

# MULTI VEST RESOURCES BERHAD

(Company No.: 000222 D)

(Incorporated in Malaysia)

## CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE QUARTER ENDED 30 SEPTEMBER 2010

The figures have not been audited

	Note	Current Quarter 3 Months Ended		Cumulative Quarter 3 Months Ended	
		30/09/10	30/09/09	30/09/10	30/09/09
		RM'000	RM'000	RM'000	RM'000
Revenue	9	12,634	12,623	12,634	12,623
Direct operating Expenses		(3,621)	(5,276)	(3,621)	(5,276)
Gross profit		9,013	7,347	9,013	7,347
Distribution costs		(146)	(180)	(146)	(180)
Administration expenses		(8,503)	(3,127)	(8,503)	(3,127)
Other operating income		2	28	2	28
		366	4,068	366	4,068
Finance costs		(1,761)	(4,984)	(1,761)	(4,984)
Finance income		2	17	2	17
<b>Profit/(Loss) before tax</b>	9	(1,393)	(899)	(1,393)	(899)
Income taxation expenses	19	(1,105)	(73)	(1,105)	(73)
Dividend paid / Payables		-	-	-	-
<b>Profit/(Loss) for the period</b>		<b>(2,498)</b>	<b>(972)</b>	<b>(2,498)</b>	<b>(972)</b>
Profit/(Loss) for the period attributable to:					
Equity holders of the company		(938)	(1,032)	(938)	(1,032)
Minority interests		(1,560)	60	(1,560)	60
		<b>(2,498)</b>	<b>(972)</b>	<b>(2,498)</b>	<b>(972)</b>
<b>Earnings per share, attributable to equity holders of the company (sen):</b>					
Basic	27	(0.63)	(0.69)	(0.63)	(0.69)

The Condensed Consolidated Income Statements should be read in conjunction with the audited financial statements for the year ended 30 June 2010 and the accompanying explanatory notes attached to the interim financial statements.

# MULTI VEST RESOURCES BERHAD

(Company No.: 000222 D)

(Incorporated in Malaysia)

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED 30 SEPTEMBER 2010

The figures have not been audited

	Note	Current Quarter		Cumulative Quarter	
		3 Months Ended		3 Months Ended	
		30/09/10	30/09/09	30/09/10	30/09/09
		RM'000	RM'000	RM'000	RM'000
Profit for the period	9	(2,498)	(972)	(2,498)	(972)
Currency translation difference arising from consolidation ( equity portion )		466	(356)	466	(356)
Total Comprehensive income		<u>(2,032)</u>	<u>(1,328)</u>	<u>(2,032)</u>	<u>(1,328)</u>
Total comprehensive income attributable to:					
Equity holders of the company		(596)	(1,295)	(596)	(1,295)
Minority interests		<u>(1,436)</u>	<u>(33)</u>	<u>(1,436)</u>	<u>(33)</u>
		<u><u>(2,032)</u></u>	<u><u>(1,328)</u></u>	<u><u>(2,032)</u></u>	<u><u>(1,328)</u></u>

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 30 June 2010 and the accompanying explanatory notes attached to the interim financial statements.

# MULTI VEST RESOURCES BERHAD

(Company No.: 000222-D)

(Incorporated in Malaysia)

## Condensed Consolidated Statement of Financial Position As At 30 September 2010

Dated issued : 24/11/10

	Note	Unaudited as at 30/09/10 RM'000	Audited as at 30/06/10 RM'000 (restated)
<b><u>ASSETS</u></b>			
<b>Non-current assets</b>			
Property, plant and equipment	10	64,801	66,300
Prepaid Lease payments		22,919	22,273
Biological assets		307,422	308,131
		<u>395,142</u>	<u>396,704</u>
<b>Current assets</b>			
Inventories		1,717	1,142
Trade receivables		443	541
Other current assets		1,161	935
Cash and bank balances		3,596	4,137
		<u>6,917</u>	<u>6,755</u>
<b>Total assets</b>		<b><u>402,059</u></b>	<b><u>403,459</u></b>
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>Equity attributable to equity holders of the company</b>			
Share capital		149,804	149,804
Share premium		200,612	200,612
Revaluation reserve		74,446	74,446
Exchange reserve		342	(124)
Retained earnings		(310,153)	(309,215)
		<u>115,051</u>	<u>115,523</u>
<b>Minority interests</b>		<u>78,301</u>	<u>79,737</u>
<b>Total equity</b>		<u>193,352</u>	<u>195,260</u>
<b>Non-current liabilities</b>			
Long term borrowings		90,293	89,559
Deferred tax liabilities		87,514	87,514
		<u>177,807</u>	<u>177,073</u>
<b>Current liabilities</b>			
Trade and other payables		17,210	17,578
Short term borrowings		6,855	6,271
Current tax payable		6,835	7,277
		<u>30,900</u>	<u>31,126</u>
<b>Total liabilities</b>		<u>208,707</u>	<u>208,199</u>
<b>Total equity and liabilities</b>		<b><u>402,059</u></b>	<b><u>403,459</u></b>
Net assets per share attributable to ordinary equity holders of the company (RM)		0.77	0.77

