

GOPENG BERHAD (109465-X)
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2014 - UNAUDITED

	30.06.2014	30.06.2013
	RM	RM
ASSETS		
Property, Plant and Equipment	154,467,726	135,872,564
Investment Properties	18,910,000	17,007,732
Biological Assets	19,274,719	17,681,702
Land and Deferred Development Expenditure	3,885,533	3,614,394
Investments	186,000	186,000
Deferred Tax Assets	555,000	734,000
Total non-current assets	<u>197,278,978</u>	<u>175,096,392</u>
Inventories	111,363	63,069
Properties Under Development	161,378	159,093
Trade Receivables other receivables	712,592	2,222,023
Short Term Investment	107,015,483	105,467,373
Deposits With Licensed Banks	2,544,347	6,152,539
Cash and Bank Balances	1,330,244	2,204,392
Total current assets	<u>111,875,407</u>	<u>116,268,489</u>
Total Assets	<u>309,154,385</u>	<u>291,364,881</u>
EQUITY		
Share Capital	89,664,491	89,664,491
Reserves	204,987,402	185,560,094
Total Equity	<u>294,651,893</u>	<u>275,224,585</u>
LIABILITIES		
Provision for Retirement Benefits	186,872	195,055
Deferred Tax Liabilities	11,469,000	13,822,417
Total non-current liabilities	<u>11,655,872</u>	<u>14,017,472</u>
Trade and other payables	1,746,500	2,122,704
Hire Purchase Liabilities	100,000	-
Short Term Borrowing	1,000,000	-
Current Tax Liabilities	120	120
Total current liabilities	<u>2,846,620</u>	<u>2,122,824</u>
Total liabilities	<u>14,502,492</u>	<u>16,140,296</u>
Total equity and liabilities	<u>309,154,385</u>	<u>291,364,881</u>

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statement for the year ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements)

GOPENG BERHAD (109465-X)
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME

FOR THE PERIOD ENDED 30 JUNE 2014 - UNAUDITED

	Three months ended		Period ended	
	30 June		30 June	
	2014	2013	2014	2013
	<u>RM</u>	<u>RM</u>	<u>RM</u>	<u>RM</u>
Revenue	2,203,960	2,073,305	4,681,249	4,042,668
Cost of sales	(2,122,654)	(1,236,323)	(3,715,046)	(2,501,678)
Gross profit	81,306	836,982	966,203	1,540,990
Other Income	1,305,792	1,269,904	1,746,223	2,114,995
Administrative & other expenses	(1,563,181)	(1,380,635)	(2,787,178)	(2,846,778)
Results from operating activities	(176,083)	726,251	(74,752)	809,207
Interest income	14,231	42,764	18,636	71,287
Finance costs	(12,092)	(906)	(16,352)	(3,626)
Operating Profit/(Loss)	(173,944)	768,109	(72,468)	876,868
Tax expense	(208,677)	(195,000)	(238,677)	(225,000)
Profit/(Loss) for the period	(382,621)	573,109	(311,145)	651,868
Other comprehensive income				
Gain on revaluation of land	-	-	-	-
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive income/(loss) for the year	(382,621)	573,109	(311,145)	651,868
Basic earnings per share				
From continuing operations	<u>(0.21 sen)</u>	<u>0.32 sen</u>	<u>(0.17 sen)</u>	<u>0.36 sen</u>
Diluted earnings per ordinary share (sen)	<u>NA</u>	<u>NA</u>	<u>NA</u>	<u>NA</u>

(The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statement for the year ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements)

GOPENG BHD (109465-X)
CONDENSED CONCOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2014 - UNAUDITED

