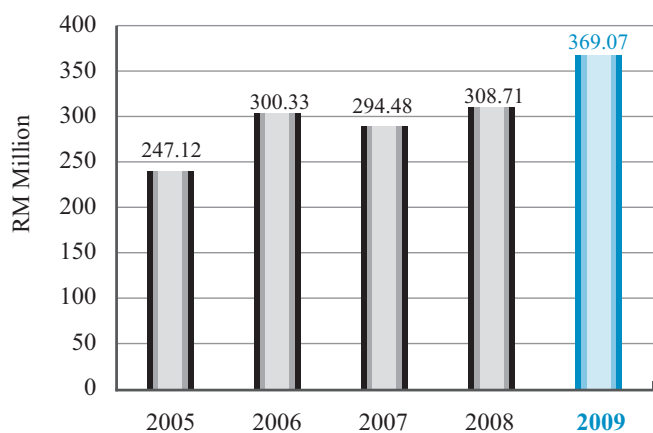
TAN SRI DATO' IR. MUHAMMAD RADZI BIN HAJI MANSOR
Chairman

Five-Year Group Financial Highlights

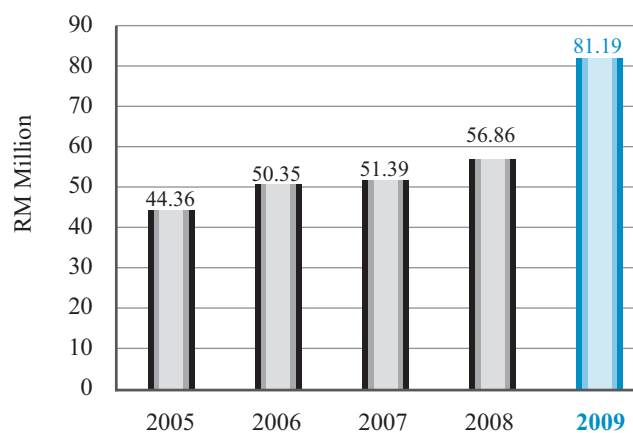
Financial Year Ended 31 March (RM Million)	2009	2008	2007	2006 (restated)	2005
REVENUE	369.07	308.71	294.48	300.33	247.12
PROFIT					
Profit before taxation	81.19	56.86	51.39	50.35	94.66
Profit before taxation (excluding exceptional item)	81.19	56.86	51.39	50.35	44.36
Income Tax Expense	10.57	13.59	10.74	3.48	12.32
Minority Interests	24.47	12.99	10.99	12.01	8.58
Profit after taxation and minority interests	46.16	30.29	29.66	34.86	73.76
ASSETS AND LIABILITIES					
Total assets	653.15	609.17	514.53	458.59	463.11
Total liabilities	201.32	209.05	149.74	138.54	172.63
Minority interests	117.21	100.73	78.97	70.54	61.69
Shareholders' Equity	334.62	299.40	285.82	249.51	228.79
EARNINGS AND DIVIDEND					
Earnings per share (sen)	17.54	11.51	11.30	13.20	28.03
Gross dividend per share (sen)	3.00	2.50	2.00	2.00	1.00
Net dividend per share (sen)	2.25	1.88	1.48	1.44	0.72
SHARE PRICES					
Transacted price per share (sen)					
Highest	51.0	94.5	75.0	54.5	58.5
Lowest	33.5	42.5	50.5	40.5	34.5

Five-Year Group Financial Highlights (Cont'd)

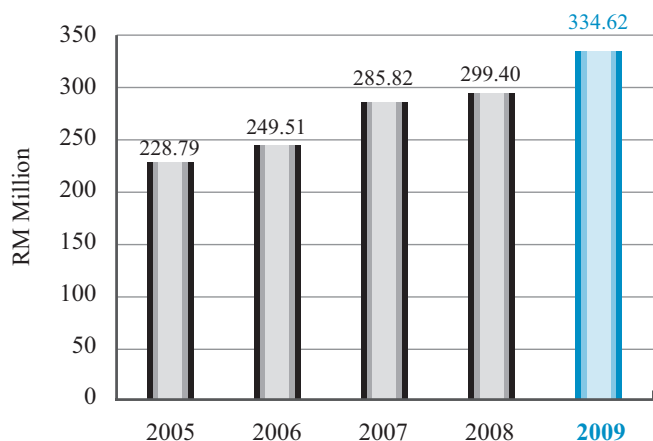
Revenue



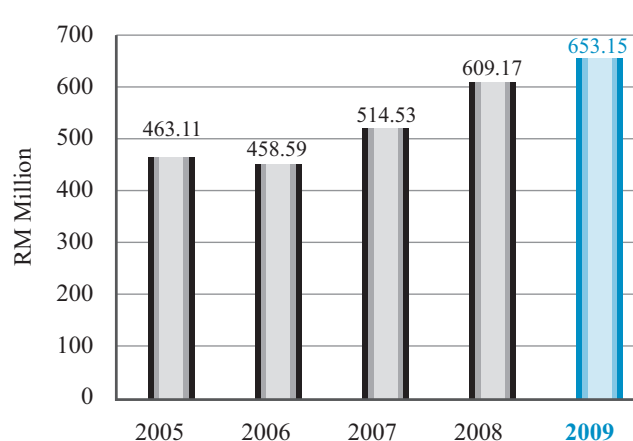
Profit Before Taxation Excluding Exceptional Item



Shareholders' Equity



Total Assets



Operational Review

INTRODUCTION

The Group is principally involved in manufacturing, canning and packaging of food products, plantation, bulking terminal operation, property investment and trading.

MANUFACTURING DIVISION

This Division is principally involved in the production and trading of security and confidential documents.

The Division recorded another year of satisfactory growth and posted a revenue of RM160.45 million from RM149.32 million registered last year, an increase of RM11.13 million or 7.5%. Profit before taxation ("PBT") increased by RM3.56 million or 9.2% to RM42.21 million from RM38.65 million recorded last year due to higher revenue. The Division will continue to strengthen its position by upgrading its existing products and services and exploring into new markets.

PROPERTY INVESTMENT DIVISION

The Property Investment Division's income is derived from rental of office block in Bukit Damansara, building and warehouse in Bangi as well as factory building in Pekan Nanas, Johor.

FOOD DIVISION

The Food Division activities are canning of fish and pineapple as well as packaging of food products. Total turnover from this Division was RM77.66 million which represented an improvement of RM8.95 million or 13.0% from RM68.71 million recorded in the previous year. Despite the increase in the turnover, the Division registered a loss before taxation of RM3.02 million compared to a PBT of RM0.54 million recorded in the previous year as a consequence of rising operational costs and cessation of canning operation of Pineapple Cannery of Malaysia Sdn Bhd. Continuous efforts are being undertaken to improve operational and cost efficiency and workers productivity to strengthen competitive position.

PLANTATION DIVISION

The Group own approximately 52,475 acres of oil palm and pineapple plantation.

For the year under review, the Division has displayed a strong performance with a turnover and PBT of RM62.37 million and RM15.38 million respectively compared to RM35.87 million and RM4.44 million recorded in the previous year respectively, due to the higher prices for palm oil products in 2008. Initiatives have been put in place to enhance productivity and efficiency and minimise the impact of higher operating costs. This Division foresees sustained positive contribution to the profit of the Group for the financial year ending 31 March 2010.

BULKING DIVISION

The Division's core business activities are bulk handling and storage of various types of liquid and semi-liquid products; as well as transportation and forwarding services.

During the year under review, revenue from this Division grew from RM42.21 million to RM53.15 million. The Division had largely benefited from the increased business volume in base oil storage and transshipment activities for edible oil and oleochemical. As a result, on the consolidation basis, PBT rose 34.7% to RM27.03 million compared to RM20.07 million in the previous year.

The Division via its subsidiary Fima Palmbulk Services Sdn Bhd now holds 100.0% equity interest in Boustead Oil Bulking Sdn Bhd ("BOBSB") following the completion of the acquisition of the remaining 24.0% equity interest in BOBSB during the financial year. In light of the challenging market conditions, the Division will continue to enhance its competitiveness through efficient cost management as well as operational efficiency.

TRADING DIVISION

This Division is involved in international trading and military aviation agencies. For the year under review, the Division reported improved revenue of RM11.39 million compared to RM7.79 million registered in the previous year. As a result of higher revenue, PBT had increased to RM2.40 million from RM1.32 million in preceding year. Moving forward, the Division will continue its effort in strengthening its military aviation agencies and establishing itself as a significant player in the industry by expanding regionally.

Corporate Social Responsibility

The Group remains committed to the philosophy of giving back to the community by aligning its corporate activities to worthy social causes as part of its contribution to nation building.

The Community

During the financial year, the Group provided financial aid and support in kind to deserving members of society in the form of donations and sponsorships:

- Provision of financial aid for underprivileged students from various schools in Kuala Krai, Kelantan. Providing students with financial assistance to pursue their education is part of the Group's responsibility as a corporate citizen to enhance and improve the career opportunities of the underprivileged and to make a positive difference to their lives.
- The Company made a financial contribution towards the construction of an additional school building at the Madrasah Darul Istiqamah in Muar, Johore.
- The Company's donation to Yayasan Pendidikan Pelajar Melayu contributed towards the publication of "Buletin Suara Pelajar 2008" which was distributed to primary and secondary school children nationwide.
- The Company sponsored the purchase of 3 units of wheelchair for use by the physically disabled members of Persatuan Warga Istimewa & Rehabilitasi Anggota K9 ("Perwira K9 Malaysia").
- The Company contributed to Persatuan Ehsan Wanita & Anak-Anak Kuala Lumpur in conjunction with the association's charity function to raise funding for its activities and welfare to aid single mothers and needy children.
- The Company made a donation to Yayasan Belia Malaysia's ("YBM") "Tabung Bantuan Kemanusiaan Rakyat Palestin" in support of YBM's humanitarian relief efforts to alleviate the suffering of the embattled people of Gaza.
- Provision of financial assistance to Pertubuhan Kanak-kanak Insan Istimewa Cemerlang and Surau An Nur, Taman Kasturi, Cheras by the Company's subsidiary, Percetakan Keselamatan Nasional Sdn Bhd ("PKN"). PKN had also contributed to Program Kembara in support of its "Hijrah Merdeka Amal Mubarak".
- As part of the services rendered to its valued customers and public, PKN had successfully conducted a series of training on features in security documents and printing techniques to the following organizations:

Organizations	Subjects	Session
Lembaga Hasil Dalam Negeri, Kementerian Kewangan Malaysia	Revenue Stamps – Features and Detection Methods	07 May 2008 28 May 2008 04 June 2008 25 June 2008 07 July 2008 23 July 2008 04 Nov 2008 17 Dec 2008 10 Feb 2009 26 Feb 2009
Maktab Polis DiRaja Malaysia, Kementerian Keselamatan Dalam Negeri Malaysia	Government Official Document, Features and Detection Methods	24 June 2008
Jabatan Pengangkutan Jalan, Kementerian Pengangkutan Malaysia (JPJ)	Security Features of JPJ's Control Documents and Features and Detections Methods on Security Documents.	17 April 2008 09 May 2008

The Workplace

Activities were carried out by Kelab Fima Kuala Lumpur (“Kelab Fima”) to foster camaraderie, strong team spirit and shared values amongst the employees. Among the activities that had been carried out by Kelab Fima during the financial year include the “gotong-royong” at Rumah Anak-Anak Yatim Yayasan Pembangunan Insan Nasional in Banting, Selangor, the Group’s Majlis Berbuka Puasa and Hari Raya Open House and the Piala Ahmad Riza Inter-Company Bowling tournament.

Family days, weekend retreats and festive gatherings were also regularly organized at the divisional level as a means to promote harmonious relationship and interaction amongst staff from across the Group.

As part of the Group’s human capital development initiatives, the Group provides training programmes, either organized in-house or by external professional bodies, focusing on topics which are job related with the aim to equip employees with the required skills and knowledge to stay ahead in their working capacity.

Statement on Corporate Governance

The Board is committed to maintain high standards of corporate governance and level of integrity in all its business operations and dealings by supporting and implementing the principles and best practices of the Malaysian Code of Corporate Governance (“the Code”).

The Board is pleased to report the main corporate governance practices that were in place throughout the financial year as set out below:

1. BOARD OF DIRECTORS

1.1 The Board

The Group fully appreciates the pivotal role played by the Board in the stewardship and monitoring of its long term direction and achievement of business objectives; and ultimately the enhancement of shareholders’ value. The Board meets at least four (4) times a year, once every quarter, with additional meetings convened when necessary.

Certain responsibilities of the Board are delegated to Board Committees; namely the Nomination, Remuneration and Audit Committees. These Committees operate within clearly defined terms of reference and have the authority to examine particular issues and report back to the Board with their recommendations. The ultimate responsibility for the final decision on all matters, however, lies with the Board.

1.2 Board Composition and Balance

As at the date of this Annual Report, the Board is composed of six (6) members - one (1) Independent and Non-Executive Chairman, one (1) Group Managing Director (Executive and Non-Independent), two (2) Non-Executive and Non-Independent Directors and two (2) Non-Executive and Independent Directors. A brief profile of each Director is presented herein.

The Company’s Board is a balanced Board with a complementary blend of expertise with members drawn from varied backgrounds, bringing with them depth and diversity in experience, expertise and perspectives to the Group’s business operations. Directors are able to act independently and express their views unfettered and free from any influence.

The roles of the Chairman and the Group Managing Director are distinct and separate to ensure a balance of power and authority. In addition, the Independent Non-Executive Directors provide an impartial perspective of the Board’s considerations and decisions, taking into account the interests of the Company’s stakeholders.

1.3 Board Meetings

During the year ended 31 March 2009, seven (7) Board meetings were held. The attendance record of each Director in respect of meetings held was as follows:

Name of Directors	No. of Board Meetings Attended
Tan Sri Dato’ Ir. Muhammad Radzi bin Haji Mansor (Chairman*)	6/6
Tan Sri Datuk Dr. Johari bin Mat (Chairman**)	1/1
Encik Roslan bin Hamir	7/7
Encik Ahmad Riza bin Basir	7/7
Encik Azizan bin Mohd Noor	7/7
Puan Rozana Zeti binti Basir	6/7
Encik Rosman bin Abdullah	7/7

*Since his appointment on 10 April 2008

**Up to the date of his resignation on 10 April 2008

1.4 Supply of Information

Each Board member receives a full set of board papers for each agenda item distributed in advance of each Board meeting which include the comprehensive reviews and analysis of major business and financial issues. The board papers are issued in sufficient time to enable the Directors to appreciate the issues to be deliberated and where necessary, be briefed properly before the meeting.

The Board also avails itself of independent professional advice in the furtherance of their duties. In addition, the Directors have direct access to the advice and services of the Company Secretaries who are responsible for ensuring that Board procedures are followed.

The Board also reviews and approves all corporate announcements, including the announcement of the quarterly financial results prior to releasing them to Bursa Malaysia Securities Berhad.

1.5 Board Committees

1.5.1 Nomination Committee

The Nomination Committee, which was established on 23 November 2001, has the authority to carry out the following:

- Review contribution of individual Directors and effectiveness of the Board as a whole with its mix of skills and experience and other qualities, including core competencies which each Director shall bring to the Board;
- Make recommendations to the Board on candidates for directorship on the Board of the Company and its Group subsidiaries;
- Recommend suitable orientation, educational and training programmes to continuously train and equip both existing and new Directors; and
- Examine the size of the Board to determine its effectiveness.

The members of the Nomination Committee as at the date of the Annual Report are:

- Encik Rosman bin Abdullah – Chairman
(Independent Non-Executive Director)
- Encik Azizan bin Mohd Noor
(Independent Non-Executive Director)
- Puan Rozana Zeti binti Basir
(Non-Independent Non-Executive Director)

1.5.2 Remuneration Committee

The Company has adopted the objective as recommended by the Code to determine the remuneration for a Director so as to ensure that the Company attracts and retains the Directors needed to run the Group successfully. In this respect, a Remuneration Committee was established on 23 November 2001.

The Remuneration Committee shall have the authority to carry out the following:

- Make recommendations to the Board on the remuneration framework for the Group Managing Director and determining the remuneration arrangements for the Group Managing Director;

Statement on Corporate Governance (Cont'd)

- Recommend to the Board changes in remuneration, if required or in the event the present structure and remuneration policy are deemed inappropriate; and
- Remuneration of the Non-Executive Directors shall be determined by the Board collectively, where individuals concerned shall abstain from discussion of their own remuneration.

Members of the Remuneration Committee as at the date of the Annual Report are:

- Tan Sri Dato' Ir. Muhammad Radzi bin Haji Mansor - Chairman
(Independent Non-Executive Director)
- Encik Azizan bin Mohd Noor
(Independent Non-Executive Director)
- Encik Rosman bin Abdullah
(Independent Non-Executive Director)

The Remuneration Committee met twice (2) during the financial year.

1.5.3 Audit Committee

The Board is also assisted by the Audit Committee whose members, terms of reference and activities for the year under review are included herein.

1.6 Re-election of Directors

All Directors are subject to retirement and re-election by shareholders at least once every three (3) years in accordance with Article 114 of the Company's Articles of Association.

1.7 Directors' Training

All Directors have successfully attended the Mandatory Accreditation Programme prescribed by Bursa Malaysia Securities Berhad. During the financial year, the Directors have attended various training programmes and seminars that are relevant to the discharge of their responsibilities, the details of which are set out below:

Director	Name of courses/seminars/workshops/conferences	Organiser	Date Held
Tan Sri Dato' Ir. Muhammad Radzi bin Haji Mansor	1. CommunicAsia 2008 - Access Networks & Technologies - Convergence & IMS	Singapore Exhibition Services Pte Ltd	17/6/2008-18/6/2008
	2. The IMD Biennial International Alumni Event	IMD International	27/6/2008-28/6/2008
	3. E-Government: Where are we? How We Got Here? What To Do To Improve?	Harvard Club & co-hosted by INTAN	9/7/2008
	4. a. Recent Developments in Malaysian Tax Laws b. Amendment to the Companies Act 1965 Pertaining to Directors' Duties & Transactions Involving Directors	Kumpulan Fima Berhad	27/11/2008

Statement on Corporate Governance (Cont'd)

Director	Name of courses/seminars/workshops/conferences	Organiser	Date Held
Roslan bin Hamir	1. Investor Relations Workshop	Malaysian Investor Relations Association	30/10/2008
	2. a. Recent Developments in Malaysian Tax Laws b. Amendment to the Companies Act 1965 Pertaining to Directors' Duties & Transactions Involving Directors	Kumpulan Fima Berhad	27/11/2008
Azizan bin Mohd Noor	1. Business Risk Analysis	Multi-code Electronics Industries (M) Bhd	14/8/2008
	2. a. Recent Developments in Malaysian Tax Laws b. Amendment to the Companies Act 1965 Pertaining to Directors' Duties & Transactions Involving Directors	Kumpulan Fima Berhad	27/11/2008
Ahmad Riza bin Basir	1. Changes to Listing Requirement	United Plantations Berhad	14/5/2008
	2. a. General Outlook on 'Soft' Commodities and the Distortion of Funds on the Fundamentals of Supply and Demand b. An understanding on the general situation of high prices of petroleum products and the ins and outs of the oil industry. c. FFM meat processing project.	Jerneh Insurance Berhad	16/9/2008
	3. a. Recent Developments in Malaysian Tax Laws b. Amendment to the Companies Act 1965 Pertaining to Directors' Duties & Transactions Involving Directors	Kumpulan Fima Berhad	27/11/2008
Rozana Zeti binti Basir	1. a. Recent Developments in Malaysian Tax Laws b. Amendment to the Companies Act 1965 Pertaining to Directors' Duties & Transactions Involving Directors	Kumpulan Fima Berhad	27/11/2008

Statement on Corporate Governance (Cont'd)

Director	Name of courses/seminars/workshops/conferences	Organiser	Date Held
Rosman bin Abdullah	1. Best Practices in Leadership	Harvard Club of Malaysia	9/4/2008-10/4/2008
	2. 4th Asia Pacific Audit & Governance Summit 2008	Columbus Governance Services	17/6/2008-18/6/2008
	3. MICPA Workshop – Understanding Financial Statements for Directors & Senior Management	Malaysian Institute of Certified Public Accountants	17/7/2008
	4. National Accountants Conference 2008	Malaysian Institute of Accountants	25/11/2008-26/11/2008
	5. a. Recent Developments in Malaysian Tax Laws b. Amendment to the Companies Act 1965 Pertaining to Directors' Duties & Transactions Involving Directors	Kumpulan Fima Berhad	27/11/2008

2. DIRECTORS' REMUNERATION

The aggregate remuneration of the Directors for the financial year ended 31 March 2009 is as follows:

	Salaries & Other Emoluments (RM'000)	Benefits-in-kind (RM'000)	Fees (RM'000)	Total (RM'000)
Executive Directors	1,692	155	92	1,939
Non-Executive Directors	57	-	193	250

The number of Directors whose total remuneration falls within the respective bands is as follows:

Bands	No. of Directors (Company)	
	Executive	Non-Executive
RM1,050,000 - RM1,100,000	1	-
RM850,001 – RM900,000	1*	-
RM50,001 – RM100,000	-	3
Below RM50,000	-	1

* *Encik Roslan Bin Hamir is an Executive Director of a subsidiary, Fima Corporation Berhad. He was appointed as an Executive Director of Kumpulan Fima Berhad with effect from 26 February 2009.*

3. SHAREHOLDERS

The Company recognizes the importance of communicating with its shareholders and does this through the Annual Report, General Meetings, the Company's website (www.fima.com.my) and timely release of all corporate announcements and financial results, thus providing shareholders and the investing public with an overview of the Group's performance and operations. The general meetings are an important forum for shareholder interaction, whereat shareholders are encouraged to participate in the proceedings and engage in dialogues with the Board and senior management.