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 30 June 2010 and the accompanying explanatory notes attached to the interim financial statements.

## MULTI VEST RESOURCES BERHAD

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### Condensed Consolidated Statement of Changes in Equity for the Quarter Ended 30 September 2010

The figures have not been audited

	-----Equity Attributable to Equity Holders of the Company-----							
	-----Non - Distributable-----				Distributable			
	Share <u>Capital</u> RM'000	Share <u>Premium</u> RM'000	Revaluation <u>Reserve</u> RM'000	Exchange <u>Reserve</u> RM'000	Retained <u>Earnings</u> RM'000	<u>Total</u> RM'000	Minority <u>Interests</u> RM'000	Total <u>Equity</u> RM'000
<b>Three Months Ended 30 September 2010</b>								
At 1 July 2010	149,804	200,612	74,446	(124)	(309,215)	115,523	79,737	195,260
Total comprehensive income for the period	-	-	-	466	(938)	(472)	(1,436)	(1,908)
At 30 September 2010	149,804	200,612	74,446	342	(310,153)	115,051	78,301	193,352
<b>Three Months Ended 30 September 2009</b>								
At 1 July 2009	149,804	200,612	73,510	219	(302,400)	121,745	81,714	203,459
Total comprehensive income for the period	-	-	-	(356)	(1,032)	(1,388)	(33)	(1,421)
At 30 September 2009	149,804	200,612	73,510	(137)	(303,432)	120,357	81,681	202,038

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 30 June 2010 and the accompanying explanatory notes attached to the interim financial statements.

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## Condensed Consolidated Cash Flow Statements for the Quarter 30 September 2010

The figures have not been audited

	3 Months Ended	
	30/09/10	30/09/09
	RM'000	RM'000
Net cash from operating activities	3,187	10,176
Net cash used in investing activities	(494)	(1,763)
Net cash used in financing activities	(442)	(5,147)
Net decrease in cash and cash equivalents	2,251	3,266
Cash and cash equivalents at beginning of financial period	4,137	429
Effects of foreign exchange rate changes	(2,792)	1,319
Cash and cash equivalents at end of financial period	<u>3,596</u>	<u>5,014</u>

Cash and cash equivalents at the end of the financial period comprise the following:

	As at	As at
	30/09/10	30/09/09
	RM'000	RM'000
Bank balances and cash	670	494
Deposits with licensed banks	2,926	4,520
	<u>3,596</u>	<u>5,014</u>

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the audited financial statements for the year ended 30 June 2010 and the accompanying explanatory notes attached to the interim financial statements.

## MULTI VEST RESOURCES BERHAD

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### PART A - EXPLANATORY NOTES PURSUANT TO FRS 134

#### 1. Basis of Preparation

The interim financial statements are unaudited and are prepared in accordance with the requirements of FRS 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 30 June 2010. These explanatory notes, attached to the interim financial statements, provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2010.

#### 2. Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 30 June 2010 except for the adoption of the new / revised Financial Reporting Standards (FRS). Amendments to FRSs and Issues Committee ("IC") Interpretations that are effective for financial year beginning 1 July 2010.