4. ACCOUNTABILITY AND AUDIT

4.1 Financial Reporting

For financial reporting through quarterly reports to Bursa Malaysia Securities Berhad and the Annual Report to shareholders, the Directors have a responsibility to ensure the accuracy of the income statement, the balance sheet, the cash flow statement and all other financial disclosure based on Malaysian Accounting Standards Board rules and other legislation. The Audit Committee assists the Board to oversee the Group's financial reporting processes and the quality of its financial reporting. The Statement by Directors pursuant to Section 169 of the Companies Act 1965 is presented herein.

4.2 Internal Controls

The Board has overall responsibility for maintaining a sound system of internal control to safeguard the shareholders' investment and Group's assets.

The system of internal control is designed to manage and provide reasonable and not absolute assurance against material misstatement or loss. The Statement on Internal Control is set out herein.

4.3 Relationship with Auditors

The functions of the Audit Committee in relation to the external auditors including a summary of the activities of the Audit Committee are included in the Audit Committee Report stated herein. The Company has always maintained a close and transparent relationship with its auditors in seeking professional advice and ensuring compliance with the approved accounting standards in Malaysia.

As at the date of this Annual Report, the Audit Committee had met with the external auditors without any Executive Directors being present on three occasions i.e. 3 July 2008, 27 March 2009 and 29 May 2009.

4.4 Statement of Compliance with the Best Practices of the Code

The Company is committed to achieving high standards of Corporate Governance throughout the Group and to the highest level of integrity and ethical standards in all its business dealings. The Board considers that it has complied throughout the financial year with the Best Practices as set out in the Code save as explained below:

"Given the current composition of the Board, in particular the strong and independent element, the Board does not consider it necessary to nominate a Senior Independent Director to whom any matters of concern may be conveyed."

This statement is made in accordance with the resolution of the Board of Directors dated 26 June 2009.

TAN SRI DATO' IR. MUHAMMAD RADZI BIN HAJI MANSOR
Chairman

Audit Committee Report

1. MEMBERS OF THE COMMITTEE

Chairman

Encik Azizan bin Mohd Noor Independent Non-Executive Director
(Member of Malaysian Institute of Accountants)

Members

Encik Rosman bin Abdullah Independent Non-Executive Director
(Member of Malaysian Institute of Accountants)

Encik Roslan bin Hamir Non-Independent Non-Executive Director
(resigned with effect from 26 February 2009)

Puan Rozana Zeti binti Basir Non-Independent Non-Executive Director
(appointed with effect from 26 February 2009)

2. TERMS OF REFERENCE

2.1 Composition

The Audit Committee (“the Committee”) shall be appointed by the Board amongst the Directors of the Company and shall consist of no less than three (3) members comprising of Non-Executive Directors a majority of which are independent directors. A quorum for a meeting shall be at least two (2) members, both being Independent Directors.

The members of the Committee must elect a Chairman among themselves who is an Independent Non-Executive Director. No Alternate Director is appointed as a member of the Committee.

The Committee shall include at least one (1) Director who is a member of the Malaysian Institute of Accountants (“MIA”) or alternatively a Director who must have at least three (3) years working experience and have passed the examinations specified in Part I of the First Schedule of the Accountants Act 1967 or is a member of one (1) of the associations of accountants specified in Part II of the said schedule.

If a member of the Committee resigns, dies or for any reason ceases to be a member with the result that the number of members is reduced below three (3), the Board shall within three (3) months of that event, appoint such number of new members as may be required to make up the minimum number of three (3) members.

The terms of office and performance of the Committee and each of its members must be reviewed by the Board at least once every three (3) years.

2.2 Authority

The Committee is authorised by the Board to investigate any activity within its terms of reference. It is authorised to seek information it requires from any employee and all employees are directed to cooperate with any request made by the Committee.

The Committee is also authorised by the Board to obtain independent professional advice if necessary.

2.3 Duties and Responsibilities

The duties and responsibilities of the Committee are:

2.3.1 Review audit plans before the audit commences, audit reports, evaluations of the system of internal accounting controls and management letters and response with the external auditors.

2.3.2 Carry out the following with regard to the internal audit function:

- Review the adequacy of scope, functions and resources of the internal audit function and that it has the necessary authority to carry out its work;
- Review the internal audit programmes, major findings of internal audits, process and investigation undertaken, management's response and coordination between the internal and external auditors;
- Review any appraisal or assessment of the performance of members of the internal audit function; and
- Approve any appointment/termination of senior internal audit staff and keep informed of resignations of internal audit staff and provide the resigning staff with opportunity to submit reasons for resigning.

2.3.3 Review quarterly results and year end financial statements, before the approval by the Board, focusing particularly on:

- Any changes in or implementation of major accounting policy changes;
- Significant and unusual events; and
- Compliance with accounting standards and other legal requirements.

2.3.4 Discuss any problems and reservations arising from the interim and final audits and any matters the external auditors may wish to discuss (in the absence of Management where necessary) two (2) times in a financial year.

2.3.5 Review any related party transactions and conflict of interests situation that may arise in the Company and Group including any transactions, procedure or course of conduct that raises questions of Management integrity.

2.3.6 Consider and review any letter of resignation from the external auditors of the Company and recommend the nomination of another firm of external auditors.

2.3.7 The Committee shall also report on the following to the Board to enable the Board in preparing an Audit Committee Report for the Company's annual report:

- The composition of the Committee, including name, designation and directorship of the members and whether the director is independent or otherwise;
- The terms of reference of the Committee;
- The number of Committee meetings held in the financial year and details of attendance of each member;
- A summary of the activities of the Committee in the discharge of its functions and duties for the financial year; and
- A summary of the activities of the Group Internal Audit Department ("the GIA").

2.3.8 If the Committee is of the view that a matter reported by the Committee to the Board has not been satisfactorily resolved resulting in a breach of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Committee shall be responsible for reporting such matters to Bursa Malaysia Securities Berhad. The Committee shall have the discretion to undertake such action independently from the Board.

Audit Committee Report (Cont'd)

2.3.9 The Committee shall update the Board on issues and concerns discussed during their meetings including those raised by external auditors and where appropriate, make the necessary recommendations to the Board.

2.4 Meetings

Meetings shall be at least four (4) times annually. However, at least twice a year, the Committee shall meet with the external auditors without any Executive Directors being present. Apart from that, the external auditors may request for a meeting if they consider it necessary. Other Directors and employees shall attend any particular Committee meeting only at the Committee's invitation and specific to the relevant meeting. The Company Secretary shall be the Secretary of the Committee.

The Committee shall cause minutes to be entered in the books provided for purpose of recording all resolutions and proceedings of minutes. Such minutes shall be signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting and if so signed, shall be conclusive evidence without any further proof of the facts.

The Committee, through its Chairman, shall report to the Board at the next Board's meeting after each Committee meeting. When presenting any recommendation to the Board, the Committee will provide such background and supporting information as may be necessary for the Board to make an informed decision.

Minutes of each meeting shall also be distributed to all attendees of the Committee meetings and circulated and presented to all members of the Board for notation purposes at the Board meeting. The books containing the minutes of the proceedings of any meetings of the Committee shall be kept by the Company at the registered office of the Company and shall be open to the inspection of any member of the Committee or the Board.

3. SUMMARY OF ACTIVITIES OF THE COMMITTEE DURING THE FINANCIAL YEAR ENDED 31 MARCH 2009

3.1 The details of the Committee meetings held during the financial year are as follows:

Name of Committee Members	No. of Meetings	
	Held	Attended
Encik Azizan bin Mohd Noor (Chairman)	5	5
Encik Rosman bin Abdullah	5	5
Encik Roslan bin Hamir	5	5

3.2 In line with the terms of reference of the Committee, the following main activities were carried out during the financial year in discharging its duties and responsibilities:

- Reviewed the audit plans, system of internal controls, management letters and response with the external auditors;
- Reviewed the internal audit programmes, major findings of internal audits, process and investigation undertaken, management's response and coordination between the internal and external auditors;
- Reviewed the quarterly and annual financial results of the Company and Group before submission to the Board for consideration and approval;
- Reviewed the changes in and/or compliance of accounting standard; and
- Reviewed related party transactions entered by the Group.

Statement on Internal Control

1. INTRODUCTION

The Malaysian Code on Corporate Governance stipulates that the Board of listed companies should maintain a sound system of internal controls to safeguard shareholders' investment and the Group's assets.

The Board acknowledges that the practice of good corporate governance is an on-going process and not just an annual matter to be covered as compliance in the Annual Report. The Board is committed to practising the highest standards of corporate governance and observing best practices throughout the Group. The Board's Statement on Internal Control is in compliance with Paragraph 15.26(b) of the Bursa Malaysia Securities Berhad Main Market Listing Requirements and the Statement on Internal Control: Guidance for Directors of Public Listed Companies.

2. RESPONSIBILITY

The Board recognises their responsibility for the Group's system of internal control, which is designed to identify and manage the principal risks facing the business in pursuit of its objectives, to review its adequacy and integrity and to ensure good corporate governance. The Management is accountable to the Board for monitoring the Group's system of internal control and for providing assurance to the Board that it has done so.

The system of internal control covers risk management, financial, operational and compliance controls to safeguard shareholders' investments and the Group's assets. This system is designed to manage rather than to eliminate the risk of failure to achieve business objectives and can only provide reasonable but not absolute assurance against material misstatement or loss.

3. KEY PROCESS

The key processes that the Board has established in reviewing the adequacy and integrity of the system of internal control are as follows:

- 3.1** The Executive Committee meets on a quarterly basis with all Divisional Heads to consider Group's financial performance, business development, management and corporate issues.
- 3.2** 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 timely manner. The Group's strategic directions are also reviewed annually taking into account changes in market conditions and significant business risks.
- 3.3** The periodic and streamlining review of limits of authority and other standard operating procedures within the Group provides a sound framework of authority and accountability within the organisation and to facilitate quality, well informed and timely corporate decisions making at the appropriate level in the organisation's hierarchy.
- 3.4** The compliance function, which includes the Committee and internal audit function, assists the Board to oversee the management of risks and review the effectiveness of internal controls. The Committee reviews reports of the GIA and also conducts annual assessment on the adequacy of the GIA's scope of work.
- 3.5** The Committee, on behalf of the Board, regularly reviews and holds discussions with the Management on the actions taken on internal control issues identified in reports prepared by the GIA, external auditors and Management. Minutes of the Committee meetings are tabled to the Board.
- 3.6** The competency of staff is enhanced through rigorous recruitment process and development programmes. A performance appraisal system of staff is in place, with established targets and accountability and is reviewed on annual basis.

4. INTERNAL AUDIT FUNCTION

The role of internal audit has moved towards a risk-based internal audit methodology. This approach includes focusing the internal audit work on the significant risks identified across the Group. Risk management and internal controls are firmly linked with the ability of the Group to fulfil clear business objectives.

The internal audit function provides assurance of the effectiveness of the system of internal controls within the Group. It conducts independent reviews of the key activities within the Group's operating units based on a detailed annual audit plan which was approved by the Audit Committee.

The GIA evaluated the following:

- Adequacy, integrity and effectiveness of the Company and Group's internal controls in safeguarding shareholders' investment and the Company and Group's assets. The internal controls cover financial, operational and compliance controls and enterprise risk management;
- Extent of compliance with established policies, procedures and statutory requirements; and
- Adequacy of policies, procedures and guidelines on the Company and Group's accounting, financial and operational activities.

The GIA also recommended improvements to the existing system of internal controls, where applicable.

The total costs incurred pertaining to carry out operational audit and as Enterprise Risk Management ("ERM") Coordinator for the financial year is approximately RM 260,000.00.

5. ENTERPRISE RISK MANAGEMENT

5.1 The Enterprise Risk Management ("ERM") framework adopted by the Group involves various key processes and its core elements are as follows:

- The identification of each business risk to ensure that all components of the organisational risks are captured;
- The measurement of the identified risk in terms of magnitude of impact and frequency of occurrence; and
- The control or the way the risk is managed in line with the needs for constant monitoring to ensure continuous improvements.

5.2 The ERM assessment has been conducted through a combination of workshops and interviews involving senior management participation to provide a structured approach in identifying, prioritising and managing risks.

5.3 The risk management policy and procedure document will sensitise staff more strongly to risk identification, measurement, control, ongoing monitoring, responsibilities and accountabilities. The workshops conducted generated the following reports:

- Detailed risk register;
- ERM report; and
- Risk management policy and procedure document.

Statement on Internal Control (Cont'd)

5.4 The above reports were summarised as risk profile and provide the basis for the following:

- Business action plans and improvement strategies;
- Developing cost effective control strategies; and
- Prioritisation of areas for operational audit.

5.5 The principal risks identified are those relating to operational, finance, environment, management information, technology, preparedness, human resources, governance, integrity, compliance and reputation.

5.6 The Exco reviews and decides on the Group's budget allocation, including its cash-flow position, equity injection, operating expenses and capital expenditure performance.

5.7 The process of reviewing the adequacy and the integrity of internal control is a continuous process and the Board will from time to time review the monitoring and reporting process to ensure their effectiveness as a whole.

6. REVIEW OF THIS STATEMENT BY EXTERNAL AUDITORS

Pursuant to paragraph 15.23 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements, the external auditors have reviewed this Statement for inclusion in the Annual Report for the year ended 31 March 2009 and reported to the Board that nothing has come to their attention that causes them to believe that this Statement is inconsistent with their understanding of the process adopted by the Board in reviewing the adequacy and integrity of the system of internal controls.

AZIZAN BIN MOHD NOOR
Chairman of Audit Committee

Statement of Directors' Responsibilities

in Relation to the Audited Financial Statements

The Directors are required by the Companies Act, 1965 to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and the Group as at the end of the financial year and of the result of the Company and the Group for the year then ended.

In preparing the financial statements, the Directors have consistently applied appropriate accounting policies supported by reasonable and prudent judgments, estimates and complied with all applicable accounting standards.

The Directors have responsibility for ensuring that the Company and the Group keeps accounting records which disclose with reasonable accuracy the financial position of the Company and the Group and which enable them to ensure that the financial statements comply with the Companies Act, 1965.

The Directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and the Group and to prevent and detect fraud and others irregularities.

This Statement is made in accordance with the resolution of the Board dated 26 June 2009.

Additional Disclosure

Pursuant to the Listing Requirements of Bursa Malaysia Securities Berhad, additional disclosure by the Company is as follows:

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

RRPT of the Company for the financial year ended 31 March 2009 were as follows:

Name of Companies	Related Parties	Nature of RRPT	Interested Major Shareholder, Directors and Persons Connected to Them of KFima	Actual Value of Transactions during the Financial Year (RM)
KFima ⁽¹⁾ IFC ⁽²⁾	KFima/ IFC	Sale of frozen fish Seller: KFima Buyer: IFC	Major Shareholder BHR Directors Roslan bin Hamir ⁽³⁾ Ahmad Riza bin Basir ⁽⁴⁾ Rozana Zeti binti Basir ⁽⁵⁾ Persons Connected Persons Connected to BHR (refer to section 2.6)	40,874,852

Notes:

- (1) Principal activities are those of investment holding and property holding. KFima has effective interest in IFC;
- (2) KFima holds 95.57% effective interest in IFC, by virtue of its 77.85% direct investment and 17.72% through shareholding in Endell Pte Ltd (incorporated in the Republic of Singapore), an 80.00% owned subsidiary of Fima Overseas Holdings Sdn. Bhd. which in turn is a wholly-owned subsidiary of KFima. IFC's principal activities are in the manufacturing and distribution of canned fish;
- (3) Roslan bin Hamir is the Group Managing Director of KFima and Chairman of IFC (appointed as Group Managing Director with effect from 1 April 2009);
- (4) Ahmad Riza bin Basir is a Non-Independent Non-Executive Director of KFima (resigned as Group Managing Director and redesignated as Non-Independent Non-Executive Director with effect from 1 April 2009); and
- (5) Rozana Zeti binti Basir is a Non-Independent Non-Executive Director of KFima and has an indirect shareholding in KFima.

Additional Disclosure (Cont'd)

Table A

Name	Direct Interest		Indirect Interest	
	No. of Shares	%	No. of Shares	%
Directors				
Roslan bin Hamir	111,000	*	-	-
Ahmad Riza bin Basir	-	-	⁽²⁾ 158,366,000	60.18
Rozana Zeti binti Basir	-	-	⁽³⁾ 146,032,300	55.49
Major Shareholder				
BHR	146,032,300	55.49	-	-
Persons Connected to Directors and/or Major Shareholder of KFima other than disclosed above				
<i>Persons Connected to BHR</i>				
Puan Sri Datin Hamidah binti Abdul Rahman ⁽¹⁾	-	-	-	-
Ahmad Riza bin Basir	-	-	⁽²⁾ 158,366,000	60.18
Roshayati binti Basir	-	-	⁽³⁾ 146,032,300	55.49
Rozilawati binti Basir	-	-	⁽³⁾ 146,032,300	55.49
Rozana Zeti binti Basir	-	-	⁽³⁾ 146,032,300	55.49
Zailini binti Zainal Abidin	228,000	0.09	⁽⁴⁾ 158,138,000	60.09

* Negligible

Notes:

- (1) Puan Sri Datin Hamidah binti Abdul Rahman is the mother of Ahmad Riza bin Basir and Rozana Zeti binti Basir. Deemed interested by virtue of her shareholding of preference shares in BHR which carry veto rights in all the decisions in BHR;
- (2) Deemed interested by virtue of :
 - (i) his shareholdings in SRSB;
 - (ii) his wife's, Zailini binti Zainal Abidin's, shareholding in SRSB and her direct shareholding in the Company; and
 - (iii) his family members, Roshayati binti Basir, Rozilawati binti Basir and Rozana Zeti binti Basir shareholding in BHR (deemed interested by virtue of their shareholdings in BHR of more than 15%);
- (3) Roshayati binti Basir, Rozilawati binti Basir and Rozana Zeti binti Basir are the sisters of Ahmad Riza bin Basir. Deemed interested by virtue of their shareholdings in BHR of more than 15%; and
- (4) Zailini binti Zainal Abidin is deemed interested by virtue of her shareholding in SRSB and wife of Ahmad Riza bin Basir.

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Financial Statements

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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 2009.

PRINCIPAL ACTIVITIES

The principal activities of the Company are those of investment and property holding.

The principal activities of the subsidiaries and the associates are described in Notes 41 and 42 respectively to the financial statements.

There have been no significant changes in the nature of the principal activities during the financial year.

RESULTS

	Group RM'000	Company RM'000
Profit for the year	70,627	12,000
Attributable to:		
Equity holders of the Company	46,160	12,000
Minority interests	24,467	-
	<u>70,627</u>	<u>12,000</u>

There were no material transfers to or from reserves or provisions during the financial year.

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.

DIVIDENDS

The amount of dividend paid by the Company since 31 March 2008 was as follows:

	RM'000
In respect of the financial year ended 31 March 2008 as reported in the directors' report for that year:	
Final dividend of 2.5% less 25% taxation, paid on 16 September 2008	<u>4,935</u>

At the forthcoming Annual General Meeting, a final dividend in respect of financial year ended 31 March 2009, of 3.0% less 25% taxation on 263,160,000 ordinary shares, amounting to a dividend payable of approximately RM5,921,100 (2.25 sen net dividend per ordinary share) will be proposed for shareholders' approval. The financial statements for the current year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained profits in the financial year ending 31 March 2010.

Directors' Report (Cont'd)

DIRECTORS

The names of the directors of the Company in office since the date of the last report and at the date of this report are:

Tan Sri Dato' Ir. Muhammad Radzi bin Haji Mansor (Chairman)
Roslan bin Hamir (designated as Group Managing Director on 1 April 2009)
Azizan bin Mohd Noor
Rozana Zeti binti Basir
Rosman bin Abdullah
Ahmad Riza bin Basir (resigned as Group Managing Director on 1 April 2009 and redesignated as Non-Independent and Non-Executive Director)

DIRECTORS' BENEFITS

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

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 as shown in Note 7 to the financial statements) 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, other than as disclosed in Note 35 to the financial statements.

DIRECTORS' INTERESTS

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

	Number of Ordinary Shares of RM1.00 Each			31 March 2009
	1 April 2008	Bought	Sold	
The Company				
Direct Interest				
Roslan bin Hamir	111,000	-	-	111,000
Indirect Interest				
Ahmad Riza bin Basir*	157,066,000	1,300,000	-	158,366,000
Rozana Zeti binti Basir^	146,032,300	-	-	146,032,300
Subsidiary - Fima Corporation Berhad				
Direct Interest				
Roslan bin Hamir	205,600	-	-	205,600
Indirect Interest				
Ahmad Riza bin Basir*	49,081,786	-	-	49,081,786
Rozana Zeti binti Basir^	49,081,786	-	-	49,081,786

Directors' Report (Cont'd)

DIRECTORS' INTERESTS (CONT'D)

* Deemed interested by virtue of the following:

- (i) His shareholding in BHR Enterprise Sdn Bhd ("BHR") and Subur Rahmat Sdn Bhd ("SRSB"); and
- (ii) His wife, Zailini binti Zainal Abidin's shareholding in SRSB and her direct shareholding in the Company.

^ Rozana Zeti binti Basir is the sister of Ahmad Riza bin Basir. Deemed interested by virtue of her shareholding in BHR.