On 1 July 2010, the Group adopted the following FRSs:-

#### FRSs, Amendments to FRSs and Interpretations

FRS 4	Insurance Contracts
FRS 7	Financial Instruments: Disclosures
FRS 8	Operating Segments
FRS 101	Presentation of Financial Statements (revised)
FRS 123	Borrowing Costs
FRS 139	Financial Instruments: Recognition and Measurement
Amendments to FRS 2	Share-based Payment: Vesting Condition and Cancellation
Amendments to FRS 5	Non Current Assets Held for Sale and Discontinued Operations
Amendments to FRS 8	Operating Segments
Amendments to FRS 107	Statement of Cash Flows
Amendments to FRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
Amendments to FRS 110	Events After the Balance Sheet Date
Amendments to FRS 116	Property, Plant and Equipment
Amendments to FRS 117	Leases
Amendments to FRS 118	Revenue
Amendments to FRS 119	Employee Benefits
Amendments to FRS 120	Accounting for Government Grants and Disclosure of Government Assistance
Amendments to FRS 123	Borrowing Costs
Amendments to FRS 1 and FRS 127	First-Time Adoption of Financial Reporting Standards and Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly-Controlled Equity or Associate

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Amendments to FRS 128	Investments in Associates
Amendments to FRS 129	Financial Reporting in Hyperinflationary Economies
Amendments to FRS 131	Interests in Joint Ventures
Amendments to FRS 134	Interim Financial Reporting
Amendments to FRS 136	Impairment of Assets
Amendments to FRS 138	Intangible Assets
Amendments to FRS 132	Financial Instruments: Presentation
Amendments to FRS 139, FRS 7 and IC Interpretation 9	Financial Instruments: Recognition and Measurement, Disclosure and Reassessment of Embedded Derivatives
Amendments to FRS 140	Investment Property
IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 10	Interim Financial Reporting and Impairment
IC Interpretation 11	FRS 2 - Group and Treasury Share Transactions
IC Interpretation 13	Customer Loyalty Programmes
IC Interpretation 14	FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

Other than for the application of FRS 101, FRS 117 and FRS 139, the application of the above FRSs, Amendments to FRS and Interpretations did not result in any significant changes in the accounting policies and presentation of the financial results of the Group.

( a ) FRS 101: Presentation of Financial Statement (FRS 101)

Prior to 1 January 2010, the components of a set of financial statements consisted of a balance sheet, income statement, statement of changes in equity, cash flow statement and notes to the financial statements.

Upon the adoption of the revised FRS 101, a set of financial statements shall now comprise a statement of financial position, statement of comprehensive income, statement of changes in equity, statement of cash flow and notes to the financial statements. The statement of comprehensive income consists of profit or loss and other comprehensive income for the period. All non-owner changes in equity previously presented in the consolidated statement of changes in equity are now presented in the statement of comprehensive income as components in other comprehensive income.

The comparative financial information on the consolidated statement of comprehensive income have been re-presented as summarized below so that it is in conformity with the revised standard:

	Consolidated Income Statement <u>As previously reported</u> RM'000	Effects on adoption of FRS 101 RM'000	Consolidated Statement of Comprehensive Income <u>As restated</u> RM'000
Profit for the period	(972)	-	(972)
Other comprehensive income			
Exchange loss on translation of a foreign operation		(356)	(356)
Total comprehensive income			(1,328)

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( b ) Amendment to FRS 117: Leases

Prior to the adoption of the Amendment to FRS 117, leasehold land that normally had an indefinite economic life and where title was not expected to pass to the lessee by the end of the lease term was treated as an operating lease. The payment made on entering into or acquiring a leasehold land was accounted for as prepaid lease payments that were amortised over the lease term in accordance with the pattern of benefits provided.

Upon the adoption of the Amendment to FRS 117 in relation to classification of lease of land, the Group reassessed the classification of a leasehold land as a finance lease or an operating lease based on the extend of risks and rewards associated with the land. The Group has determined that all leasehold land of the Group in Malaysia are in substance finance leases and has reclassified its leasehold land from prepaid land lease payments to property, plant and equipment.

The reclassifications has been made retrospectively and does not affect the profit and loss for the current quarter ended 30 Sept 2010 and the preceding year corresponding quarter ended 30 Sept 2009.

The effects of the reclassification on the consolidated statement of financial position as at 30 June 2010 are as follows:

	Consolidated Balance Sheet <u>As previously reported</u> RM'000	Effects on adoption of FRS 117 RM'000	Consolidated Statement of Financial Position <u>As restated</u> RM'000
Property, plant and Equipment	11,995	54,305	66,300
Prepaid lease payments	76,578	(54,305)	22,273

( c ) FRS 139: Financial Instruments - Recognition and Measurement (FRS 139)

FRS 139 sets out the new requirements for the recognition and measurement of the Group's financial instruments. Financial instruments are recorded initially at fair value. Subsequent measurement of the instruments at the balance sheet date reflects the designation of the financial instruments. The Group determines the classification at initial recognition and for the purpose of the first adoption of the standard, as at transitional date on 1 January 2010.