Ahmad Riza bin Basir and Rozana Zeti binti Basir, by virtue of their interests in shares of BHR, are also deemed interested in shares of all BHR's subsidiaries to the extent BHR has interest.

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

OTHER STATUTORY INFORMATION

- (a) Before the income statements and balance sheets 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 allowance for doubtful debts and satisfied themselves that all known bad debts had been written off 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) the amount written off for bad debts or the allowance for doubtful debts of the Group and of the Company inadequate to any substantial extent; and
 - (ii) the values attributed to 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 render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (d) At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

Directors' Report (Cont'd)

OTHER STATUTORY INFORMATION (CONT'D)

- (e) As at the date of this report, there does not exist:
- (i) any charge on the assets of the Group or 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 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 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 or of the Company to meet its 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 or of the Company for the financial year in which this report is made.

SUBSEQUENT EVENT

Details of a subsequent event are disclosed in Note 36 to the financial statements.

AUDITORS

The auditors, Hanafiah Raslan & Mohamad, have expressed their willingness to continue in office.

Signed on behalf of the Board in accordance with a resolution of the directors dated 26 June 2009

Tan Sri Dato' Ir. Muhammad Radzi bin Haji Mansor

Roslan bin Hamir

Statement By Directors

Pursuant To Section 169(15) Of The Companies Act, 1965

We, Tan Sri Dato' Ir. Muhammad Radzi bin Haji Mansor and Roslan bin Hamir, being two of the directors of Kumpulan Fima Berhad, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 39 to 102 are drawn up in accordance with the provisions of the Companies Act, 1965 and applicable Financial Reporting Standards 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 2009 and of the results and the cash flows of the Group and of the Company for the year then ended.

Signed on behalf of the Board in accordance with a resolution of the directors dated 26 June 2009.

Tan Sri Dato' Ir. Muhammad Radzi bin Haji Mansor

Roslan bin Hamir

Statutory Declaration

Pursuant To Section 169(16) Of The Companies Act, 1965

I, Mohd Yusof bin Pandak Yatim, being the officer primarily responsible for the financial management of Kumpulan Fima Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 39 to 102 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 Mohd Yusof bin Pandak Yatim
at Kuala Lumpur in the Federal Territory
on 26 June 2009

Mohd Yusof bin Pandak Yatim

Before me,

Affandi Bin Ahmad
Commissioner for Oaths
No. W567

Independent Auditors' Report

To The Members Of Kumpulan Fima Berhad (Incorporated in Malaysia)

Report on the financial statements

We have audited the financial statements of Kumpulan Fima Berhad, which comprise the balance sheets as at 31 March 2009 of the Group and of the Company, and the income statements, statements of changes in equity and cash flow statements of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 39 to 102.

Directors' responsibility for the financial statements

The directors of the Company are responsible for the preparation and fair presentation of these financial statements in accordance with Financial Reporting Standards and the Companies Act 1965 in Malaysia. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with applicable Financial Reporting Standards and the Companies Act 1965 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 2009 and of their financial performance and cash flows for the year then ended.

Report on other legal and regulatory requirements

In accordance with the requirements of the Companies Act 1965 ("Act") in Malaysia, we also report the following:

- (a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.

Independent Auditors' Report

To The Members Of Kumpulan Fima Berhad (Incorporated in Malaysia) (Cont'd)

- (b) We have considered the financial statements and the auditors' reports of all subsidiaries which we have not acted as auditors, which are indicated in Note 41 to the financial statements, being financial statements that have been included in the consolidated financial statements.
- (c) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the financial statements of the Company are in form and content appropriate and proper for the purposes of the preparation of the consolidated financial statements and we have received satisfactory information and explanations required by us for those purposes.
- (d) The auditors' reports on the financial statements of the subsidiaries were not subject to any qualification and did not include any comment required to be made under Section 174(3) of the Act.

Other matters

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Hanafiah Raslan & Mohamad
AF: 0002
Chartered Accountants

Ahmad Zahirudin Bin Abdul Rahim
No. 2607/12/10(J)
Chartered Accountant

Kuala Lumpur, Malaysia
26 June 2009

Income Statements

For The Year Ended 31 March 2009

	Note	Group		Company	
		2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000 (Restated)
Revenue	3	369,070	308,712	66,340	24,150
Cost of sales	4	(225,056)	(199,013)	(40,093)	-
Gross profit		144,014	109,699	26,247	24,150
Other income	5	4,915	5,046	1,049	1,264
Administrative expenses		(44,560)	(39,617)	(6,636)	(4,477)
Selling and marketing expenses		(4,255)	(4,777)	-	-
Other expenses		(20,429)	(15,072)	(2,332)	(2,579)
		(69,244)	(59,466)	(8,968)	(7,056)
Finance costs	8	(4,976)	(3,828)	(854)	(2,046)
Share of profit of associates		6,484	5,411	-	-
Profit before taxation	9	81,193	56,862	17,474	16,312
Income tax expense	10	(10,566)	(13,588)	(5,474)	(1,039)
Profit for the year		70,627	43,274	12,000	15,273
Attributable to :					
Equity holders of the Company		46,160	30,287	12,000	15,273
Minority interests		24,467	12,987	-	-
		70,627	43,274	12,000	15,273
Earning per share attributable to equity holders of the Company (sen)					
Basic for the year	11	17.54	11.51		

The accompanying notes form an integral part of the financial statements.

Balance Sheets

As At 31 March 2009

	Note	Group		Company	
		2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000 (Restated)
ASSETS					
Non-current assets					
Property, plant and equipment	13	153,927	153,208	10,012	10,256
Investment properties	14	71,543	73,046	1,809	1,832
Prepaid land lease payments	15	50,113	50,746	40,422	40,986
Goodwill on consolidation	20	13,055	12,650	-	-
Biological assets	16	74,635	79,815	-	-
Investments in subsidiaries	17	-	-	89,436	91,715
Investments in associates	18	39,718	34,266	2,254	2,254
Other investments	19	-	-	-	-
Deferred tax assets	29	7,456	1,660	-	-
		410,447	405,391	143,933	147,043
Current assets					
Inventories	21	74,719	60,844	-	-
Trade receivables	22	104,610	82,889	-	68
Other receivables	23	12,295	14,616	1,623	6,502
Due from subsidiaries	24	-	-	30,232	9,156
Cash and bank balances	25	51,083	45,430	4,436	2,496
		242,707	203,779	36,291	18,222
TOTAL ASSETS		653,154	609,170	180,224	165,265

Balance Sheets

As At 31 March 2009 (Cont'd)

	Note	Group		Company	
		2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000 (Restated)
EQUITIES AND LIABILITIES					
Equity attributable to equity holders of the Company					
Share capital	26	263,160	263,160	263,160	263,160
Reserves		71,464	36,238	(140,874)	(147,939)
		334,624	299,398	122,286	115,221
Minority interests		117,212	100,727	-	-
Total equity		451,836	400,125	122,286	115,221
Non-current liabilities					
Long term borrowings	27	21,939	45,405	8,200	22,000
Retirement benefit obligations	28	1,419	3,031	-	-
Deferred tax liabilities	29	16,461	16,263	5,706	6,017
		39,819	64,699	13,906	28,017
Current liabilities					
Short term borrowings	27	63,666	55,055	12,352	396
Trade payables	30	55,532	51,126	220	28
Other payables	31	36,395	35,601	391	424
Provision for compensation claim	34(b)	2,120	-	-	-
Due to subsidiaries	24	-	-	31,069	21,179
Taxation		3,786	2,564	-	-
		161,499	144,346	44,032	22,027
Total liabilities		201,318	209,045	57,938	50,044
TOTAL EQUITY AND LIABILITIES					
		653,154	609,170	180,224	165,265
Net assets per share (RM)		1.27	1.14	0.46	0.44

The accompanying notes form an integral part of the financial statements.

Consolidated Statement Of Changes In Equity

For The Year Ended 31 March 2009

	Note	← Attributable to equity holders of the Company		
		← Non-distributable		
		Share Capital	Share Premium	Revaluation Reserve
		RM'000	RM'000	RM'000
At 1 April 2007		263,160	12,161	44,527
Translation loss		-	-	-
Net loss not recognised in income statement		-	-	-
Net profit for the year		-	-	-
Acquisition of minority interest by a subsidiary		-	-	-
Dividend	12	-	-	-
Dividend paid to minority shareholders of a subsidiary		-	-	-
Purchase of treasury shares by a subsidiary		-	-	-
Redemption of Redeemable Cumulative Loan Stocks by minority shareholder of a subsidiary		-	-	-
At 31 March 2008		263,160	12,161	44,527
At 1 April 2008		263,160	12,161	44,527
Translation loss		-	-	-
Net loss not recognised in income statement		-	-	-
Net profit for the year		-	-	-
Acquisition of minority interest by a subsidiary		-	-	-
Dividend	12	-	-	-
Dividend paid to minority shareholders of a subsidiary		-	-	-
Purchase of treasury shares by a subsidiary		-	-	-
Redemption of Redeemable Cumulative Loan Stocks by minority shareholder of a subsidiary		-	-	-
At 31 March 2009		263,160	12,161	44,527

The accompanying notes form an integral part of the financial statements.

Consolidated Statement Of Changes In Equity

For The Year Ended 31 March 2009 (Cont'd)

Other Reserves (see page 44) RM'000	Accumulated Losses RM'000	Total RM'000	Minority Interests RM'000	Total Equity RM'000
38,737	(72,767)	285,818	78,973	364,791
(12,812)	-	(12,812)	-	(12,812)
(12,812)	-	(12,812)	-	(12,812)
-	30,287	30,287	12,987	43,274
-	-	-	13,697	13,697
-	(3,895)	(3,895)	-	(3,895)
-	-	-	(3,585)	(3,585)
-	-	-	(772)	(772)
-	-	-	(573)	(573)
25,925	(46,375)	299,398	100,727	400,125
25,925	(46,375)	299,398	100,727	400,125
(5,975)	-	(5,975)	-	(5,975)
(5,975)	-	(5,975)	-	(5,975)
-	46,160	46,160	24,467	70,627
-	(24)	(24)	(1,728)	(1,752)
-	(4,935)	(4,935)	-	(4,935)
-	-	-	(3,800)	(3,800)
-	-	-	(1,413)	(1,413)
-	-	-	(1,041)	(1,041)
19,950	(5,174)	334,624	117,212	451,836

Consolidated Statement Of Changes In Equity

For The Year Ended 31 March 2009 (Cont'd)

Other Reserves

(from pages 42 & 43)

	← Non-distributable →			
	Capital Reserve arising from			
	Capital Reserve	Bonus Issue in Subsidiary	Foreign Exchange Reserve	Total
	RM'000	RM'000	RM'000	RM'000
At 1 April 2007	437	26,758	11,542	38,737
Translation loss not recognised in income statement	-	-	(12,812)	(12,812)
At 31 March 2008	437	26,758	(1,270)	25,925
Translation loss not recognised in income statement	-	-	(5,975)	(5,975)
At 31 March 2009	437	26,758	(7,245)	19,950

The accompanying notes form an integral part of the financial statements.

Statement Of Changes In Equity

For The Year Ended 31 March 2009

	Note	Non-distributable			Accumulated Losses RM'000	Total RM'000
		Share Capital RM'000	Share Premium RM'000	Revaluation Reserve RM'000		
At 1 April 2007		263,160	12,161	18,234	(189,712)	103,843
Net profit for the year						
As previously stated		-	-	-	11,848	11,848
Prior year adjustment	39	-	-	-	3,425	3,425
As restated		-	-	-	15,273	15,273
Dividend	12	-	-	-	(3,895)	(3,895)
At 31 March 2008 (restated)		263,160	12,161	18,234	(178,334)	115,221
At 1 April 2008						
As previously stated		263,160	12,161	18,234	(181,759)	111,796
Prior year adjustment	39	-	-	-	3,425	3,425
At 1 April 2008 (restated)		263,160	12,161	18,234	(178,334)	115,221
Net profit for the year		-	-	-	12,000	12,000
Dividend	12	-	-	-	(4,935)	(4,935)
At 31 March 2009		263,160	12,161	18,234	(171,269)	122,286

The accompanying notes form an integral part of the financial statements.

Cash Flow Statements

For The Year Ended 31 March 2009

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000 (Restated)
Cash Flows from Operating Activities				
Profit before taxation	81,193	56,862	17,474	16,312
Adjustment for:				
Depreciation				
- Property, plant and equipment	14,843	12,966	283	290
- Investment properties	1,503	1,501	23	23
Amortisation of				
- Prepaid land lease payments	739	737	564	566
- Biological assets	5,145	3,946	-	-
Impairment of property, plant and equipment	1,450	-	-	-
Impairment of investment of subsidiary	-	-	2,279	-
Net (gain)/loss on disposal of property, plant and equipment	(21)	(61)	-	39
Share of profit of associates	(6,484)	(5,411)	-	-
Net allowance/(write back) for doubtful debts	1,756	(2,328)	53	(114)
Bad debts recovered	(74)	(243)	(56)	-
Net (write back)/provision for retirement benefits	(233)	394	-	-
Property, plant and equipment written off	109	43	-	-
Inventories written off	4,103	-	-	-
Write down of inventories	783	413	-	-
Provision for compensation claim	2,120	-	-	-
Other investment written off	-	22	-	-
Dividend income	-	-	(24,933)	(23,450)
Interest expense	3,271	4,842	625	1,354
Interest income	(782)	(2,738)	(379)	(312)
Operating profit/(loss) before working capital changes	109,421	70,945	(4,067)	(5,292)
Increase in inventories	(18,534)	(5,082)	-	-
(Increase)/decrease in receivables	(24,240)	(20,130)	1,022	(854)
(Increase)/decrease in net amount due from related companies	(65)	30,353	(11,177)	(2,234)
Increase/(decrease) in payables	9,438	7,255	117	(259)
Cash generated from /(used in) operations	76,020	83,341	(14,105)	(8,639)
Interest paid	(3,271)	(4,842)	(625)	(1,354)
Taxes (paid)/refund	(14,868)	(16,158)	3,767	4,575
Retirement benefits paid	(1,360)	(134)	-	(32)
Net cash generated from/(used in) operating activities	56,521	62,207	(10,963)	(5,450)

Cash Flow Statements

For The Year Ended 31 March 2009 (Cont'd)

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000 (Restated)
Cash Flows from Investing Activities				
Proceeds from disposal of property, plant and equipment	459	658	-	516
Biological assets expenditure	(6,748)	(1,576)	-	-
Purchase of property, plant and equipment	(17,078)	(30,433)	(39)	(363)
Purchase of investment property	-	(1,796)	-	-
Subscribing additional shares in a subsidiary	(1,972)	-	-	(3,500)
Acquisition of subsidiaries	-	(73,736)	-	-
Redemption of Redeemable Cumulative Loan Stock (RCLS)	(2,421)	(1,333)	-	-
Net dividends received	1,026	1,124	19,341	13,928
Interest received	782	2,738	379	312
Net cash (used in)/generated from investing activities	(25,952)	(104,354)	19,681	10,893
Cash Flows from Financing Activities				
Net repayment of revolving credit facility	(13,800)	(3,000)	(13,800)	(3,000)
Net (repayment)/drawdown of short term borrowings	(3,183)	41,347	11,957	396
Dividends paid	(4,935)	(3,895)	(4,935)	(3,895)
Dividends paid to minority shareholders of a subsidiary	(3,800)	(3,585)	-	-
Decrease/(increase) in deposits on lien	1,755	(196)	-	-
Acquisition of treasury shares by a subsidiary	(1,413)	(772)	-	-
Net cash (used in)/generated from financing activities	(25,376)	29,899	(6,778)	(6,499)
Net increase/(decrease) in cash and cash equivalents	5,193	(12,248)	1,940	(1,056)
Cash and cash equivalents at beginning of year	27,638	39,886	2,496	3,552
Cash and cash equivalents at end of year	32,831	27,638	4,436	2,496
Cash and cash equivalents comprise:				
Cash and bank balances	25,870	15,256	3,436	1,396
Fixed deposits with financial institutions*	20,180	23,386	1,000	1,100
Secured bank overdrafts (Note 27)	(13,219)	(11,004)	-	-
	32,831	27,638	4,436	2,496
* Fixed deposits with financial institutions comprise:				
Fixed deposits (Note 25)	25,213	30,174	1,000	1,100
Less: Deposits on lien	(5,033)	(6,788)	-	-
	20,180	23,386	1,000	1,100

The accompanying notes form an integral part of the financial statements.

Notes to the Financial Statements

31 March 2009

1. CORPORATE INFORMATION

The principal activities of the Company are those of investment and property holding. The principal activities of the subsidiaries and the associates are described in Notes 41 and 42, 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 Board 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 holding company is BHR Enterprise Sdn. Bhd., a company incorporated in Malaysia.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 26 June 2009.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation

The financial statements of the Group and of the Company have been prepared under historical cost convention except for the revaluation of certain freehold land and building and comply with the provisions of the Companies Act, 1965 and applicable Financial Reporting Standards ("FRSs") in Malaysia.

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 March 2008 except for the adoption of revised amendments to FRSs that are effective for the Group's and the Company's financial statements commencing 1 April 2008 as described fully in Note 2.3.

The financial statements are expressed in Ringgit Malaysia ("RM") and all values are rounded to the nearest thousand (RM'000) except where otherwise indicated.

2.2 Summary of Significant Accounting Policies

(a) Subsidiaries and Basis of Consolidation

(i) Subsidiaries

Subsidiaries are entities over which the Group has the ability to control the financial and operating policies so as to obtain benefits from their activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group has such power over another entity.

In the Company's separate financial statements, investments in subsidiaries 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 the income statement.

Notes to the Financial Statements

31 March 2009 (Cont'd)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (Cont'd)

(a) Subsidiaries and Basis of Consolidation (Cont'd)

(ii) Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the balance sheet date. The financial statements of the subsidiaries are prepared for the same reporting date as the Company.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. In preparing the consolidated financial statements, intragroup balances, transactions and unrealised gains or losses are eliminated in full. Uniform accounting policies are adopted in the consolidated financial statements for like transactions and events in similar circumstances.

Acquisitions of subsidiaries are accounted for using the purchase method. The purchase method of accounting involves allocating the cost of the acquisition to the fair value of the assets acquired and liabilities and contingent liabilities assumed at the date of acquisition. The cost of an acquisition is measured as the aggregate of the fair values, at the date of exchange, of the assets given, liabilities incurred or assumed, and equity instruments issued, plus any costs directly attributable to the acquisition.

Any excess of the cost of the acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities represents goodwill. Any excess of the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition is recognised immediately in the income statement.

Minority interests represent the portion of profit or loss and net assets in subsidiaries not held by the Group. It is measured at the minorities' share of the fair value of the subsidiaries' identifiable assets and liabilities at the acquisition date and the minorities' share of changes in the subsidiaries' equity since then.

(b) Associates

Associates are entities in which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not in control or joint control over those policies.

Investments in associates are accounted for in the consolidated financial statements using the equity method of accounting. Under the equity method, the investment in associate is carried in the consolidated balance sheet at cost adjusted for post-acquisition changes in the Group's share of net assets of the associate. The Group's share of the net profit or loss of the associate is recognised in the consolidated income statement. Where there has been a change recognised directly in the equity of the associate, the Group recognises its share of such changes.

In applying the equity method, unrealised gains and losses on transactions between the Group and the associate are eliminated to the extent of the Group's interest in the associate. After application of the equity method, the Group determines whether it is necessary to recognise any additional impairment loss with respect to the Group's net investment in the associate. The 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.

Notes to the Financial Statements

31 March 2009 (Cont'd)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (Cont'd)

(b) Associates (Cont'd)

Goodwill relating to an associate is included in the carrying amount of the investment and is not amortised. 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 in 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, including any long-term interests that, in substance, form part of the Group's net investment in the associates, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

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.

In the Company's separate financial statements, investments in associates 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 the income statement.

(c) Revenue Recognition

Revenue is recognised when it is probable that economic benefits associated with the transaction will flow to the Group and the amount of revenue can be reliably measured. Specific income streams are recognised as follows:

(i) Sale of Goods

Revenue relating to sale of goods is recognised net of sales taxes and discounts, and upon transfer of significant risks and rewards of ownership to the buyer.

(ii) Rental Income

Rental income from investment property is recognised on a straight-line basis over the term of the lease.

(iii) Property Management Services

Revenue from property management is recognised when services are rendered.

(iv) Dividend Income

Dividend income is recognised when the right to receive payment is established.

(v) Receipts in Advance

Receipts in advance are treated as current liabilities in the balance sheet.

Notes to the Financial Statements

31 March 2009 (Cont'd)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (Cont'd)

(d) 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.

(e) Biological Assets

(i) Oil Palm Planting Expenditure

All expenses incurred in land preparation, planting and developing of oil palm up to maturity are capitalised as biological assets. A portion of the indirect overheads which include general and administrative expenses incurred on immature plantation is similarly capitalised under biological assets until such time when the plantation attains maturity at the age of 36 months. All expenses subsequent to maturity are recognised in the income statement. Upon attaining maturity, oil palm planting expenditure is amortised over 20 - 25 years. Replanting expenditure and nursery assets is capitalised under oil palm planting expenditure in the year in which it is incurred until maturity.

(ii) Pineapple Planting Expenditure

New estate development expenditure is capitalised until the plants attain maturity, after which time the amount capitalised will be charged to income statement based on the area harvested. Replanting expenditure consists of expenses incurred from the stage of clearing to maturity. Replanting expenditure is capitalised and will be charged to income statement based on area harvested upon attaining maturity.