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### Financial assets

Financial assets are classified as financial assets at fair value through profit and loss, loans and receivables, held-to-maturity investments, AFS financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

The Group's financial assets include cash and short-term deposits, loans and receivables and AFS investments.

#### ( i ) Loans and receivables

Prior to 1 January 2010, loans and receivables were stated at gross receivables less provision for doubtful debts. Under FRS 139, loans and receivables are initially measured at fair value and subsequently at amortised cost using the effective interest rate ("EIR") method. Gains and losses arising from the derecognition of the loans and receivables. EIR amortisation and impairment losses are recognised in profit and loss.

### Financial Liabilities

Financial liabilities are classified as financial liabilities at fair value through profit and loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

The Group's financial liabilities include trade and other payables, and are carried at amortised cost.

### **3. Qualification On preceding Financial Statements**

The preceding annual financial statements of the Group as at 30 June 2010 were reported on without any qualification.

### **4. Seasonal or Cyclical Factors**

There was no variation of financial results from the immediate preceding quarter to the current quarter due to seasonal or cyclical factors except for the production of fresh fruit bunches ("FFB").

### **5. Unusual Items Affecting Assets, Liabilities, Equity, Net Income Or Cash Flows**

There was no unusual nature and amount of items affecting assets, liabilities, equity, net income or cash flows.

### **6. Changes In Estimates**

There were no changes in estimates of amounts reported in prior financial years that have a material effect in the current quarter.

### **7. Changes In Debt And Equity Securities**

There was no issuance and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares in the current financial under review.

### **8. Dividend Paid**

There were no dividends paid during the current quarter.

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**9. Segment Information**

Analysis by activity of the Group:

	Current Quarter 3 Months Ended		Cumulative Quarter 3 Months Ended	
	30/09/10 RM'000	30/09/09 RM'000	30/09/10 RM'000	30/09/09 RM'000
<b>Revenue:</b>				
Plantation				
- Malaysia	12,634	12,623	12,634	12,623
- Indonesia	-	-	-	-
	<u>12,634</u>	<u>12,623</u>	<u>12,634</u>	<u>12,623</u>
Investment holding	-	-	-	-
	<u>12,634</u>	<u>12,623</u>	<u>12,634</u>	<u>12,623</u>
<b>Profit/(Loss) before tax:</b>				
Plantation Malaysia	5,913	4,145	5,913	4,145
Plantation Indonesia	(4,990)	494	(4,990)	494
	<u>923</u>	<u>4,639</u>	<u>923</u>	<u>4,639</u>
Investment holding	(557)	(571)	(557)	(571)
	<u>366</u>	<u>4,068</u>	<u>366</u>	<u>4,068</u>
Finance expense	(1,761)	(4,984)	(1,761)	(4,984)
Finance income	2	17	2	17
	<u>(1,393)</u>	<u>(899)</u>	<u>(1,393)</u>	<u>(899)</u>

**10. Valuation Of Property, Plant and Equipment**

The valuation of property, plant and equipment has been brought forward and without amendment from the previous annual financial statement.

**11. Material Events Subsequent To The Interim Period**

Except as disclosure in item 22, there was no material events subsequent to the end of the period reported that have not been reflected in the financial statements for the said period to the date of issues of the interim financial report.

**12. Changes In The Composition of the Group**

There is no changes in the composition of the Group for the current quarter including business combination, disposal of subsidiaries and long term investments and discontinuing operations.

**13. Contingent Liabilities And Contingent Assets**

The movement in contingent liability from the last balance sheet date is as follow:

	30/09/10 RM'000	30/09/09 RM'000
Corporate Guarantee	124,865	4,865
<b>Total</b>	<u>124,865</u>	<u>4,865</u>

**14. Capital Commitments**

There is no capital commitment from the last balance sheet date.

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**PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**15. Review of Performance**

The performance of the Group was mainly contributed by the plantation subsidiaries.

The loss before taxation and minority interests of the plantation subsidiaries for the current quarter were due to the factors as mentioned in note 16.