(f) 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 Ringgit Malaysia ("RM"), which is also the Company's functional currency.

(ii) Foreign Currency Transactions

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded in the functional currencies using the exchange rates prevailing at the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated 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 retranslated.

Notes to the Financial Statements

31 March 2009 (Cont'd)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (Cont'd)

(f) Foreign Currencies (Cont'd)

(ii) Foreign Currency Transactions (Cont'd)

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in the income statement for the period.

Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.

(iii) Foreign Operations

The results and financial position of foreign operations that have a functional currency different from the presentation currency, RM of the consolidated financial statements are translated into RM as follows:

- Assets and liabilities for each balance sheet presented are translated at the closing rate prevailing at the balance sheet date;
- Income and expenses for each income statement 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.

(g) Property, Plant and Equipment and Depreciation

All items of property, plant and equipment are initially recorded at cost. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Subsequent to recognition, property, plant and equipment except for certain freehold land and buildings are stated at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land and buildings other than office buildings are stated at revalued amount, which is the fair value at the date of the revaluation less any accumulated impairment losses. Fair value is determined from market-based evidence by appraisal that is undertaken by professionally qualified valuers. Revaluations are performed with sufficient regularity to ensure that the fair value of a revalued asset does not differ materially from that which would be determined using fair value at the balance sheet date. Any revaluation surplus is credited to the revaluation reserve included within equity, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is recognised in profit or loss to the extent of the decrease previously recognised.

Notes to the Financial Statements

31 March 2009 (Cont'd)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (Cont'd)

(g) Property, Plant and Equipment and Depreciation (Cont'd)

A revaluation deficit is first offset against unutilised previously recognised revaluation surplus in respect of the same asset and the balance is thereafter recognised in profit or loss. Upon disposal or retirement of an asset, any revaluation reserve relating to the particular asset is transferred directly to retained earnings.

Freehold land has an unlimited useful life and therefore is not depreciated. Construction work-in-progress are also not depreciated as these assets are not available for use.

Depreciation of other property, plant and equipment is provided for 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	2.0% - 6.66%
Plant and machinery	4.0% - 33.33%
Warehouse, storage tanks and pipelines	4.0%
Motor vehicles	10.0% - 33.33%
Office equipment, furniture and fittings	6.66% - 25.0%
Renovation	10.0% - 20.0%
Tools, accessories and computer equipment	20.0% - 33.33%

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 items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any and the net carrying amount is recognised in the income statement and the unutilised portion of the revaluation surplus on that item is taken directly to retained earnings.

(h) Investment Properties

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are 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 2.0% per annum.

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.

Investment properties are derecognised when either they have 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 income statements in the year in which they arise.

Notes to the Financial Statements

31 March 2009 (Cont'd)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (Cont'd)

(i) Inventories

Inventories of raw materials, work-in progress, finished goods, consumables and seedlings are valued at the lower of cost (determined on the first-in, first-out, ("FIFO") basis) and net realisable value, except for palm oil in Indonesia which are valued based on the weighted average method. Cost of finished goods and work-in-progress includes direct materials, direct labour, direct charges and variable production overheads.

Livestocks, which are held for resale in the future, are stated at the lower of cost and net realisable value. Livestocks include costs of livestock and an appropriate portion of feed costs and overheads.

Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

(j) Investments

Investments in subsidiaries, associated companies and unquoted shares are stated at cost less impairment losses. The policy for recognition and of measurement of impairment losses is in accordance with Note 2.2 (o).

On disposal of an investment, the difference between net disposal proceeds and its carrying amount is charged or credited to the income statement.

(k) Income Tax

Income tax on the profit or loss for the year comprises current and deferred tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted at the balance sheet date.

Deferred tax is provided for, using the liability method. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. Deferred tax is not recognised if the temporary difference arises from goodwill or negative goodwill or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is recognised as income or an expense and included in the profit or loss for the period, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also recognised directly in equity, or when it arises from a business combination that is an acquisition, in which case the deferred tax is included in the resulting goodwill or the amount of any excess of the acquirer's interest is the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the cost of the combination.

Notes to the Financial Statements

31 March 2009 (Cont'd)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (Cont'd)

(l) Provisions for Liabilities

Provisions are recognised when the Group and the Company have a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

(m) 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 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, and 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 income statement as incurred.

(iii) Defined Benefit Plan

The Group, other than the foreign subsidiary in Indonesia, operates a retirement benefit scheme for eligible employees of the Group under the Retirement Benefits Plan. The Group sets aside provisions for retirement benefits based on the basic monthly salary of each eligible employee at the end of each financial year of service over the employees' period of employment and one of the subsidiaries sets aside provision for retirement benefits based on fixed entitlement in relation to the subsidiary's employees period of employment.

The foreign subsidiary in Indonesia provides for unfunded retirement benefits to eligible employees that are under permanent employment and confirmed in service. The liability in respect of the unfunded defined benefit plan is the present value of the defined benefit obligation at the balance sheet date adjusted for unrecognised actuarial losses. The foreign subsidiary in Indonesia determines the present value of the defined benefit obligation with sufficient regularity such that the amounts recognised in the financial statements do not differ materially from the amounts that would be determined at the balance sheet date.

The defined benefit obligation, 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 balance sheet date of high quality corporate bonds. The latest actuarial valuation was carried out using the employee data as at 31 March 2009.

Notes to the Financial Statements

31 March 2009 (Cont'd)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (Cont'd)

(m) Employee Benefits (Cont'd)

(iii) Defined Benefit Plan (Cont'd)

Actuarial gains and losses arise from experience adjustments and changes in actuarial assumptions. The amount of net actuarial gains and losses recognised in the income statement is determined by the corridor method in accordance with FRS 119₂₀₀₄ Employee Benefit and is charged or credited to the income statement over the average remaining service lives of the related employees participating in the defined benefit plan.

(n) Leases

A lease is recognised as a finance lease if it transfers substantially to the Group all the risks and rewards incidental to ownership.

(i) Finance Leases

Assets acquired by way of hire purchase or finance leases are stated at an amount equal to the lower of their fair values and the present value of the minimum lease payments at the inception of the leases, less accumulated depreciation and impairment losses. The corresponding liability is included in the balance sheet as borrowings. In calculating the present value of the minimum lease payments, the discount factor used is the interest rate implicit in the lease, when it is practicable to determine; otherwise, the Group's incremental borrowing rate is used. Any initial direct costs are also added to the carrying amount of such assets.

Lease payments are apportioned between the finance costs and the reduction of the outstanding liability. Finance costs, which represent the difference between the total leasing commitments and the fair value of the assets acquired, are recognised as an expense in the income statement over the term of the relevant lease so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

(ii) Operating Leases

The depreciation policy for leased asset is consistent with that for depreciable property, plant and equipment as described in Note 2.2(g).

Operating lease payments are recognised as an expense on a straight-line basis over the term of the relevant lease. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

In the case of a lease of land and buildings, the minimum lease payments or the up-front payments made are allocated, whenever necessary, between the land and the buildings elements in proportion to the relative fair values for leasehold interest in the land element and buildings element of the lease at the inception of the lease. The up-front payment represents prepaid lease payments and are amortised on a straight-line basis over the lease term.

Notes to the Financial Statements

31 March 2009 (Cont'd)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (Cont'd)

(o) Impairment of Non-financial Assets

The carrying amounts of the Group's assets, other than inventories and deferred tax assets, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated to determine the amount of impairment loss.

For goodwill, assets that have an indefinite useful life and intangible assets that are not yet available for use, the recoverable amount is estimated at each balance sheet date or more frequently when indicators of impairment are identified.

For the purpose of impairment testing of these assets, recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the cash-generating unit (CGU) to which the asset belongs to. Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's CGUs, or groups of CGUs, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows 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 considered impaired and 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.

An impairment loss is recognised as an expense in the income statement immediately, unless the asset is carried at a revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease to the extent of any unutilised previously recognised revaluation surplus for the same asset.

Impairment loss on goodwill is not reversed in a subsequent period. An impairment loss for an asset other than goodwill is reversed if, and 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. The carrying amount of an asset other than goodwill is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset other than goodwill is recognised in the income statement, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase.

Notes to the Financial Statements

31 March 2009 (Cont'd)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (Cont'd)

(p) Financial Instruments

Financial assets and financial liabilities carried on the balance sheets include cash in hand and at bank, deposits with financial institutions, receivables and payables. The accounting policies on recognition and measurement of these items are disclosed in their respective accounting policies.

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. Interest, dividends, gains and losses relating to a financial instrument classified as a liability, are reported as expense or income. Distributions to holders of financial instruments classified as equity are charged directly to equity. Financial instruments are offset when the Group has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle the liability simultaneously.

(i) Cash and Cash Equivalents

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand and at bank and deposits at call.

(ii) Trade and Other Receivables

Trade and other receivables are carried at anticipated realisable values. Bad debts are written off when identified. An estimate is made for doubtful debts based on a review of all outstanding amounts as at the balance sheet date.

(iii) Trade and Other Payables

Trade and other payables are stated at cost which is the fair value of the consideration to be paid in the future for goods and services received.

(iv) Interest-Bearing Borrowings

Interest-bearing bank borrowings and overdrafts are recorded at the fair value of consideration received, net of transaction costs. After initial recognition, interest bearing borrowings are subsequently measured at amortised cost using the effective interest method.

(v) Equity Instruments

Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

The transaction costs of an equity transaction, other than in the context of a business combination, are accounted for as a deduction from equity, net of tax. Equity transaction costs comprise only those incremental external costs directly attributable to the equity transaction which would otherwise have been avoided.

Notes to the Financial Statements

31 March 2009 (Cont'd)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (Cont'd)

(p) Financial Instruments (Cont'd)

(vi) Redeemable Convertible Loan Stocks ("RCLS")

The Redeemable Convertible Loan Stocks ("RCLS") issued by the Group is regarded as compound instruments, consisting of a liability component and an equity component. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for equivalent loan stocks and preference shares. The difference between the proceeds of issue of the RCLS and the fair value assigned to the liability component, representing the conversion option is included in equity. The liability component is subsequently stated at amortised cost using the effective interest rate method until extinguished on conversion or redemption whilst the value of the equity component is not adjusted in subsequent periods. Attributable transaction costs are apportioned and deducted directly from the liability and equity component based on their carrying amounts at the date of issue.

Under the effective interest rate method, the interest expense on the liability component is calculated by applying the prevailing market interest rate for equivalent loan stocks to the instrument at the date of issue. The difference between this amount and the interest paid is added to the carrying value of the RCLS.

2.3 Effects Arising from Adoption of Revised FRSs

On 1 April 2008, the Group and the Company adopted the following revised FRSs, Amendment to FRS and Interpretations:

FRS 107	Cash Flow Statements
FRS 111	Construction Contracts
FRS 112	Income Taxes
FRS 118	Revenue
FRS 120	Accounting for Government Grants and Disclosure of Government Assistance
FRS 134	Interim Financial Reporting
FRS 137	Provisions, Contingent Liabilities and Contingent Assets
Amendment to FRS 121	The Effects of Changes in Foreign Exchange Rates - Net Investment in a Foreign Operation
IC Interpretation 1 :	Changes in Existing Decommissioning, Restoration and Similar Liabilities
IC Interpretation 2 :	Members' Shares in Co-operative Entities and Similar Instruments
IC Interpretation 5 :	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
IC Interpretation 6 :	Liabilities arising from Participating in a Specific Market - Waste Electrical and Electronic Equipment
IC Interpretation 7 :	Applying the Restatement Approach under FRS 129 Financial Reporting in Hyperinflationary Economies
IC Interpretation 8 :	Scope of FRS 2

The revised FRSs, Amendment to FRS and Interpretations above does not have any significant impact to the financial statements of the Group and the Company.

Notes to the Financial Statements

31 March 2009 (Cont'd)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Standards, Amendments and Interpretations Issued but Not Yet Effective

At the date of authorisation of these financial statements, the following new FRSs, Amendments and Interpretations were issued but not yet effective and have not been applied by the Group and the Company :

FRSs, Amendments and Interpretations		Effective for financial periods beginning on or after
FRS 4	Insurance Contracts	1 January 2010
FRS 7	Financial Instruments : Disclosures	1 January 2010
FRS 8	Operating Segments	1 July 2009
FRS 123	Borrowing Costs	1 January 2010
FRS 139	Financial Instruments : Recognition and Measurement	1 January 2010
Amendments to FRS 1	First-time Adoption of Financial Reporting Standards and FRS 127 Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	1 January 2010
Amendments to FRS 2	Share-based Payment: Vesting Conditions and Cancellations	1 January 2010
IC Interpretation 9	Reassessment of Embedded Derivatives	1 January 2010
IC Interpretation 10	Interim Financial Reporting and Impairment	1 January 2010
IC Interpretation 11	FRS 2 - Group and Treasury Share Transactions	1 January 2010
IC Interpretation 13	Customer Loyalty Programmes	1 January 2010
IC Interpretation 14	FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	1 January 2010

The new FRSs, Amendments and Interpretations above are expected to have no significant impact on the financial statements of the Group and the Company upon their initial application except for the changes in disclosures arising from the adoption of FRS 7 and FRS 8.

The Group and the Company are exempted from disclosing the possible impact, if any, to the financial statements upon the initial application of FRS 7 and FRS 139 by virtue of exemptions stipulated in FRS 7 and FRS 139.

2.5 Significant Accounting Estimate and Judgment

Key Sources of Estimation Uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet 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:

Notes to the Financial Statements

31 March 2009 (Cont'd)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Significant Accounting Estimate and Judgment (Cont'd)

(i) Income Tax

The Company is subject to income taxes in Malaysia. Significant judgment is required in determining the allowances and deductibility of certain expenses during the estimation of the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for anticipated tax matters based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which the determination is made. The Group's and Company's tax expense for the current financial year is RM10,566,000 (2008: RM13,588,000) and RM5,474,000 (2008: RM1,039,000) respectively, as disclosed in Note 10.

(ii) Deferred Tax Assets

Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. Significant management judgment 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 Company's deferred tax assets as at 31 March 2009 is RM7,456,000 (2008: RM1,660,000) and Nil (2008: Nil) respectively, as disclosed in Note 29.

(iii) Depreciation

The cost of storage tanks, pipelines and plant and machinery is depreciated on a straight-line basis over the assets' useful lives. Management estimates that the useful lives of storage tanks and pipelines to be 25 years whilst plant and machinery to be 3 to 25 years. These are common life expectancies applied in the industry.

In making the judgment on the assets' useful lives, the management's evaluation is based on past experience on the repair and maintenance exercise of those assets and by relying on useful lives of storage tanks, pipelines and plant and machinery that are still currently in use since they were acquired though their cost have been fully depreciated as disclosed in Note 13(c).

3. REVENUE

Revenue of the Group and of the Company consists of the following:

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Manufacturing	160,447	149,323	-	-
Property investment	3,693	4,283	-	-
Bulking and logistic services	53,154	42,205	-	-
Sales of food products	77,658	68,714	-	-
Plantation	62,367	35,868	-	-
Trading	11,392	7,793	-	-
Trading of fish	-	-	40,875	-
Rental income	359	526	532	700
Dividend income	-	-	24,933	23,450
	<u>369,070</u>	<u>308,712</u>	<u>66,340</u>	<u>24,150</u>

Notes to the Financial Statements

31 March 2009 (Cont'd)

4. COST OF SALES

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Manufacturing	109,041	102,945	-	-
Bulking and logistic services	11,788	8,632	-	-
Sales of food products	64,748	59,301	-	-
Plantation	31,356	23,613	-	-
Trading of fish	-	-	40,093	-
Trading	8,123	4,522	-	-
	225,056	199,013	40,093	-

5. OTHER INCOME

Included in other income are the following:

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Bad debts recovered	74	243	56	-
Net gain/(loss) on disposal of property, plant and equipment	21	61	-	(39)
Trading of crude palm oil	1,569	-	-	-
Advertisement income	88	355	-	-
Commission	-	-	-	739
Interest income	782	2,738	379	312
Management fees	-	15	375	78
Rental income	433	498	-	-

6. STAFF COSTS

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Wages and salaries				
- Company's executive director (Note 7)	1,784	887	633	531
- Others	16,740	18,108	1,498	1,388
Social security costs	134	117	17	16
Pension costs - defined contribution plan	3,234	2,771	421	395
Pension costs - defined benefit plan (Note 28)	(233)	394	-	-
Other staff related expenses	11,877	9,966	1,110	1,174
	33,536	32,243	3,679	3,504

Notes to the Financial Statements

31 March 2009 (Cont'd)

7. DIRECTORS' REMUNERATION

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Directors of the Company				
Executive:				
Salaries and other emoluments	960	495	247	230
Fees	92	50	42	-
Bonus	496	228	264	228
Pension costs - defined contribution plan	236	114	80	73
Benefits-in-kind	155	97	93	97
	1,939	984	726	628
Non-Executive:				
Salaries and other emoluments	-	396	-	-
Fees	193	240	193	240
Meeting allowance	57	59	57	59
Bonus	-	181	-	-
Pension costs - defined contribution plan	-	99	-	-
Benefits-in-kind	-	33	-	-
	250	1,008	250	299
Analysis excluding benefits-in-kind:				
Total executive director's remuneration (Note 6)	1,784	887	633	531
Total non-executive directors' remuneration	250	975	250	299
Total directors' remuneration	2,034	1,862	883	830

The number of directors of the Company whose total remuneration during the financial year falls within the following bands is analysed below:

	Number of Directors	
	2009	2008
Executive Directors:		
RM1,050,000 - RM1,100,000	1	1
RM850,001 - RM900,000	1*	1*
Non-Executive Directors:		
RM50,001 - RM100,000	3	4
Below RM50,000	1	-

* Encik Roslan Bin Hamir is an executive director of a subsidiary, Fima Corporation Berhad. He was appointed as an executive director of Kumpulan Fima Berhad with effect from 26 February 2009.

Notes to the Financial Statements

31 March 2009 (Cont'd)

8. FINANCE COSTS

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Interest expense on borrowings	3,271	4,842	625	1,354
Foreign exchange (gain)/loss:				
- Realised	(458)	(1,838)	-	425
- Unrealised	(84)	(624)	-	-
Other finance costs	2,247	1,448	229	267
	<u>4,976</u>	<u>3,828</u>	<u>854</u>	<u>2,046</u>

Unrealised foreign exchange gain relates to translation gain on a term loan of a subsidiary, International Food Corporation Limited ("IFC") which is denominated in United States Dollar, as disclosed in Note 27(b)(i).

9. PROFIT BEFORE TAXATION

Profit before taxation is stated after charging/(crediting):

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Auditors' remuneration				
- statutory audit	337	312	50	50
- other services	11	25	-	-
Depreciation				
- Property, plant and equipment	14,843	12,966	283	290
- Investment properties	1,503	1,501	23	23
Amortisation of				
- Prepaid land lease payments	739	737	564	566
- Biological assets	5,145	3,946	-	-
Provision for compensation claim (Note 34(b))	2,120	-	-	-
Net allowance/(write back) for doubtful debts	1,756	(2,328)	53	(114)
Impairment loss on investments	-	-	2,279	-
Inventories written off	4,103	-	-	-
Write down of inventories	783	413	-	-
Other investment written off	-	22	-	-
Rental expense for land and buildings	3,596	3,189	444	444
Impairment of property, plant and equipment	1,450	-	-	-
Net (write back)/provision for retirement benefits	(233)	394	-	-
(Gain)/loss on disposal of property, plant and equipment	(21)	(61)	-	39
Property, plant and equipment written off	109	43	-	-
	<u></u>	<u></u>	<u></u>	<u></u>

Notes to the Financial Statements

31 March 2009 (Cont'd)

10. INCOME TAX EXPENSE

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000 (Restated)
Current income tax:				
Malaysian income tax	17,409	13,563	4,822	942
(Over)/under provision in prior years:				
Malaysian income tax	(1,245)	170	963	495
Foreign tax	-	(9)	-	-
	<u>16,164</u>	<u>13,724</u>	<u>5,785</u>	<u>1,437</u>
Deferred tax (Note 29):				
Relating to origination and reversal of temporary differences	(5,388)	512	-	(3)
Relating to reduction in Malaysia income tax rate	84	(212)	-	(4)
Over recognition of deferred tax liabilities in prior years	(294)	(436)	(311)	(391)
	<u>(5,598)</u>	<u>(136)</u>	<u>(311)</u>	<u>(398)</u>
Total income tax expenses	<u>10,566</u>	<u>13,588</u>	<u>5,474</u>	<u>1,039</u>

The Malaysian domestic current income tax is calculated at the statutory tax rate of 25% (2008:26%) of the estimated assessable profit for the year.

A reconciliation of income tax expense applicable to profit before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Group and of the Company is as follows:

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000 (Restated)
Profit before taxation	81,193	56,862	17,474	16,312
Taxation at statutory tax rate of 25% (2008:26%)	20,298	14,784	4,369	4,241
Effect of income not subject to tax	(29)	-	-	(3,425)
Effect of different tax rate in other countries	492	(376)	-	-
Effect on opening deferred tax of reduction in Malaysia income tax rate	84	(212)	-	(4)
Effect of expenses not deductible for tax purposes	3,752	1,447	453	123
Effect of tax rate at 20% on first RM500,000	-	(60)	-	-
Effect of deferred tax recognised at different tax rate	-	(2)	-	-

Notes to the Financial Statements

31 March 2009 (Cont'd)

10. INCOME TAX EXPENSE (CONT'D)

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000 (Restated)
Effect of utilisation of previously unrecognised tax losses	(5,256)	(1,205)	-	-
Effect of share results of associates	(1,621)	(1,406)	-	-
Deferred tax assets recognised on unabsorbed losses	(5,509)	-	-	-
Deferred tax assets not recognised in respect of current year's tax losses and unabsorbed capital allowances	(106)	884	-	-
(Over)/underprovision of income tax expense in prior years	(1,245)	170	963	495
Over recognition of deferred tax liabilities in prior year	(294)	(436)	(311)	(391)
Tax expense for the year	10,566	13,588	5,474	1,039

Tax savings during the financial year arising from:

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Utilisation of previously unrecognised tax losses	5,256	1,205	-	-

11. EARNINGS PER SHARE

	Group	
	2009	2008
Net profit attributable to shareholders (RM'000)	46,160	30,287
Number of ordinary shares in issue ('000)	263,160	263,160
Earnings per share (sen)	17.54	11.51

Notes to the Financial Statements

31 March 2009 (Cont'd)

12. DIVIDENDS

	Amount		Net Dividends per Share	
	2009 RM'000	2008 RM'000	2009 sen	2008 sen
Recognised during the year:				
Final dividend for 2007: 2.0%, less 26% taxation, on 263,160,000 ordinary shares paid on 10 October 2007	-	3,895	-	1.48
Final dividend for 2008: 2.5%, less 25% taxation, on 263,160,000 ordinary shares paid on 16 September 2008	4,935	-	1.87	-
Proposed for approval at AGM: (Not recognised during the year)				
Final dividend for 2009: 3.0%, less 25% taxation, on 263,160,000 ordinary shares	5,921	-	2.25	-

At the forthcoming Annual General Meeting, a final dividend in respect of financial year ended 31 March 2009, of 3.0% less 25% taxation on 263,160,000 ordinary shares, amounting to a dividend payable of approximately RM5,921,100 (2.25 sen net dividend per ordinary share) will be proposed for shareholders' approval. The financial statements for the current year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained profits in the financial year ending 31 March 2010.

13. PROPERTY, PLANT AND EQUIPMENT

Group	At Valuation		At Cost			
	Land and Buildings <small>[see note 13(1)(a), page 69-70]</small> RM'000	Plant and Machinery RM'000	Land and Buildings <small>[see note 13(2)(a), page 71]</small> RM'000	Other Assets <small>[see note 13(3)(a), pages 72&73]</small> RM'000	Construction Work-in-Progress RM'000	Total RM'000
At 31 March 2009						
At 1 April 2008	36,304	22,565	33,321	236,402	14,325	342,917
Additions	-	264	476	12,081	4,257	17,078
Disposals	-	-	-	(2,659)	(165)	(2,824)
Transfer	-	-	-	335	-	335
Write off	-	-	-	(457)	(62)	(519)
Translation difference	432	1,594	1,485	(1,958)	-	1,553
At 31 March 2009	36,736	24,423	35,282	243,744	18,355	358,540

Notes to the Financial Statements

31 March 2009 (Cont'd)

13. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Group (Cont'd)	At Valuation		At Cost			
	Land and Buildings <small>[see note 13(1)(a), page 69-70]</small> RM'000	Plant and Machinery RM'000	Land and Buildings <small>[see note 13(2)(a), page 71]</small> RM'000	Other Assets <small>[see note 13(3)(a), pages 72&73]</small> RM'000	Construction Work-in-Progress RM'000	Total RM'000
At 31 March 2009 (Cont'd)						
Accumulated Depreciation and Impairment Losses						
At 1 April 2008 - accumulated depreciation	1,742	12,336	16,970	158,661	-	189,709
Depreciation charge for the year	316	1,586	690	12,251	-	14,843
Disposals	-	-	-	(2,366)	-	(2,366)
Impairment losses	500	-	89	861	-	1,450
Transfer	-	-	-	254	-	254
Write off	-	-	-	(410)	-	(410)
Translation difference	99	955	339	(260)	-	1,133
At 31 March 2009 - accumulated depreciation	2,657	14,877	18,088	168,991	-	204,613
Net Carrying Amount						
At 31 March 2009	34,079	9,546	17,194	74,753	18,355	153,927
At 31 March 2008						
At Valuation/Cost						
At 1 April 2007	35,960	20,789	32,412	190,887	2,840	282,888
Additions	-	441	112	16,082	13,798	30,433
Disposals	-	-	(549)	(858)	-	(1,407)
Acquisition of subsidiaries	-	-	10	32,600	-	32,610
Transfer	-	-	-	(30)	-	(30)
Write off	-	-	-	(1,212)	-	(1,212)
Reclassification	-	-	152	1,950	(2,313)	(211)
Translation difference	344	1,335	1,184	(3,017)	-	(154)
At 31 March 2008	36,304	22,565	33,321	236,402	14,325	342,917

Notes to the Financial Statements

31 March 2009 (Cont'd)

13. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Group (Cont'd) At 31 March 2008 (Cont'd)	At Valuation			At Cost		Construction Work-in- Progress	Total
	Land and Buildings <small>[see note 13(1)(a), page 69-70]</small> RM'000	Plant and Machinery RM'000	Land and Buildings <small>[see note 13(2)(a), page 71]</small> RM'000	Other Assets <small>[see note 13(3)(a), pages 72&73]</small> RM'000	RM'000		
Accumulated Depreciation and Impairment Losses							
At 1 April 2007 - accumulated depreciation	1,411	10,431	16,052	140,559	-	-	168,453
Depreciation charge for the year	259	1,235	675	10,797	-	-	12,966
Disposals	-	-	(14)	(802)	-	-	(816)
Acquisition of subsidiaries	-	-	10	9,389	-	-	9,399
Transfer	-	-	-	(10)	-	-	(10)
Write off	-	-	-	(1,169)	-	-	(1,169)
Translation difference	72	670	247	(103)	-	-	886
At 31 March 2008 - accumulated depreciation	1,742	12,336	16,970	158,661	-	-	189,709
Net Carrying Amount							
At 31 March 2008	34,562	10,229	16,351	77,741	14,325	-	153,208

Note 13(1)(a) - Land and Buildings

	Land RM'000	Freehold Buildings RM'000	Total RM'000
At 31 March 2009			
At Valuation			
At 1 April 2008	27,601	8,703	36,304
Translation difference	-	432	432
At 31 March 2009	27,601	9,135	36,736

Notes to the Financial Statements

31 March 2009 (Cont'd)

13. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Note 13(1)(a) - Land and Buildings (Cont'd)

Group (Cont'd)

	Freehold Land RM'000	Buildings RM'000	Total RM'000
Accumulated Depreciation and Impairment Losses			
At 1 April 2008			
- accumulated depreciation	-	1,742	1,742
Charge for the year	-	316	316
Impairment losses	-	500	500
Translation difference	-	99	99
	<hr/>		
At 31 March 2009 - accumulated depreciation	-	2,657	2,657
	<hr/>		
Net Carrying Amount			
At 31 March 2009	27,601	6,478	34,079
	<hr/>		
At 31 March 2008			
At Valuation			
At 1 April 2007	27,601	8,359	35,960
Translation difference	-	344	344
	<hr/>		
At 31 March 2008	27,601	8,703	36,304
	<hr/>		
Accumulated Depreciation and Impairment Losses			
At 1 April 2007 - accumulated depreciation	-	1,411	1,411
Charge for the year	-	259	259
Translation difference	-	72	72
	<hr/>		
At 31 March 2008 - accumulated depreciation	-	1,742	1,742
	<hr/>		
Net Carrying Amount			
At 31 March 2008	27,601	6,961	34,562
	<hr/>		

Notes to the Financial Statements

31 March 2009 (Cont'd)

13. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Note 13(2)(a) - Land and Buildings

Group (Cont'd)

	Freehold Land RM'000	Buildings, Extension and Renovation RM'000	Total RM'000
At 31 March 2009			
At Cost			
At 1 April 2008	170	33,151	33,321
Additions	-	476	476
Translation difference	-	1,485	1,485
At 31 March 2009	170	35,112	35,282
Accumulated Depreciation			
At 1 April 2008	-	16,970	16,970
Charge for the year	-	690	690
Impairment losses	-	89	89
Translation difference	-	339	339
At 31 March 2009	-	18,088	18,088
Net Carrying Amount			
At 31 March 2009	170	17,024	17,194
At 31 March 2008			
At Cost			
At 1 April 2007	170	32,242	32,412
Additions	-	112	112
Acquisition subsidiary	-	10	10
Disposal	-	(549)	(549)
Reclassification	-	152	152
Translation difference	-	1,184	1,184
At 31 March 2008	170	33,151	33,321
Accumulated Depreciation			
At 1 April 2007	-	16,052	16,052
Charge for the year	-	675	675
Acquisition subsidiary	-	10	10
Disposal	-	(14)	(14)
Translation difference	-	247	247
At 31 March 2008	-	16,970	16,970
Net Carrying Amount			
At 31 March 2008	170	16,181	16,351

Notes to the Financial Statements

31 March 2009 (Cont'd)

13. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Note 13(3)(a) - Other Assets

Group (Contd.)

	Plant and Machinery RM'000	Warehouses, Storage Tanks and Pipes RM'000
At 31 March 2009		
At Cost		
At 1 April 2008	89,102	96,428
Additions	1,973	4,492
Disposals	(1,558)	(29)
Transfer	82	-
Write-off	-	-
Translation difference	(27)	-
At 31 March 2009	89,572	100,891
Accumulated Depreciation and Impairment Losses		
At 1 April 2008 - accumulated depreciation	65,663	70,826
Depreciation charge for the year	4,196	2,580
Disposals	(1,557)	-
Impairment losses	363	-
Transfer	73	-
Write-off	-	-
Translation difference	-	-
At 31 March 2009 - accumulated depreciation	68,738	73,406
Net Carrying Amount		
At 31 March 2009	20,834	27,485
At Cost		
At 1 April 2007	70,036	96,356
Additions	11,352	72
Acquisitions of subsidiaries	8,142	-
Disposals	(4)	-
Transfer	(30)	-
Write-off	(453)	-
Reclassification	59	-
Translation difference	-	-
At 31 March 2008	89,102	96,428
Accumulated Depreciation and Impairment Losses		
At 1 April 2007 - accumulated depreciation	63,148	60,014
Depreciation charge for the year	2,957	2,722
Acquisitions of subsidiaries	-	8,090
Disposals	(4)	-
Transfer	(10)	-
Write-off	(428)	-
Translation difference	-	-
At 31 March 2008 - accumulated depreciation	65,663	70,826
Net Carrying Amount		
At 31 March 2008	23,439	25,602

Notes to the Financial Statements

31 March 2009 (Cont'd)

Motor Vehicles RM'000	Office Equipment, Furniture and Fittings RM'000	Renovations RM'000	Tools, Accessories and Computer Equipment RM'000	Total RM'000
9,127	16,713	23,419	1,613	236,402
1,056	4,366	46	148	12,081
(590)	(475)	(7)	-	(2,659)
253	-	-	-	335
-	(457)	-	-	(457)
153	(240)	(1,844)	-	(1,958)
9,999	19,907	21,614	1,761	243,744
5,704	10,431	4,533	1,504	158,661
1,093	2,200	2,062	120	12,251
(330)	(474)	(5)	-	(2,366)
53	410	35	-	861
181	-	-	-	254
-	(410)	-	-	(410)
83	(66)	(277)	-	(260)
6,784	12,091	6,348	1,624	168,991
3,215	7,816	15,266	137	74,753
8,269	11,561	3,157	1,508	190,887
1,571	2,912	88	87	16,082
1	824	23,615	18	32,600
(829)	(25)	-	-	(858)
-	-	-	-	(30)
-	(346)	(413)	-	(1,212)
-	1,891	-	-	1,950
115	(104)	(3,028)	-	(3,017)
9,127	16,713	23,419	1,613	236,402
5,485	8,909	1,648	1,355	140,559
935	1,796	2,256	131	10,797
-	102	1,179	18	9,389
(773)	(25)	-	-	(802)
-	-	-	-	(10)
-	(340)	(401)	-	(1,169)
57	(11)	(149)	-	(103)
5,704	10,431	4,533	1,504	158,661
3,423	6,282	18,886	109	77,741

Notes to the Financial Statements

31 March 2009 (Cont'd)

13. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Company	At Valuation		At Cost	
	Land and Buildings	Land and Buildings	Motor Vehicles, Machinery and Equipment	Total
	RM'000	RM'000	RM'000	RM'000
At 31 March 2009				
At Valuation/Cost				
At 1 April 2008	9,500	-	3,900	13,400
Additions	-	-	39	39
At 31 March 2009	9,500	-	3,939	13,439
Accumulated Depreciation and Impairment Losses				
At 1 April 2008 - accumulated depreciation	-	-	3,144	3,144
Depreciation charge for the year	-	-	283	283
At 31 March 2009 - accumulated depreciation	-	-	3,427	3,427
Net Carrying Amount				
At 31 March 2009	9,500	-	512	10,012
At 31 March 2008				
At Valuation/Cost				
At 1 April 2007	9,500	549	3,544	13,593
Additions	-	-	363	363
Disposal	-	(549)	(7)	(556)
At 31 March 2008	9,500	-	3,900	13,400
Accumulated Depreciation and Impairment Losses				
At 1 April 2007 - accumulated depreciation	-	14	2,855	2,869
Depreciation charge for the year	-	-	290	290
Disposals	-	(14)	(1)	(15)
At 31 March 2008 - accumulated depreciation	-	-	3,144	3,144
Net Carrying Amount				
At 31 March 2008	9,500	-	756	10,256

Notes to the Financial Statements

31 March 2009 (Cont'd)

13. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Note 13(4)(a) - Motor Vehicles, Machinery and Equipment

Company (Cont'd)

	Motor Vehicles RM'000	Plant and Machinery RM'000	Furniture, Fittings and Equipment RM'000	Total RM'000
At 31 March 2009				
At Cost				
At 1 April 2008	681	734	2,485	3,900
Additions	-	-	39	39
At 31 March 2009	681	734	2,524	3,939
Accumulated Depreciation				
At 1 April 2008	295	693	2,156	3,144
Charge for the year	119	12	152	283
At 31 March 2009	414	705	2,308	3,427
Net Carrying Amount				
At 31 March 2009	267	29	216	512
At 31 March 2008				
At Cost				
At 1 April 2007	383	734	2,427	3,544
Additions	298	-	65	363
Disposals	-	-	(7)	(7)
At 31 March 2008	681	734	2,485	3,900
Accumulated Depreciation				
At 1 April 2007	200	679	1,976	2,855
Charge for the year	95	14	181	290
Disposals	-	-	(1)	(1)
At 31 March 2008	295	693	2,156	3,144
Net Carrying Amount				
At 31 March 2008	386	41	329	756

Notes to the Financial Statements

31 March 2009 (Cont'd)

13. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

During the financial year, the Group acquired property, plant and equipment amounting to RM17,078,000 (2008: RM30,433,000) of which RM Nil (2008: RM Nil) were acquired by means of hire purchase arrangements. The net book values of property, plant and equipment held under hire purchase arrangements are RM141,000 (2008: RM337,000).

- (a) Buildings, plant and machinery, storage tanks and pipelines of the subsidiaries carrying out bulking activities with a net book value of approximately RM43,903,000 (2008: RM34,123,000) are situated on land which are leased from Lembaga Pelabuhan Kelang ("LPK") by the subsidiaries. The lease will expire in 2022.
- (b) A building of a subsidiary, Fima Palmbulk Services Sdn. Bhd., with a net book value of RM1 (2008: RM1) was constructed on land leased from Penang Port Commission. The lease expired on 30 June 2002, and the Company had obtained an approval in principle from the lessor to enter into a new lease for a term of 21 years commencing 1 July 2002 at rates which have yet to be determined.
- (c) Included in the property, plant and equipment of the Group and of the Company are cost of fully depreciated assets which are still in use amounting to approximately RM108,560,000 (2008: RM96,220,000) and RM2,648,000 (2008: RM2,357,000) respectively.
- (d) Freehold land and buildings other than office buildings were revalued by an independent firm of professional valuers in March 2005. Fair value was determined by reference to open market values on existing use.

Had the revalued property, plant and equipment been carried at historical cost less accumulated depreciation, the net book value of each class of property, plant and equipment that would have been included in the financial statements of the Group and of the Company as at 31 March 2009 would be as follows:

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Freehold land and buildings	3,739	3,490	746	746

14. INVESTMENT PROPERTIES

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Cost				
At 1 April	86,114	83,053	1,900	1,900
Additions	-	1,796	-	-
At 31 March	86,114	84,849	1,900	1,900

Notes to the Financial Statements

31 March 2009 (Cont'd)

14. INVESTMENT PROPERTIES (CONT'D)

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Accumulated Depreciation				
At 1 April	13,068	10,302	68	45
Charge for the year	1,503	1,501	23	23
At 31 March	14,571	11,803	91	68
Net Carrying Amount	71,543	73,046	1,809	1,832
Fair Value	83,898	84,897	2,428	2,451

- (a) The land titles of a freehold land and building of the Group with a net book value of approximately RM58,952,000 (2008: RM60,101,000) is pledged as securities for borrowings.
- (b) The land title of a building of the Group with a net book value of approximately RM985,000 (2008: RM1,009,000) is in the process of being transferred.
- (c) The fair value was estimated by the directors based on the market value for similar properties in the same vicinity that have been transacted in the open market.

15. PREPAID LAND LEASE PAYMENTS

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
At 1 April 2008/2007	50,746	51,257	40,986	41,552
Acquisition of subsidiary	-	151	-	-
Translation difference	106	75	-	-
Amortisation for the year (Note 9)	(739)	(737)	(564)	(566)
At 31 March	50,113	50,746	40,422	40,986

Prepaid land lease payments are in respect of long term leasehold land of the Group and of the Company.

16. BIOLOGICAL ASSETS

	Group	
	2009 RM'000	2008 RM'000
At Cost		
At 1 April 2008/2007	96,761	17,085
Additions	6,748	1,576
Acquisition of subsidiary	-	89,597
Exchange differences	(6,783)	(11,497)
At 31 March	96,726	96,761

Notes to the Financial Statements

31 March 2009 (Cont'd)

16. BIOLOGICAL ASSETS (CONT'D)

	Group	
	2009 RM'000	2008 RM'000
Accumulated Amortisation		
At 1 April 2008/2007	16,946	13,000
Amortisation for the year (Note 9)	5,145	3,946
At 31 March	22,091	16,946
Net Carrying Amount		
At 31 March	74,635	79,815

17. INVESTMENTS IN SUBSIDIARIES

	Company	
	2009 RM'000	2008 RM'000
Unquoted ordinary shares, at cost:		
In Malaysia	132,699	132,699
Outside Malaysia	44,395	44,395
	177,094	177,094
Less: Accumulated impairment losses		
In Malaysia	(44,739)	(42,460)
Outside Malaysia	(42,919)	(42,919)
	89,436	91,715

Shares in subsidiaries, Fima Metal Box Holdings Sdn. Bhd., Pineapple Cannery of Malaysia Sdn. Bhd. and Fima-TLP Feedlot Sdn. Bhd. costing approximately RM48,366,000 (2008: RM48,366,000) have been pledged to a financial institution for a revolving credit facility granted to the Company as referred to in Note 27(c)(i).

Increase in shareholding in a subsidiary

On 8 April 2008, Fima Palmbulk Services Sdn. Bhd. ("FPSSB"), a subsidiary of the Company, had further acquired the remaining balance of 1,680,000 unit of ordinary shares of RM1.00 each in Boustead Oil Bulking Sdn. Bhd. ("BOB"). The acquisition represents 24% of the issued and paid up share capital of BOB, for a cash consideration of RM1.97 million.

Pursuant to the above, BOB is deemed to be a wholly-owned subsidiary of FPSSB.

Notes to the Financial Statements

31 March 2009 (Cont'd)

18. INVESTMENTS IN ASSOCIATES

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Unquoted shares, at cost	17,255	17,255	2,254	2,254
Share of post acquisition results	22,463	17,011	-	-
	39,718	34,266	2,254	2,254

The financial statements of the above associates are coterminous with those of the Group, except for Giesecke & Devrient (Malaysia) Sdn. Bhd. which 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 Giesecke & Devrient (Malaysia) Sdn. Bhd. for the year ended 31 December 2008 have been used and appropriate adjustments have been made for the effects of significant transactions between 31 December 2008 and 31 March 2009.

The summarised financial statements of the associates are as follows:

	2009 RM'000	2008 RM'000
Assets and liabilities		
Current assets	79,441	29,866
Non-current assets	86,208	4,618
Total assets	165,649	34,484
Current liabilities	32,156	8,602
Non-current liabilities	3,819	470
Total liabilities	35,975	9,072
Results		
Revenue	126,942	168,205
Profit for the year	20,656	17,156

19. OTHER INVESTMENTS

	Group	
	2009 RM'000	2008 RM'000
In Malaysia:		
Ordinary shares, at cost		
- Unquoted	815	837
Less: Written off during the year	-	(22)
	815	815
Less: Accumulated impairment losses	(815)	(815)
	-	-

Notes to the Financial Statements

31 March 2009 (Cont'd)

20. GOODWILL ON CONSOLIDATION

	Group	
	2009 RM'000	2008 RM'000
Goodwill on consolidation		
At 1 April 2008/ 2007	12,650	10,069
Acquisition of a subsidiary	405	2,581
At 31 March	13,055	12,650

(a) Impairment Tests for Goodwill

Goodwill has been allocated to the Group's cash generating units identified according to business segment as follows:

Allocation of Goodwill

	Bulking RM'000	Plantation RM'000	Total RM'000
As at 1 April 2007	10,069	-	10,069
Acquisition of subsidiaries	2,071	510	2,581
As at 31 March 2008	12,140	510	12,650
As at 1 April 2008	12,140	510	12,650
Increase in shareholding in a subsidiary	405	-	405
As at 31 March 2009	12,545	510	13,055

(b) Key Assumptions used in Value-In-Use Calculations

The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill:

(i) Budgeted Gross Margin

The basis used to determine the value assigned to the budgeted gross margins is the average gross margins achieved in the year immediately before the budgeted year increased for expected efficiency improvements.