**16. Comparison With Preceding Quarter Results & Financial Year Totals**

After encountered unrealized forex losses of RM3.64 million arising from translation of Indonesia currency to Ringgit Malaysia, the group operating performance improve to RM2.25 million from loss before taxation and minority interests of RM1.39 million for the current quarter as compared to a loss of RM3.3 million in the preceding quarter.

The group operating performance improve are mainly due to the followings

- a ] Increased in the average CPO price by 6% from RM2,547 to RM2,613;
- b ] Increased in Fresh Fruit Bunches ("FFB") intake 64% and Mill production by 69%.

**17. Current Year Prospect**

The average CPO price for the current quarter was RM2,613 per metric tonne, which was higher compared to the average of immediate preceding quarter of RM2,547 per metric tonne. The current average CPO price is about RM3,300 per metric tonne. We expect the performance of the group to be challenging in the coming months in view of the fluctuation in production of FFB and CPO price.

**18. Variances From Profit Forecast And Shortfall In Profit Guarantee**

Not applicable since the company has not committed to any profit forecast and profit guarantee.

**19. Taxation**

Income tax expense comprises the following:

	<b>Current Quarter</b>		<b>Cumulative Quarter</b>	
	<b>3 Months Ended</b>		<b>3 Months Ended</b>	
	<b>30/09/10</b>	<b>30/09/09</b>	<b>30/09/10</b>	<b>30/09/09</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Malaysian taxation:				
Group Companies				
Current period provision	1,105	73	1,105	73
<b>Total</b>	<b>1,105</b>	<b>73</b>	<b>1,105</b>	<b>73</b>

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### 20. Profits / (Losses) On Sale Of Unquoted Investment And/Or Properties

There is no sale of unquoted investments and/or properties for the current quarter and financial period-to-date.

### 21. Quoted Securities

There was no purchase or disposal of quoted securities during the current quarter and financial period-to-date.

### 22. Status of Corporate Proposals

On 11 August 2010, the Company announced that it will undertake the following proposals:

- (i) The Company's share premium be reduced by RM200,612,049 under Section 64 of the Companies Act 1965 to reduce the accumulated losses of the Company.
- (ii) The establishment of an Employee Share Option Scheme ("ESOS") for eligible employees and directors of the Company and its subsidiaries.
- (iii) Proposed amendment to the Memorandum of Association of the Company ("MA") to facilitate the change in the par value of the Mvest Shares resulting from the Proposed Capital Reduction ("Proposed Amendment to the MA"); and
- (iv) Proposed change of name of the Company from Multi Vest Resources Berhad to Pinehill Pacific Berhad ("Proposed Change of Name").

The above proposals were approved by the shareholders at the Company's Extraordinary General Meeting on 18 October 2010.

### 23. Group Borrowings

The borrowings and debt securities of the Group as at the end of the reporting period are as follows:

	<b>RM'000</b>
<b><u>Short-term borrowings</u></b>	
Secured	
Denominated in Ringgit Malaysia	6,855
<b><u>Long-term borrowings</u></b>	
Secured	
Denominated in Ringgit Malaysia	90,293

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**24. Off Balance Sheet Financial Instruments**

There was no financial instrument with off-balance sheet risk as at the date of issue of the quarterly report.

**25. Material Litigation**

There was no pending material litigation of the group since the last annual balance sheet date up to the date of this report.

**26. Dividend Payable**

No dividend has been recommended or declared for the current quarter.

**27. Earnings per Share**

	<b>Current Quarter</b>		<b>Cumulative Quarter</b>	
	<b>3 Months Ended</b>		<b>3 Months Ended</b>	
	<b>30/09/10</b>	<b>30/09/09</b>	<b>30/09/10</b>	<b>30/09/09</b>
(a) Basic				
Profit/(Loss) attributable to ordinary equity holders of the company (RM'000)	<u>(938)</u>	<u>(1,032)</u>	<u>(938)</u>	<u>(1,032)</u>
Weighted average number of ordinary shares in issue ('000)	<u>149,804</u>	<u>149,804</u>	<u>149,804</u>	<u>149,804</u>
Basic earnings per share (sen)	<u><u>(0.63)</u></u>	<u><u>(0.69)</u></u>	<u><u>(0.63)</u></u>	<u><u>(0.69)</u></u>

**28. Authorisation For Issue Off The Interim Financial Statements**

The current interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 24 November 2010.