(ii) Growth Rates

The weighted average growth rates used for bulking and plantation are consistent with the long-term average growth rate for the industry.

(iii) Discount Rates

The discount rates used are pre-tax and reflect specific risks relating to the relevant segments.

(c) Sensitivity to Changes in Assumptions

In assessing value-in-use and fair value, management believes that no reasonably possible change in any of the above key assumptions would cause the carrying values of the units to materially exceed their recoverable amounts.

Notes to the Financial Statements

31 March 2009 (Cont'd)

21. INVENTORIES

	Group	
	2009 RM'000	2008 RM'000
At cost:		
Raw materials	19,117	7,723
Work-in-progress	18,076	17,318
Finished goods	16,499	7,673
Consumable stocks	1,203	4,892
Palm oil	-	4,566
Livestocks	-	95
	54,895	42,267
At net realisable value:		
Raw materials	19,636	18,577
Seedlings	188	-
	19,824	18,577
	74,719	60,844

22. TRADE RECEIVABLES

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Trade receivables	108,534	85,057	63	78
Less: Allowance for doubtful debts	(3,924)	(2,168)	(63)	(10)
	104,610	82,889	-	68

The Group's normal trade credit term ranges from 30 to 90 days (2008: 30 to 90 days). Other credit terms are assessed and approved on a case-by-case basis.

The Group has no significant concentration of credit risk that may arise from exposures to a single debtor or to group of debtors except with certain Government agencies amounting to RM65,447,000 (2008: RM48,211,000).

Notes to the Financial Statements

31 March 2009 (Cont'd)

23. OTHER RECEIVABLES

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Tax recoverable	2,757	5,917	1,344	5,304
Deposits	2,876	1,587	36	38
Prepayments	2,480	3,409	91	88
Sundry receivables	4,082	3,699	152	1,068
Due from associates	100	4	-	4
	<u>12,295</u>	<u>14,616</u>	<u>1,623</u>	<u>6,502</u>

The Group has no significant concentration of credit risk that may arise from exposures to a single debtor or to group of debtors.

All amount due from associates are unsecured, interest free and have no fixed term of repayment.

24. DUE FROM/(TO) SUBSIDIARIES

	Company	
	2009 RM'000	2008 RM'000 (Restated)
Due from subsidiaries	35,460	14,384
Less: Allowance for doubtful debts	(5,228)	(5,228)
	<u>30,232</u>	<u>9,156</u>
Due to subsidiaries	<u>(31,069)</u>	<u>(21,179)</u>

All the amounts due from/(to) subsidiaries are unsecured, interest free and have no fixed terms of repayment except for the following:

- (a) The amount due from a subsidiary, Fima-TLP Feedlot Sdn. Bhd. of RM2,075,000 (2008: RM2,375,000) bears interest at 7.55% (2008: 8.75%) per annum.

25. CASH AND BANK BALANCES

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Cash in hand and at bank	25,870	15,256	3,436	1,396
Fixed deposits with licensed banks	25,213	30,174	1,000	1,100
	<u>51,083</u>	<u>45,430</u>	<u>4,436</u>	<u>2,496</u>

Deposits for the Group of approximately RM5,033,000 (2008: RM6,787,000) are held on lien for banking facilities granted to certain subsidiaries are disclosed in Note 27(a)(ii) and (b)(iii).

Notes to the Financial Statements

31 March 2009 (Cont'd)

25. CASH AND BANK BALANCES (CONT'D)

The weighted average effective interest rates per annum of deposits at the balance sheet date were as follows:

	Group		Company	
	2009 %	2008 %	2009 %	2008 %
Licensed banks	3.07	3.25	2.66	3.01

The average maturity of deposits at the balance sheet date were as follows:

	Group		Company	
	2009 Days	2008 Days	2009 Days	2008 Days
Licensed banks	173	98	15	13

26. SHARE CAPITAL

	Number of Ordinary Shares of RM1.00 Each		Amount	
	2009 '000	2008 '000	2009 RM'000	2008 RM'000
Authorised:				
At 1 April/31 March	300,000	300,000	300,000	300,000
Issued and fully paid-up:				
At 1 April/31 March	263,160	263,160	263,160	263,160

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

27. BORROWINGS

	Note	Group		Company	
		2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Short Term Borrowings					
Secured:					
Bank overdrafts	(a)	13,219	11,004	-	-
Bankers' acceptances	(a)	9,381	3,040	12,352	396
Bills payable	(a)	-	163	-	-
Hire purchase and lease payables	32	55	123	-	-
Term loans	(b)	6,011	5,725	-	-
Revolving credit facility	(c)	35,000	35,000	-	-
		63,666	55,055	12,352	396

Notes to the Financial Statements

31 March 2009 (Cont'd)

27. BORROWINGS (CONT'D)

	Note	Group		Company	
		2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Long Term Borrowings					
Secured:					
Hire purchase and lease payables	32	52	98	-	-
Term loans	(b)	5,543	13,782	-	-
Revolving credit facility	(c)	8,200	22,000	8,200	22,000
Unsecured:					
Redeemable Convertible Loan Stock ("RCLS")	(d)	8,144	9,525	-	-
		21,939	45,405	8,200	22,000
Total Borrowings					
Bank overdrafts		13,219	11,004	-	-
Bankers' acceptances		9,381	3,040	12,352	396
Bills payable		-	163	-	-
Hire purchase and lease payables	32	107	221	-	-
Term loans		11,554	19,507	-	-
Revolving credit facility		43,200	57,000	8,200	22,000
Redeemable Convertible Loan Stock ("RCLS")		8,144	9,525	-	-
		85,605	100,460	20,552	22,396
Maturity of borrowings (excluding hire purchase payable):					
Within one year		57,972	53,180	12,352	396
More than 1 year and less than 2 years		507	745	-	-
More than 2 years and less than 5 years		9,265	32,928	8,200	22,000
5 years or more		17,754	13,386	-	-
		85,498	100,239	20,552	22,396

(a) These include:

- (i) Secured bank overdrafts and bankers' acceptances of a subsidiary, Pineapple Cannery of Malaysia Sdn. Bhd. ("PCM"), amounting to approximately RM2,373,000 and RM Nil (2008: RM1,339,000 and RM2,664,000), respectively are secured by way of first legal charge over the subsidiary's freehold land and investment property with a net book value of approximately RM7,752,000 and RM1,821,000 (2008: RM7,752,000 and RM1,870,000), respectively. These facilities bear interest of 7.9% (2008: 5.0% to 7.9%) per annum during the financial year.
- (ii) Secured bills payable of a subsidiary, Malaysian Transnational Trading (MATTRA) Corporation Berhad ("MATTRA"), amounting to approximately RM Nil (2008: RM163,000), are secured by deposits under lien with a licensed bank amounting to approximately RM5,033,000 (2008: RM4,866,000) as disclosed in Note 25. These facilities bear interest of Nil (2008: 7.0%) per annum during the financial year.

Notes to the Financial Statements

31 March 2009 (Cont'd)

27. BORROWINGS (CONT'D)

- (b) Included in the term loans are the following:
- (i) A secured term loan of a subsidiary, International Food Corporation Limited ("IFC"), amounting to approximately RM4,650,000 (2008: RM7,413,000), which is denominated in United States Dollar, is secured by way of a fixed and floating charge over all assets of IFC and a corporate guarantee from the Company as disclosed in Note 34(a). The weighted average effective interest rate of the facility during the financial year was 5.96% (2008: 7.5%) per annum and repayable by 25 quarterly instalments commencing March 2004.
 - (ii) The term loans of a subsidiary, PCM, amounting to approximately RM1,060,000 (2008: RM1,344,000) are secured by way of a corporate guarantee from the Company as disclosed in Note 34(a) and a first party fixed charge over the subsidiary's two pieces of freehold land with a net book value of approximately RM1,087,000 (2008: RM1,087,000). The facilities bear interest of 3.8% (2008: 3.8%) per annum and repayable by 60 monthly instalments respectively commencing September 2005, respectively.
 - (iii) Secured term loan of a subsidiary, Fima-TLP Feedlot Sdn. Bhd. ("Feedlot"), amounting to RM Nil (2008: RM1,988,000) is secured by a corporate guarantee from the Company as disclosed in Note 34(a) and deposits under lien with a licensed bank amounting to approximately RM Nil (2008: RM1,921,000) as disclosed in Note 25. The effective interest rate of the facility during the financial year was Nil (2008: 8.0%) per annum.
- (c) Included in the revolving credits are the following:
- (i) A revolving credit facility of the Company amounting to approximately RM8,200,000 (2008: RM22,000,000) is secured by a standby letter of credit of an off-shore bank. The standby letter of credit is secured by a first fixed and floating charge on all assets of the Company and pledge of shares of certain subsidiaries as disclosed in Note 17. The weighted average effective interest rate of the facility during the financial year was 4.58% (2008 : 4.86%).
 - (ii) A revolving credit facilities of a subsidiary, Fima Corporation Berhad amounting to approximately RM35,000,000 (2008: RM35,000,000) are secured by a first legal charge over a freehold land and building of the subsidiary with a net book value of approximately RM58,952,000 (2008: RM60,101,000). The weighted average effective interest rate of the facilities during the financial year was 3.59% (2008: 4.38%).
- (d) On 9 April 2007, the Minority Interests subscribed 405,000 of Redeemable Convertible Loan Stocks ("RCLS") at a nominal amount of Rp100,000 each for working capital purposes. The terms of the RCLS are as follows:
- (i) Conversion rights - the registered holders of the RCLS will have the option at any time during the conversion period to convert the RCLS at the conversion rate into new ordinary shares of Rp100,000 each in the Indonesian subsidiary.
 - (ii) Conversion rate - on the basis of Rp100,000 nominal amount of RCLS for 1 new ordinary share of Rp100,000 in the Indonesian subsidiary.
 - (iii) Redemption - the RCLS may be redeemed at par by the Indonesian subsidiary subject to the consent of the RCLS holders.
 - (iv) The RCLS bear interest at 8% per annum payable semi-annually, where payment had been made on the date of issue and subsequently on every consecutive six months thereafter.
 - (v) The RCLS holders do not carry any right to vote at any meeting of the Indonesian subsidiary.

Notes to the Financial Statements

31 March 2009 (Cont'd)

28. RETIREMENT BENEFIT OBLIGATIONS

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
At 1 April 2008/2007	3,031	2,626	-	32
Recognised in income statement (Note 6)	(233)	394	-	-
Contributions paid	(1,360)	(134)	-	(32)
Acquisition of subsidiary	-	160	-	-
Exchange differences	(19)	(15)	-	-
At 31 March	1,419	3,031	-	-

29. DEFERRED TAX

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
At 1 April 2008/2007	14,603	14,745	6,017	6,415
Recognised in income statement (Note 10)	(5,598)	(136)	(311)	(398)
Exchange differences	-	(6)	-	-
At 31 March	9,005	14,603	5,706	6,017
Presented after appropriate offsetting as follows:				
Deferred tax assets	(7,456)	(1,660)	-	-
Deferred tax liabilities	16,461	16,263	5,706	6,017
	9,005	14,603	5,706	6,017

The components and movements of deferred tax assets and liabilities during the financial year prior to offsetting are as follows:

Deferred Tax Assets of the Group:

	Provisions for Liabilities RM'000	Retirement Benefit Obligations RM'000	Other Payables RM'000	Tax Losses and Unabsorbed Capital Allowances RM'000	Total RM'000
At 1 April 2007	(672)	(1,094)	(132)	(164)	(2,062)
Recognised in income statement	(670)	61	73	87	(449)
Exchange differences	-	(6)	-	-	(6)
At 31 March 2008	(1,342)	(1,039)	(59)	(77)	(2,517)
Recognised in income statement	(15)	(62)	(690)	(4,590)	(5,357)
At 31 March 2009	(1,357)	(1,101)	(749)	(4,667)	(7,874)

Notes to the Financial Statements

31 March 2009 (Cont'd)

29. DEFERRED TAX (CONT'D)

Deferred Tax Liabilities of the Group:

	Accelerated Capital Allowances RM'000	Revaluation on Land and Building RM'000	Total RM'000
At 1 April 2007	6,624	10,183	16,807
Recognised in income statement	753	(440)	313
At 31 March 2008	7,377	9,743	17,120
Recognised in income statement	54	(295)	(241)
At 31 March 2009	7,431	9,448	16,879

Deferred Tax Liabilities of the Company:

At 1 April 2007	176	6,239	6,415
Recognised in income statement	101	(499)	(398)
At 31 March 2008	277	5,740	6,017
Recognised in income statement	(16)	(295)	(311)
At 31 March 2009	261	5,445	5,706

Deferred tax assets have not been recognised in respect of the following items:

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Unutilised tax losses	33,053	28,934	-	-
Unabsorbed capital allowances	2,878	4,339	-	-
Unabsorbed reinvestment allowances	1,345	1,345	-	-
	37,276	34,618	-	-

The unutilised tax losses and unabsorbed capital allowances of the Group are available indefinitely against future taxable profit of the respective entities within the Group subject to no substantial changes in shareholdings of those entities under the Income Tax Act, 1967 and guidelines issued by the tax authority. Deferred tax assets have not been recognised in respect of these items as they may not be used to offset taxable profit of other entities in the Group and they have arisen in entities that have a recent history of losses.

30. TRADE PAYABLES

The normal trade credit terms granted to the Group and to the Company ranges from 14 to 90 days and 14 to 30 days, respectively.

Notes to the Financial Statements

31 March 2009 (Cont'd)

31. OTHER PAYABLES

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Accruals	25,835	21,997	295	258
Deposits	1,352	5,118	-	-
Interest payables	4,975	61	1	11
Sundry payables	4,202	8,425	64	155
Due to associates	31	-	31	-
	<u>36,395</u>	<u>35,601</u>	<u>391</u>	<u>424</u>

All amount due to associates are unsecured, interest free and have no fixed term of repayment.

32. HIRE PURCHASE AND LEASE PAYABLES

	Group	
	2009 RM'000	2008 RM'000
Minimum lease payments:		
Not later than 1 year	48	136
Later than 1 year and not later than 2 years	35	49
Later than 2 years and not later than 5 years	32	58
	<u>115</u>	<u>243</u>
Less: Future finance charges	(8)	(22)
	<u>107</u>	<u>221</u>
Present value of finance lease liabilities		
Present value of finance lease liabilities:		
Not later than 1 year	45	122
Later than 1 year and not later than 2 years	31	44
Later than 2 years and not later than 5 years	31	55
	<u>107</u>	<u>221</u>
Analysed as:		
Due within 12 months (Note 27)	45	123
Due after 12 months (Note 27)	62	98
	<u>107</u>	<u>221</u>

The hire purchase and lease payables bear interest of between 3.7% to 6.3% (2008 : 2.7% to 6.3%) per annum.

Notes to the Financial Statements

31 March 2009 (Cont'd)

33. COMMITMENTS

	Group	
	2009	2008
	RM'000	RM'000
Capital expenditure:		
Approved and contracted for:		
Property, plant and equipment	5,479	9,858
Investment	-	1,774
	<hr/>	<hr/>
	5,479	11,632
	<hr/>	<hr/>
Approved but not contracted for:		
Property, plant and equipment	25,139	20,410
	<hr/>	<hr/>
	30,618	32,042
	<hr/>	<hr/>

34. CONTINGENT LIABILITIES AND ASSETS

	Company	
	2009	2008
	RM'000	RM'000
(a) Guarantees provided in respect of borrowings by subsidiaries (Note 27(b)(i),(ii) and (iii))	5,710	10,745

- (b) Following the termination of the Tenancy Agreement by Malaysia Airports Holding Berhad ("MAHB") on 11 May 2000, a subsidiary, Fima Corporation Berhad ("FimaCorp"), as the Principal Tenant issued a termination notice dated 15 May 2000 to all its respective sub-tenants at Airtel Complex.

Pursuant to the above, on 28 September 2001, FimaCorp was served a Writ of Summons dated 9 August 2001 from a tenant ("Plaintiff") claiming for a compensation sum of approximately RM2.12 million being the renovation costs and general damages arising from the early termination of the Tenancy Agreement at Airtel Complex, in Subang. The Board of FimaCorp had sought the advice of the solicitors and was of the opinion that there should be no compensation payable to the Plaintiff as the demised premises was acquired by a relevant authority, MAHB, which was provided in the Tenancy Agreement between FimaCorp and the Plaintiff.

On 24 June 2002, the Plaintiff filed its amended Writ of Summons and Statement of Claim, naming MAHB as the Second Defendant and on 14 January 2003, served the same to FimaCorp. On 20 January 2003, FimaCorp's solicitors filed an amended Statement of Defence and on 22 April 2003, the Second Defendant obtained an order in terms from Courts to strike out the Plaintiff's claim.

The Plaintiff served its Application for Summons in Chambers on FimaCorp on 15 December 2003. Subsequently, FimaCorp replied to the Plaintiff on 16 December 2003 expressly stipulating that the Rules of the High Court requires the Plaintiff to file a Notice of Pre-Trial Case Management seeking the directions of the Judge as to the further conduct of the matter.

On 11 November 2008, the Court had disposed off this matter summarily in favour of the Plaintiff and on 4 March 2009, FimaCorp had filed its Record of Appeal to the Court of Appeal to appeal against the decision. The Court of Appeal has yet to fix the Hearing date for the appeal. The subsidiary had made full provision for the compensation claim during the financial year.

Notes to the Financial Statements

31 March 2009 (Cont'd)

34. CONTINGENT LIABILITIES AND ASSETS (CONT'D)

- (c) A wholly-owned subsidiary of FimaCorp ("Plaintiffs") had served a Writ of Summons against a third party for arrears of rental income and other expenses amounting to RM1.70 million. The Defendant filed their Statement of Defence denying the tenancy contract and counter claim for over payment of RM2.06 million.

On 7 February 2003, the High Court ruled in the Plaintiff's favour in respect of Plaintiff's application for Summary Judgement for the sum of RM1.18 million. The High Court also ordered that the remaining claim of RM0.52 million be proceeded with full trial.

On 6 March 2003, the Defendant had filed their Notice of Appeal to the Court of Appeal against the High Court decision. On 7 January 2009, the Defendant's appeal was allowed with costs by the Court of Appeal and the Plaintiff's Judgment for RM1.18 million was set aside. The Defendant is given unconditional leave to defend the claim and the matter is now fixed for Case Management on 23 July 2009 at the Kuala Lumpur High Court.

- (d) The Company ("Defendant") was served with a Writ of Summons together with a Statement of Claim on 29 September 2005 by the ex-employees of the Company ("Plaintiffs"). The Plaintiffs claimed for an alleged sum of RM1.73 million together with 8.0% interest per annum under the Defendant's Employment Benefit Scheme pursuant to the Trust Deed dated 16 June 1992.

The Defendant had appointed Messrs. Gideon Tan Razali Zaini who had entered appearance on the Company's behalf on 7 October 2005 to defend the case.

On 10 April 2006, the solicitors had filed the Defendant's application to strike out the Plaintiffs' suit. However, the Court had dismissed the application on 6 August 2007.

On 21 April 2006, the Plaintiffs had filed an application for summary judgment pursuant to Order 14 of Rules of High Court 1980 but later withdrew the application on 17 September 2007.

The Defendant had, on 14 August 2007 filed Notice of Appeal to the Judge in Chambers against the Senior Assistant Registrar's decision to dismiss the Defendant's application to strike out suit on the grounds that the Plaintiff's claim is time barred.

On 2 July 2008, the Court had dismissed the Defendant's appeal. The Court had, on 23 April 2009 adjourned the case management of this matter to 26 August 2009.

No provision has been made in the financial statements as at 31 March 2009 as the directors, based on legal advice, are of the opinion that the probability of the liabilities materialising is remote.

Notes to the Financial Statements

31 March 2009 (Cont'd)

35. RELATED PARTY DISCLOSURES

(a) Significant 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.

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Fima Corporation Berhad, a subsidiary				
- Interest expense	-	-	-	33
- Rental expense	-	-	444	444
Purchases from Lee Pineapple Co. Pte. Ltd., a shareholder of a subsidiary, Fima-TLP Feedlot Sdn. Bhd.	-	108	-	-
Insurance services rendered by Jerneh Insurance Berhad [^]	6	52	6	52
Dividend income from associated companies				
- Marushin Canneries (Malaysia) Sdn. Bhd.	(1,026)	(1,124)	(1,026)	(1,124)
Advisory services rendered by corporate shareholder, BHR Enterprise Sdn. Bhd.	120	120	120	120
Purchases made from related parties*				
- Nationwide Express Courier Services Berhad	141	161	-	-
- Nationwide Express Freight Forwarders Sdn. Bhd.	425	217	-	-

[^] Jerneh Insurance Berhad is a related party by virtue of common director.

* Nationwide Express Courier Services Berhad and Nationwide Express Freight Forwarders Sdn. Bhd. are related parties by virtue of common shareholders.

The directors are of the opinion that all the transactions above 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.

(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 any director (whether executive or otherwise).

Notes to the Financial Statements

31 March 2009 (Cont'd)

35. RELATED PARTY DISCLOSURES (CONT'D)

(b) Compensation of key management personnel (Cont'd)

The key management personnel compensation are as follows:

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Short-term employee benefits	4,268	4,083	1,336	1,320
Post-employment benefits:				
Defined contribution plan	641	533	165	158
	<hr/> 4,909	<hr/> 4,616	<hr/> 1,501	<hr/> 1,478

Included in the total key management personnel are:

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Directors' remuneration (Note 7)	2,034	1,862	883	830

36. SUBSEQUENT EVENT

On 16 April 2009 the Company had completed the sale and purchase agreement with M.K.N Group Sdn. Bhd. for the disposal of four (4) parcels of leasehold land in Banding, Perak in exchange for fourteen (14) office units located at PJ Trade Centre, Bandar Damansara Perdana, Petaling Jaya. The disposal has resulted in a gain on disposal to the Company and Group of RM5,271,677.

Notes to the Financial Statements

31 March 2009 (Cont'd)

37. SEGMENTAL INFORMATION

(a) Business Segments

The Group is principally engaged in the following activities:

- (i) Manufacturing - Production and trading of security and confidential documents;
- (ii) Bulking - Providing bulk handling and storage of liquid products and cargoes, warehousing and transportation and customs forwarding services;
- (iii) Plantation - Estate operations and cattle farming;
- (iv) Food - Manufacturing and packaging of food products;
- (v) Trading - International trading;
- (vi) Property investment - Rental and management of commercial properties; and
- (vii) Others - Investment holding

The directors are of the opinion that all inter-segment 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.

Notes to the Financial Statements

31 March 2009 (Cont'd)

37. SEGMENTAL INFORMATION (CONT'D)

	Manufacturing		Plantation		Food		Bulking	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Revenue								
External sales	160,447	149,834	62,367	35,867	77,658	68,715	53,154	42,205
Inter-segment sales	-	-	-	-	434	12,058	18,821	7,446
Total revenue	160,447	149,834	62,367	35,867	78,092	80,773	71,975	49,651
Results								
Segment results	37,670	34,802	20,642	4,931	(1,489)	162	45,864	27,488
Profit from operations	-	-	-	-	-	-	-	-
Finance costs, net	-	-	-	-	-	-	-	-
Share of profit of associates	5,166	4,155	-	-	1,363	1,254	-	-
Taxation	-	-	-	-	-	-	-	-
Profit after taxation	-	-	-	-	-	-	-	-
Minority interests	-	-	-	-	-	-	-	-
Net profit for the year								
Assets								
Segment assets	164,161	158,873	125,716	129,215	105,356	89,899	159,782	155,756
Consolidated total assets								
Liabilities								
Segment liabilities	88,551	78,111	10,368	100,869	63,886	47,621	46,106	44,491
Consolidated total liabilities								
Other Information								
Capital expenditure	6,000	10,924	8,848	2,865	739	800	3,773	1,351
Depreciation of:								
Property, plant and equipment	4,331	2,954	2,743	129	2,920	2,478	4,191	4,031
Investment property	-	-	-	-	49	49	-	-
Amortisation of:								
Prepaid land lease payments	85	85	-	-	38	35	-	-
Biological assets	-	-	5,145	2,446	-	1,500	-	-

Notes to the Financial Statements

31 March 2009 (Cont'd)

Trading		Property Investment		Others		Eliminations		Consolidated	
2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
11,392	7,792	3,693	3,745	359	554	-	-	369,070	308,712
-	-	538	538	74,509	41,454	(94,302)	(61,496)	-	-
11,392	7,792	4,231	4,283	74,868	42,008	(94,302)	(61,496)	369,070	308,712
2,467	1,782	(318)	(367)	24,396	24,784	(49,547)	(38,303)	79,685	55,279
-	-	-	-	-	-	-	-	79,685	55,279
-	-	-	-	-	-	-	-	(4,976)	(3,828)
-	-	-	-	(45)	2	-	-	6,484	5,411
-	-	-	-	-	-	10,566	13,588	(10,566)	(13,588)
-	-	-	-	-	-	-	-	70,627	43,274
-	-	-	-	-	-	24,467	12,987	(24,467)	(12,987)
								46,160	30,287
15,665	13,883	293,455	320,547	223,360	225,662	(434,341)	(484,665)	653,154	609,170
								653,154	609,170
1,355	581	77,998	103,142	57,679	70,817	(144,625)	(236,587)	201,318	209,045
								201,318	209,045
129	64	57	1,990	4,280	15,811	-	-	23,826	33,805
105	125	213	2,948	340	301	-	-	14,843	12,966
-	-	1,431	1,428	23	24	-	-	1,503	1,501
-	-	-	-	616	618	-	-	739	738
-	-	-	-	-	-	-	-	5,145	3,946

Notes to the Financial Statements

31 March 2009 (Cont'd)

37. SEGMENTAL INFORMATION (CONT'D)

(b) Geographical Segments

	Total Revenue from External Customers RM'000	Segment Assets RM'000	Capital Expenditure RM'000
31 March 2009			
Malaysia	336,189	889,816	15,375
Papua New Guinea	68,321	78,664	362
Indonesia	58,862	119,015	8,089
Eliminations	(94,302)	(434,341)	-
Consolidated	369,070	653,154	23,826
31 March 2008			
Malaysia	293,017	919,991	33,029
Papua New Guinea	54,520	54,893	776
Indonesia	22,671	118,951	-
Eliminations	(61,496)	(484,665)	-
Consolidated	308,712	609,170	33,805

38. 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, 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

A portion of the Group's income and operating cash flows are affected by changes in market interest rates. Interest rate exposure arises from the Group's deposits with licensed banks.

The Group actively manages its interest rate risk by maintaining a portfolio of financial instruments guided by its investment guidelines and policies, regular reviews of interest rates and market expectations.

(b) Liquidity/Funding Risk

The Group defines liquidity/funding risk as the risk that funds will not be available to meet liabilities as they fall due.

The Group actively manages its operating cash flows and the availability of funding so as to ensure that all funding needs are met. As part of its overall prudent liquidity management, the Group maintains sufficient levels of cash or cash convertible instruments to meet its working capital requirements. To ensure availability of funds, the Group closely monitors its cash flow position on a regular basis.

Notes to the Financial Statements

31 March 2009 (Cont'd)

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(c) Foreign Currency Risk

The Group is exposed to transactional currency risk primarily through sales and purchases that are denominated in a currency other than the functional currency of the operations to which they relate. The currencies giving rise to this risk are primarily Indonesian Rupiah and Papua New Guinea Kina. The Group does not practice any fund hedge for its purchases and sales transaction.

The net unhedged financial assets and financial liabilities of the Group that are not denominated in the functional currency of the Company are as follows:

	Indonesian Rupiah RM	Papua New Guinea Kina RM	Total RM
At 31 March 2009:			
Receivables	4,822,100	9,028,546	13,850,646
Payables	6,681,189	9,042,814	15,724,003
At 31 March 2008:			
Receivables	2,082,809	7,618,823	9,701,632
Payables	5,688,265	5,174,229	10,862,494

(d) Credit Risk

Credit risk, or the risk of counterparties defaulting, is controlled by the application of credit approvals, limits and monitoring procedures. Credit risk is minimised and monitored via strictly limiting the Group's associations to business partners with high creditworthiness. Trade receivables are monitored on an ongoing basis via Group management reporting procedures.

The Group does not have any significant exposure to any individual customer or counterparty except with the Government of Malaysia as disclosed on Note 22. The Group does not have any major concentration of credit risk related to any financial instruments.

(e) Fair Values

It is not practicable to determine the fair values of the amounts due from/(to) related companies due to a lack of repayment terms entered into by the parties involved and without incurring excessive costs.

Notes to the Financial Statements

31 March 2009 (Cont'd)

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(e) Fair Values (Cont'd)

The fair values of all other financial assets and liabilities of the Group and Company as at 31 March 2009 are not materially different from their carrying values except for the following:

	Note	Group		Company	
		Carrying Amount RM'000	Fair Value RM'000	Carrying Amount RM'000	Fair Value RM'000
31 March 2009					
Financial Liabilities					
Term loans	27	11,554	11,959	-	-
Revolving credit facility	27	43,200	43,486	8,200	8,486
Redeemable Convertible Loan Stock ("RCLS")	27	8,144	15,195	-	-
Hire purchase and lease payables	32	107	102	-	-
31 March 2008					
Financial Liabilities					
Term loans	27	19,507	20,303	-	-
Revolving credit facility	27	57,000	57,827	22,000	22,827
Redeemable Convertible Loan Stock ("RCLS")	27	9,525	16,667	-	-
Hire purchase and lease payables	32	221	208	-	-

39. PRIOR YEAR ADJUSTMENT

In prior year, the Company received franked dividends from its subsidiaries, for which settlement was via intercompany. Under the transitional period of the single tier system, franked dividends need to be paid in cash. Where dividends for ordinary shares are paid in kind, they would be regarded as single tier tax exempt dividends.

As a result, the Company restated the opening balance of accumulated losses of the current year to recognise the effects of receiving tax exempt dividends. The effects of the prior year adjustment are as follows:

	Company RM'000
Effect on accumulated losses :	
At 1 April 2008, as previously stated	(181,759)
Effects of receiving tax exempt dividends	3,425
	<hr/>
At 1 April 2008, as restated	(178,334)

Notes to the Financial Statements

31 March 2009 (Cont'd)

39. PRIOR YEAR ADJUSTMENT (CONT'D)

	Company RM'000
Effect on net profit for the year ended 31 March 2008 :	
As previously stated	11,848
Effects of receiving tax exempt dividends	3,425
	<hr/>
As restated	15,273
	<hr/>

The Company's comparative amounts as at 31 March 2008 have been restated as follows:

	As Previously Reported RM'000	Adjustment RM'000	As restated RM'000
Income statement:			
Income tax expense	(4,464)	3,425	(1,039)
Profit after tax	11,848	3,425	15,273
	<hr/>		
Balance sheet:			
Due to subsidiaries	(24,604)	3,425	(21,179)
	<hr/>		

40. COMPARATIVES

The presentation and classification of items in the current year financial statements have been consistent with the previous financial year except that certain comparative amounts have been adjusted as a result of the reclassification of a component of the Redeemable Convertible Loan Stock ("RCLS") from equity to liability as follows:

	As Previously Stated RM'000	Adjustments RM'000	As Restated RM'000
Group			
Minority interest	110,252	(9,525)	100,727
Borrowings (non-current)	35,880	9,525	45,405
	<hr/>		

41. SUBSIDIARIES AND ACTIVITIES

Set out below is a list of the subsidiaries of the Company as at 31 March 2009, all of which are incorporated in Malaysia unless otherwise indicated:

Name of Company	Effective Interest		Principal Activities
	2009 %	2008 %	
Manufacturing			
Security Printers (M) Sdn. Bhd. (34025-W)	60.9	59.6	Trading of security and confidential documents
Percetakan Keselamatan Nasional Sdn. Bhd. (166151-T)	60.9	59.6	Production of security and confidential documents

Notes to the Financial Statements

31 March 2009 (Cont'd)

41. SUBSIDIARIES AND ACTIVITIES (CONT'D)

Name of Company	Effective Interest		Principal Activities
	2009 %	2008 %	
Property Investment			
Fima Metal Box Holdings Sdn. Bhd. (70926-X)	100.0	100.0	Investment holding
Fima Corporation Berhad (21185-P)	60.9	59.6	Investment holding and property management
FCB Property Management Sdn. Bhd. (264746-K) (Formerly known as FCB Business Centre Sdn. Bhd.)	60.9	59.6	Property management services
FCB Plantation Holdings Sdn. Bhd. (270659-U) (Formerly known as FCB Management Sdn. Bhd.)	60.9	59.6	Investment holding
Bulking			
Fima Bulking Services Berhad (53110-X)	100.0	100.0	Providing bulk handling storage of liquid and semi-liquid products and investment holding
Fimachem Sdn. Bhd. (151893-X)	100.0	100.0	Providing bulk storage of liquid and semi-liquid of hazardous products
Fima Liquid Bulking Sdn. Bhd. (182904-W)	100.0	100.0	Providing bulk storage of latex and palm oleo based products
Fima Palmbulk Services Sdn. Bhd. (61459-M)	100.0	100.0	Bulk handling of liquid and semi-liquid products
Fima Freight Forwarders Sdn. Bhd. (223850-P)	100.0	100.0	Provision of warehousing, transportation and forwarding services
Boustead Oil Bulking Sdn. Bhd. (81508-K)	100.0	76.0	Bulk handling of palm oil and edible oils
Fima Logistics Sdn. Bhd. (288891-A)	100.0	100.0	Inactive
Biodiesel			
Fima Biodiesel Sdn. Bhd. (715822-K) (Formerly known as Titian Asli Sdn. Bhd.)	100.0	100.0	Manufacturing of biodiesel and trading of its related products
Fima Contracts Sdn. Bhd. (240960-H)	100.0	100.0	Inactive

Notes to the Financial Statements

31 March 2009 (Cont'd)

41. SUBSIDIARIES AND ACTIVITIES (CONT'D)

Name of Company	Effective Interest		Principal Activities
	2009 %	2008 %	
Plantation			
Ladang Fima Sdn. Bhd. (12652-H)	100.0	100.0	Oil palm cultivation
PT Nunukan Jaya Lestari ^{^^*} (NPWP 02.033.898.4-723.000)	80.0	80.0	Oil palm production and processing
Fima-TLP Feedlot Sdn. Bhd. (31385-U)	85.0	85.0	Cattle farming
Food			
Pineapple Cannery of Malaysia Sdn. Bhd. (5367-U)	100.0	100.0	Cultivation and canning of pineapples
Fima Instanco Sdn. Bhd. (19196-T)	100.0	100.0	Packaging of food products
Fima-Mr. Juicy Sdn. Bhd. (22947-D)	100.0	100.0	Inactive
International Food Corporation Limited (C.1-19260) *+	95.6	95.6	Manufacturer and distributor of canned fish
IFC Marketing and Distribution Limited (C.1-19261) *+	95.6	95.6	Inactive
Trading			
Malaysian Transnational Trading (MATTRA) Corporation Berhad (84962-V)	100.0	100.0	International trading house and investment holding
Mattra Premier Sdn. Bhd. (288892-P)	100.0	100.0	General trading
Others			
Fima Plantations Sdn. Bhd. (266309-P)	100.0	100.0	Inactive
Fima Cold Stores Sdn. Bhd. (81127-P)	100.0	100.0	Inactive
Fimaly Oils Corporation Sdn. Bhd. (52962-W)	100.0	100.0	Inactive
Fima Fraser's Hill Sdn. Bhd. (26087-U)	60.0	60.0	Inactive
Fima Overseas Holdings Sdn. Bhd. (36334-P)	100.0	100.0	Inactive
Endell Pte. Ltd. (199206825E) *#	80.0	80.0	Inactive

Notes to the Financial Statements

31 March 2009 (Cont'd)

41. SUBSIDIARIES AND ACTIVITIES (CONT'D)

- * Subsidiaries audited by firms of chartered accountants other than Hanafiah Raslan & Mohamad
- + Incorporated in Papua New Guinea
- # Incorporated in Singapore
- ^^ Incorporated in Indonesia

42. ASSOCIATES AND ACTIVITIES

(i) Details of associates are as follows:

Name of Company	Effective Interest		Principal Activities
	2009	2008	
	%	%	
Marushin Canneries (Malaysia) Sdn. Bhd. (162963-U)*	38.0	38.0	Manufacturer and sale of canned fish
Niagasoft Sdn. Bhd.(221414-U)*	30.0	30.0	Information technology services provider
Giesecke & Devrient (Malaysia) Sdn. Bhd. (573030-M)*	17.9	17.9	Printing and production of bank notes

(ii) Details of associates not equity accounted are as follows:

Name of Company	Effective Interest		Principal Activities
	2009	2008	
	%	%	
Consolidated Pineapple Sales Sdn. Bhd. (5891-K)*	50.0	50.0	Inactive
Kad Kash Sdn. Bhd. (374691-H)	23.9	23.9	Inactive

* Associates audited by firms of chartered accountants other than Hanafiah Raslan & Mohamad.

The results of these associates have not been equity accounted as the directors are of the opinion that the overall contribution from these companies are not significant to the Group's results and that to adopt equity accounting would involve undue expense and delay.

Properties of the Group

NO.	LOCATION	DESCRIPTION/ EXISTING USE	LATEST VALUATION/ ACQUISITION DATE	TENURE EXPIRY DATE	LAND AREA (ACRE)	BUILT-UP AREA (SQ.FT)	NBV AS AT 31/03/2009 (RM)	APPROXIMATE AGE OF BUILDINGS (YEARS)
KUMPULAN FIMA BERHAD								
1	Lot 469, PN 108168 HS(D) 356, PT 1 Mukim Temengor Daerah Hulu Perak Perak Darul Ridzuan	Commercial / Petrol Filling Station	23/03/2005 Note (i)	Leasehold expiring 17/10/2089	0.82	N/A	76,930	N/A
2	Lot 471, PN 108170 HS(D) 358, PT 3 Mukim Temengor Daerah Hulu Perak Perak Darul Ridzuan	Agriculture / Vacant	23/03/2005 Note (i)	Leasehold expiring 17/10/2089	160.00	N/A	7,331,230	N/A
3	PT 51, HS(D) 3551 Mukim Temengor Daerah Hulu Perak Perak Darul Ridzuan	Agriculture	23/03/2005 Note (i)	Leasehold expiring 29/03/2104	119.77	N/A	5,487,883	N/A
4	PT 52, HS(D) 3552 Mukim Temengor Daerah Hulu Perak Perak Darul Ridzuan	Commercial / Rest House, Double Storey Villa & Quarters	23/03/2005 Note (i)	Leasehold expiring 29/03/2104	14.17	19,637	2,418,965	22
5	HS(D) 1396, PTD 257 Mukim Ulu Sg. Sedili Besar Daerah Kota Tinggi Johor Darul Takzim	Agriculture / Fruit & Oil Palm Plantation	09/03/2005	Leasehold expiring 17/02/2077	1,010.28	N/A	25,249,652	N/A
6	HS(D) 1397, PTD 258 Mukim Ulu Sg. Sedili Besar Daerah Kota Tinggi Johor Darul Takzim	Agriculture / Fruit & Oil Palm Plantation	09/03/2005	Leasehold expiring 17/02/2077	47.88	N/A	1,196,651	N/A
7	HS(D) 1398, PTD 331 Mukim Kota Tinggi Daerah Kota Tinggi Johor Darul Takzim	Agriculture / Fruit & Oil Palm Plantation	09/03/2005	Leasehold expiring 17/02/2077	18.82	N/A	470,364	N/A
8	HS(D) 2426, PTD 5230 Mukim Ayer Baloi Daerah Pontian Johor Darul Takzim	Agriculture / Pineapple Plantation	21/03/2005	Freehold	6.50	N/A	35,067	N/A
9	HS(D) 2427, PTD 5233 Mukim Ayer Baloi Daerah Pontian Johor Darul Takzim	Agriculture / Pineapple Plantation	21/03/2005	Freehold	518.74	N/A	2,798,601	N/A
10	HS(D) 2428, PTD 5871 Mukim Ayer Baloi Daerah Pontian Johor Darul Takzim	Agriculture / Pineapple Plantation	21/03/2005	Freehold	136.00	N/A	733,721	N/A
11	HS(D) 2429, PTD 5228 Mukim Ayer Baloi Daerah Pontian Johor Darul Takzim	Agriculture / Pineapple Plantation	21/03/2005	Freehold	172.00	N/A	927,939	N/A
12	HS(D) 2430, PTD 5231 Mukim Ayer Baloi Daerah Pontian Johor Darul Takzim	Agriculture / Pineapple Plantation	21/03/2005	Freehold	230.12	N/A	1,241,498	N/A
13	HS(D) 2431, PTD 5229 Mukim Ayer Baloi Daerah Pontian Johor Darul Takzim	Agriculture / Pineapple Plantation	21/03/2005	Freehold	327.15	N/A	1,764,974	N/A
14	HS(D) 2432, PTD 5232 Mukim Ayer Baloi Daerah Pontian Johor Darul Takzim	Agriculture / Pineapple Plantation	21/03/2005	Freehold	370.38	N/A	1,998,200	N/A
Sub total					3,132.63	19,637	51,731,674	

Properties of the Group

(Cont'd)

NO.	LOCATION	DESCRIPTION/ EXISTING USE	LATEST VALUATION/ ACQUISITION DATE	TENURE EXPIRY DATE	LAND AREA (ACRE)	BUILT-UP AREA (SQ.FT)	NBV AS AT 31/03/2009 (RM)	APPROXIMATE AGE OF BUILDINGS (YEARS)
FIMA CORPORATION BERHAD								
1	Lot 3767 & 3768 (Grant 24531, 24532) Mukim Jeram Batu Daerah Pontian Johor Darul Takzim	Industrial	07/07/1993	Freehold	2.71	66,608	984,960	41
2	Lot 1176 Mukim Pasir Panjang Port Dickson Negeri Sembilan Darul Khusus	Bungalow	07/07/1993	Freehold	0.82	3,114	170,004	60
3	Lot 50575, Grant 12754 Mukim of Kuala Lumpur Wilayah Persekutuan	Office Building	17/08/1995	Freehold	1.46	270,372	58,952,315	11
Sub total					4.99	340,094	60,107,279	
PERCETAKAN KESELAMATAN NASIONAL SDN BHD								
1	Lot 27306, Section 13 Mukim Kajang Daerah Hulu Langat Selangor	Industrial Land/ Building	08/06/2005	Leasehold expiring 29/09/2086	8.30	250,560	14,325,731	22
Sub total					8.30	250,560	14,325,731	
PINEAPPLE CANNERY OF MALAYSIA SDN BHD								
1	PTD 5525, Mukim Macap Daerah Kluang Johor Darul Takzim	Agriculture / Pineapple Plantation	08/03/2005	Leasehold expiring 16/10/2038	209.75	N/A	1,444,559	N/A
2	Lot 1790, EMR 2507 Mukim Jeram Batu Daerah Pontian Johor Darul Takzim	Agriculture / Rubber Plantation	08/03/2005	Freehold	4.39	N/A	300,000	N/A
3	Lot 4552, PTD 4243 Mukim Jeram Batu Daerah Pontian Johor Darul Takzim	Agriculture / Effluent Pond	08/03/2005	Freehold	2.59	N/A	149,731	N/A
4	Lot 4554, PTD 4241 Mukim Jeram Batu Daerah Pontian Johor Darul Takzim	Agriculture / Effluent Pond	08/03/2005	Freehold	2.42	N/A	140,509	N/A
5	Lot 1681, Grant 56 Mukim Jeram Batu Daerah Pontian Johor Darul Takzim	Agriculture / Dumping Ground	31/03/2005	Freehold	2.43	N/A	202,000	N/A
6	Lot 3767, Grant 24531 Lot 3768, Grant 24532 Lot 3769, Grant 24533 Mukim Jeram Batu Daerah Pontian Johor Darul Takzim	Industrial Land / Factory & Office Buildings/ Residential / Single Storey House	31/03/2005	Freehold	25.23	235,160	9,469,668	41
7	Lot 3886, CT 12458 Mukim Jeram Batu Daerah Pontian Johor Darul Takzim	Agriculture / Orchard	09/03/2005	Freehold	9.51	N/A	2,200,000	N/A
8	Lot 3887, CT 12459 Mukim Jeram Batu Daerah Pontian Johor Darul Takzim	Agriculture / Orchard	09/03/2005	Freehold	9.49	N/A	2,200,000	N/A
9	Lot 3890, CT 12462 Mukim Jeram Batu Daerah Pontian Johor Darul Takzim	Agriculture / Orchard	09/03/2005	Freehold	6.23	N/A	1,235,744	N/A

Properties of the Group

(Cont'd)

NO.	LOCATION	DESCRIPTION/ EXISTING USE	LATEST VALUATION/ ACQUISITION DATE	TENURE EXPIRY DATE	LAND AREA (ACRE)	BUILT-UP AREA (SQ.FT)	NBV AS AT 31/03/2009 (RM)	APPROXIMATE AGE OF BUILDINGS (YEARS)
PINEAPPLE CANNERY OF MALAYSIA SDN BHD (CONT'D)								
10	Lot 3891, CT 12463 Mukim Jeram Batu Daerah Pontian Johor Darul Takzim	Agriculture / Orchard	09/03/2005	Freehold	10.00	N/A	1,889,016	N/A
11	Lot 1789, GM 1720 Mukim Jeram Batu Daerah Pontian Johor Darul Takzim	Agriculture/ Rubber Plantation	31/03/2005	Freehold	4.06	16,000	885,000	41
12	Lot 180, Grant 136 Mukim Api-Api Daerah Pontian Johor Darul Takzim	Agriculture / Single Storey Factory Building	31/03/2005	Freehold	7.22	42,782	496,535	36
13	Lot 181, Grant 137 Mukim Api-Api Daerah Pontian Johor Darul Takzim	Agriculture / Single Storey Factory Building	31/03/2005	Freehold	6.78	40,175	465,846	36
14	Lot 182, HS(D) 1976 Mukim Api-Api Daerah Pontian Johor Darul Takzim	Industrial Land / Single Storey Factory Building	31/03/2005	Leasehold expiring 03/10/2079	1.59	9,422	58,188	36
15	Lot 183, Grant 135 Mukim Api-Api Daerah Pontian Johor Darul Takzim	Agriculture / Single Storey Factory Building	31/03/2005	Freehold	3.80	22,517	256,860	36
16	Lot 184, Grant 134 Mukim Api-Api Daerah Pontian Johor Darul Takzim	Agriculture / Single Storey Factory Building	31/03/2005	Freehold	2.79	16,532	187,892	36
17	Lot 185, Grant 85 Mukim Api-Api Daerah Pontian Johor Darul Takzim	Agriculture / Vacant	31/03/2005	Freehold	2.86	N/A	92,813	N/A
18	Lot 560, Grant 132 Mukim Api-Api Daerah Pontian Johor Darul Takzim	Agriculture / Single Storey Residential Buildings & One Hostel Block	31/03/2005	Freehold	3.34	16,310	197,650	36
19	Lot 561, Grant 133 Mukim Api-Api Daerah Pontian Johor Darul Takzim	Agriculture / Two Single Storey Hostel Blocks	31/03/2005	Freehold	2.16	4,800	94,579	36
20	Lot 2945, Grant 138, Mukim Api-Api Daerah Pontian Johor Darul Takzim	Agriculture / Single Storey Factory Building	31/03/2005	Freehold	2.31	13,984	156,063	36
Sub total					314.89	401,682	22,122,653	
LADANG FIMA SDN BHD								
1	HS(D) 1396, PTD 257 & HS(D) 1397, PTD 258 Mukim Ulu Sg. Sedili Besar & Mukim Kota Tinggi Daerah Kota Tinggi Johor Darul Takzim	Office, Bungalow Guest House & Quarters	09/03/2005	Land owned by KFima	N/A	12,376	89,172	31
Sub total						12,376	89,172	

Properties of the Group

(Cont'd)

NO.	LOCATION	DESCRIPTION/ EXISTING USE	LATEST VALUATION/ ACQUISITION DATE	TENURE EXPIRY DATE	LAND AREA (ACRE)	BUILT-UP AREA (SQ.FT)	NBV AS AT 31/03/2009 (RM)	APPROXIMATE AGE OF BUILDINGS (YEARS)
BULKING GROUP OF COMPANIES								
1	Part of HS(D) 24616 PT 11689, Mukim Kapar Daerah Klang Selangor Darul Ehsan	Office Building occupied by Fima Bulking Services Bhd	22/03/2005	Sublease expiring 14/07/2022	12.98	12,000	276,812	27
2	Part of HS(D) 24616 PT 11689, Mukim Kapar Daerah Klang Selangor Darul Ehsan	Office Building occupied by Fimachem Sdn Bhd	22/03/2005	Sublease expiring 14/07/2022	14.02	7,906	25,739	20
3	Part of HS(D) 24616 PT 11689, Mukim Kapar Daerah Klang Selangor Darul Ehsan	Office Building occupied by Fima Liquid Bulking Sdn Bhd	22/03/2005	Sublease expiring 14/07/2022	3.80	3,098	268,055	17
Sub total					30.80	23,004	570,606	
INTERNATIONAL FOOD CORPORATION LIMITED								
1	Portion 361 Malahang, Lae Papua New Guinea	Industrial Land / Office Building, Amenities Building & 2 Factory Buildings	21/03/2001	State Lease expiring 19/10/2093	35.65	204,999	22,101,256	14
Sub total					35.65	204,999	22,101,256	
FIMA FRASER'S HILL SDN BHD								
1	Lot 4509, PN 4503 Mukim Teras, Daerah Raub Pahang Darul Makmur	Agriculture / Vacant	03/03/2005	Leasehold expiring 01/01/2036	130.17	N/A	1,391,872	N/A
Sub total					130.17	-	1,391,872	
GRAND TOTAL					3,657.43	1,252,352	172,440,243	

NOTE:

- (i) On 16 April 2009, the Company had completed the Sales and Purchase Agreement with M.K.N Group Sdn Bhd for the disposal of the above land in exchange for fourteen (14) office units located at PJ Trade Centre, Bandar Damansara Perdana, Petaling Jaya, Selangor.

Analysis of Shareholdings

As at 20 August 2009

LIST OF THIRTY (30) LARGEST SHAREHOLDERS

	Names	No. of Shares	%
1.	BHR ENTERPRISE SDN BHD	146,032,300	55.49
2.	SUBUR RAHMAT SDN BHD	12,105,700	4.60
3.	PERMODALAN NASIONAL BERHAD	5,396,000	2.05
4.	MOHD NOOR BIN ISMAIL	5,180,000	1.97
5.	GAN CHUN HUI	1,322,900	0.50
6.	MAR WOOL LIENG	1,208,600	0.46
7.	ECML NOMINEES (TEMPATAN) SDN BHD < PLEDGED SECURITIES ACCOUNT FOR LOW KHIAN BENG (003) >	970,000	0.37
8.	KOAY KENG LING	895,000	0.34
9.	HLG NOMINEE (ASING) SDN BHD < EXEMPT AN FOR UOB KAY HIAN PTE LTD (A/C CLIENTS) >	853,000	0.32
10.	HUANG PHANG LYE	804,700	0.31
11.	QUARRY LANE SDN BHD	750,000	0.28
12.	K. B. LOH SDN BHD	665,300	0.25
13.	TAN NGAN CHOK @ CHIN YHOON SIEW	609,100	0.23
14.	OOI KOK SOON	570,000	0.22
15.	LIM CHENG HAI	550,000	0.21
16.	KOAY KENG TEIK @ KOAY CHIA WAH	535,000	0.20
17.	TA SECURITIES HOLDINGS BERHAD < CLR (DIL) FOR PERMODALAN NASIONAL BERHAD >	511,900	0.19
18.	MAYBAN NOMINEES (TEMPATAN) SDN BHD < LAU KAH DONG >	500,000	0.19
19.	CHAN AI WEI	475,000	0.18
20.	HDM NOMINEES (ASING) SDN BHD < DBS VICKERS SECS (S) PTE LTD FOR HO YIK YONG >	453,000	0.17
21.	TEUH CHIN HENG	420,000	0.16
22.	AIDA FUAD	410,000	0.16
23.	TAI TSU KUANG @ TYE TSU HONG	400,000	0.15
24.	KOH KIN LIP	400,000	0.15
25.	HSBC NOMINEES (ASING) SDN BHD < EXEMPT AN FOR HSBC PRIVATE BANK (SUISSE) S. A (SPORE TST AC CL) >	400,000	0.15
26.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD < PLEDGED SECURITIES ACCOUNT FOR KOAY CHEE HONG (100709) >	400,000	0.15
27.	KE-ZAN NOMINEES (TEMPATAN) SDN BHD < PLEDGED SECURITIES ACCOUNT FOR LIM PHEIK KHENG >	376,000	0.14
28.	NG KONG CHEN @ NG TING MIEW	350,000	0.13
29.	YAP MAN CHAN	311,600	0.12
30.	LIM GAIK BWAY @ LIM CHIEW AH	306,000	0.12

LIST OF SUBSTANTIAL SHAREHOLDERS (5% AND ABOVE)

	Names	Shareholdings	%
1.	BHR ENTERPRISE SDN BHD	146,032,300	55.49

Analysis of Shareholdings

As at 20 August 2009 (Cont'd)

ANALYSIS BY SIZE OF SHAREHOLDINGS

Holdings	No. of Holders	%	Total Holdings	%
Less than 100	27	0.24	711	0.00
100 to 1,000	4,472	40.15	4,432,560	1.68
1,001 to 10,000	5,365	48.17	23,763,029	9.03
10,001 to 100,000	1,153	10.35	35,386,800	13.45
100,001 to less than 5% of issued shares	120	1.08	53,544,600	20.35
5% and above of issued shares	1	0.01	146,032,300	55.49
TOTAL	11,138	100.00	263,160,000	100.00

ANALYSIS OF OWNERSHIP OF SHAREHOLDINGS

Type Of Ownership	Shareholders	%	Shareholdings	%
1) Government Agencies	1	0.01	10	0.00
2) Bumiputra				
a) Individuals	1,281	11.50	10,192,100	3.87
b) Companies	34	0.30	164,033,600	62.33
c) Nominees Company	620	5.57	9,804,750	3.73
3) Non-Bumiputra				
a) Individuals	8,556	76.82	63,289,316	24.05
b) Companies	62	0.56	3,684,800	1.40
c) Nominees Company	469	4.21	8,114,690	3.08
Malaysian Total	11,023	98.97	259,119,266	98.46
4) Foreign				
a) Individuals	73	0.65	760,334	0.29
b) Companies	3	0.03	75,000	0.03
c) Nominees Company	39	0.35	3,205,400	1.22
Foreign Total	115	1.03	4,040,734	1.54
GRAND TOTAL	11,138	100.00	263,160,000	100.00

DIRECTORS' SHAREHOLDINGS

Director	Nationality	Direct Holdings		Indirect Holdings	
		No.	%	No.	%
Tan Sri Dato' Ir. Muhammad Radzi Bin Haji Mansor	Malaysian	-	0.00	-	0.00
Roslan Bin Hamir	Malaysian	111,000	0.04	-	0.00
Ahmad Riza Bin Basir	Malaysian	-	0.00	158,366,000	60.18
Azizan Bin Mohd Noor	Malaysian	-	0.00	-	0.00
Rozana Zeti Binti Basir	Malaysian	-	0.00	146,032,300	55.49
Rosman Bin Abdullah	Malaysian	-	0.00	-	0.00

Directory of Group Operation

MANUFACTURING DIVISION

- 1. Percetakan Keselamatan Nasional Sdn. Bhd.**
No.1, Jalan Chan Sow Lin
55200 Kuala Lumpur
Telephone : +603-9222 2511
Facsimile : +603-9222 4401
- 2. Security Printers (M) Sdn. Bhd.**
No.1, Jalan Chan Sow Lin
55200 Kuala Lumpur
Telephone : +603-9222 2511
Facsimile : +603-9222 4401

BULKING DIVISION

- 1. Fima Bulking Services Berhad**
Jalan Parang
2nd Extension, North Port
42000 Pelabuhan Klang, Selangor
Telephone : +603-3176 7211
Facsimile : +603-3176 5641
Website : www.fimabulking.com
- 2. Fimachem Sdn. Bhd.**
Lot 6579, Jalan Parang
2nd Extension, North Port
42000 Pelabuhan Klang, Selangor
Telephone : +603-3176 6514
Facsimile : +603-3176 6799
- 3. Fima Liquid Bulking Sdn. Bhd.**
Lot 11689, Jalan Siakap
2nd Extension, North Port
42000 Pelabuhan Klang, Selangor
Telephone : +603-3176 7561
Facsimile : +603-3176 6739
- 4. Fima Palmbulk Services Sdn. Bhd.**
PPSB Deep Water Wharves
P.O. Box 243
12720 Butterworth, Pulau Pinang
Telephone : +604-332 7019
Facsimile : +604-331 1685
- 5. Fima Freight Forwarders Sdn. Bhd.**
Lot 33835, Lingkaran Sultan Mohammad 1
Kawasan Perindustrian Bandar Sultan Sulaiman
Selat Kelang Utara
42000 Pelabuhan Klang, Selangor
Telephone : +603-3176 2681
Facsimile : +603-3176 2679
- 6. Boustead Oil Bulking Sdn. Bhd.**
PPSB Deep Water Wharves
P.O. Box 243
12720 Butterworth, Pulau Pinang
Telephone : +604-332 7019
Facsimile : +604-331 1685

PLANTATION DIVISION

- 1. Ladang Fima Sdn. Bhd.**
Batu 6, Jalan Mawai
81900 Kota Tinggi, Johor
Telephone : +607-883 1413
Facsimile : +607-883 1413
- 2. Fima-TLP Feedlot Sdn. Bhd.**
Plot 49, 8th Milestone, Jalan Felda Ayer Hitam
86000 Kluang, Johor
Telephone : +607-759 4660
Facsimile : +607-759 4670
- 3. PT Nunukan Jaya Lestari**
Kantor Pusat, Jalan Gajah Mada
RT.10, Nunukan Timur
Kabupaten Nunukan- 77182
Kalimantan Timur
Indonesia
Telephone : 006 2 55624551
Facsimile : 006 2 55624551

Directory of Group Operation (Cont'd)

FOOD DIVISION

- 1. Pineapple Cannery of Malaysia Sdn. Bhd.**
26th Milestone, Main Road
81500 Pekan Nenas, Johor
Telephone : +607-699 1121
Facsimile : +607-699 2940
- 2. Fima Instanco Sdn. Bhd.**
17, Jalan Opera D U2/D
TTDI Jaya
40000 Shah Alam, Selangor
Telephone : +603-7847 6311
Facsimile : +603-7847 6696
- 3. International Food Corporation Limited**
Portion 361, Busu Road
Malahang, P.O. Box 1334
Lae, Papua New Guinea
Telephone : 00 675 4720 655
Facsimile : 00 675 4720 607

PROPERTY INVESTMENT DIVISION

- 1. Fima Corporation Berhad**
Suite 4.1, Level 4
Block C, Plaza Damansara
No.45, Jalan Medan Setia 1
Bukit Damansara
50490 Kuala Lumpur
Telephone : +603-2092 1211
Facsimile : +603-2094 5996
- 2. FCB Property Management Sdn. Bhd.**
(Formerly known as FCB Business Centre Sdn Bhd)
Suite 4.1, Level 4
Block C, Plaza Damansara
No.45, Jalan Medan Setia 1
Bukit Damansara
50490 Kuala Lumpur
Telephone : +603-2092 1211
Facsimile : +603-2094 5996

TRADING DIVISION

- 1. Malaysian Transnational Trading (MATTRA) Corporation Berhad**
No. 45-13, Level 1
Block C, Plaza Damansara
No.45, Jalan Medan Setia 1
Bukit Damansara
50490 Kuala Lumpur
Telephone : +603-2094 3868
Facsimile : +603-2093 1002
Website : www.mattra.com.my

BIODIESEL DIVISION

- 1. Fima Biodiesel Sdn. Bhd.**
(Formerly known as Titian Asli Sdn Bhd)
Lot 11689, Jalan Parang
2nd Extension, North Port
42000 Pelabuhan Klang, Selangor
Telephone : +603-3176 3373
Facsimile : +603-3176 2601

ASSOCIATED COMPANIES

- 1. Marushin Canneries (Malaysia) Sdn. Bhd.**
PLO 213, Jalan Timah Satu
Pasir Gudang Industrial Estate
81700 Johor Bahru, Johor
Telephone : +607-251 4802
Facsimile : +607-251 4798
- 2. Giesecke & Devrient (Malaysia) Sdn. Bhd.**
Lot 6, Off Jalan Delima 1/1
Batu 3, 40150 Shah Alam, Selangor
Telephone : +603-5629 2929
Facsimile : +603-5629 2820

Proxy Form

I/We _____
(Full Name in Capital Letters)

of _____
(Full Address)

being a Member of **KUMPULAN FIMA BERHAD** ("the Company"), do hereby appoint

_____ (Full Name in Capital Letters)

of _____ (Full Address)

or failing him/her _____ (Full Name in Capital Letters)

of _____ (Full Address)

as my/our* proxy to vote for me/us* and on my/our* behalf at the Thirty Seventh (37th) Annual General Meeting of the Company to be held at the Dewan Berjaya, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on Wednesday, 30 September 2009 at 3.00 p.m.

Please indicate the manner in which you wish your votes should be cast with an "X" in the appropriate spaces below. Unless voting instructions are specified herein, the proxy will vote or abstain from voting as he/she thinks fit.

	RESOLUTIONS	FOR	AGAINST
1.	To receive the Audited Financial Statements of the Company for the financial year ended 31 March 2009 and the Directors' and Auditors' Reports thereon. - Ordinary Resolution 1		
2.	To declare a final dividend of 3% less 25% income tax in respect of the financial year ended 31 March 2009 as recommended by the Directors. - Ordinary Resolution 2		
3.	To re-elect Encik Roslan bin Hamir pursuant to Article 114 of the Company's Articles of Association. - Ordinary Resolution 3		
4.	To re-elect Puan Rozana Zeti binti Basir pursuant to Article 114 of the Company's Articles of Association. - Ordinary Resolution 4		
5.	To approve the payment of Directors' fees for the ensuing financial year. - Ordinary Resolution 5		
6.	To re-appoint Messrs. Hanafiah Raslan & Mohamad as Auditors of the Company, until the conclusion of the next Annual General Meeting of the Company and to authorise the Directors to fix their remuneration. - Ordinary Resolution 6		
AS SPECIAL BUSINESS:			
7.	Proposed shareholders' mandate for recurrent related party transactions of a revenue or trading nature. - Ordinary Resolution 7		

* Strike out whichever not applicable.

Signature (If Shareholder is a Corporation, this part should be executed under seal)

No. of Shares held

Dated this _____ day of _____ 2009

Note :

A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy may but need not be a Member of the Company and a Member may appoint more than two (2) proxies by specifying the proportion of his shareholding to be represented by each proxy. The instrument appointing a proxy must be completed and deposited at the registered office of the Company not less than forty eight (48) hours before the time of holding the Meeting or any adjournment thereof.

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**Postage
Stamp**

The Company Secretaries
KUMPULAN FIMA BERHAD
(Company No. : 11817-V)
Suite 4.1, Level 4, Block C
Plaza Damansara
No. 45, Jalan Medan Setia 1, Bukit Damansara
50490 Kuala Lumpur

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KUMPULAN FIMA BERHAD
(11817-V)

Suite 4.1, Level 4, Block C, Plaza Damansara,
No. 45, Jalan Medan Setia 1, Bukit Damansara,
50490 Kuala Lumpur.
Tel: +603-2092 1211
Fax: +603-2092 5923
Email: enquiry@fima.com.my