GROUP	Attributable to Equity Holders of the Company						Total Equity
	Share Capital	Share Premium	Capital Reserve	Revaluation Reserve	Retained Profit	Reserve	
	RM	RM	RM	RM	RM	RM	
At 1 January 2014	89,664,491	42,349,828	-	139,390,719	23,558,000	294,963,038	294,963,038
Profit for the year	-	-	-	-	(311,145)	(311,145)	(311,145)
Gain on revaluation of land	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	(311,145)	(311,145)	(311,145)
Depreciation transfer on land, net of tax	-	-	-	-	-	-	-
Final single tier dividend - 2013	-	-	-	-	-	-	-
At 30 June 2014	89,664,491	42,349,828	-	139,390,719	23,246,855	294,651,893	294,651,893
At 1 January 2013	89,664,491	42,349,828	-	121,699,579	24,305,237	188,354,644	278,019,135
Profit for the year	-	-	-	-	3,607,047	3,607,047	3,607,047
Gain on revaluation of land	-	-	-	18,700,725	-	18,700,725	18,700,725
Total comprehensive income	-	-	-	18,700,725	3,607,047	22,307,772	22,307,772
Depreciation transfer on land, net of tax	-	-	-	(1,009,585)	1,025,585	16,000	16,000
Final single tier dividend - 2012	-	-	-	-	(5,379,869)	(5,379,869)	(5,379,869)
At 31 December 2013	89,664,491	42,349,828	-	139,390,719	23,558,000	205,298,547	294,963,038

(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statement for the year ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements)

GOPENG BHD (109465-X)
CONDENSED CONSOLIDATED CASHFLOW STATEMENT
FOR THE PERIOD ENDED 30 JUNE 2014 - UNAUDITED

	Period ended 30 June 2014 RM	Period ended 30 June 2013 RM
Net profit / (Loss) before tax and minority interest	(72,468)	876,868
Adjustment for:-		
Non-cash item	1,045,494	992,027
Non operating items (which are investing/financing)	(1,644,569)	(1,860,681)
Operating profit before changes in working capital	(671,543)	8,214
Changes in working capital		
Increase/(decrease) in current assets	132,102	(417,566)
Increase/(decrease) in current liabilities	(455,833)	(351,894)
Cash generated from operations	(995,274)	(761,246)
Payments for tax, retirement benefits, development expenditure and tax refund	(296,177)	1,783,346
Net cash flow generated from operating activities	(1,291,451)	1,022,100
Cash flow (used in) / from investing activities	407,584	(1,105,206)
- Other investment	-	-
	(883,867)	(83,106)
Cash flow used in financing activities		
- Dividend paid to shareholders of the company	-	-
- Bank borrowing and interests	1,004,590	(36,701)
Net increase/(decrease) in cash and cash equivalents	120,723	(119,807)
Cash and cash equivalent at beginning of period	3,753,868	8,476,739
Cash and cash equivalent at end of period	3,874,591	8,356,932
Analysis of cash and cash equivalent:-		
Housing development account	599,521	532,522
Deposits with licensed bank	2,544,347	6,149,893
Cash and bank balances	730,723	1,674,517
	3,874,591	8,356,932

(The condensed consolidated cash flow statement should be read in conjunction with the audited financial statement for the year ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements)

GOPENG BERHAD (109465-X)

Notes to the interim financial report

1. Basis of preparation

This interim financial report is unaudited and has been prepared in accordance with the applicable disclosure provisions of the Listing Requirements of the Bursa Malaysia Securities Berhad, including compliance with Financial Reporting Standards (FRS) 134 Interim Financial Reporting, issued by the Malaysian Accounting Standard Board (MASB).

The interim financial report should be read in conjunction with the most recent audited financial statement for the year ended 31 December 2013. The accounting policies and method of computation adopted by the group in the interim financial report are consistent with those adopted in the 2013 annual financial statement.

The preparation of the interim financial report in conformity with FRS 134 requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial report contains consolidated financial statements and selected explanatory notes. The note includes explanation of events and transaction that are significant to an understanding of the changes in the financial position and performances of the Group since the 2013 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all the information required for full set of financial statements prepared in accordance with FRSs.

Statutory financial statements for the year ended 31 December 2013 are available from the Company's registered office.

2. Accounting Standards and interpretations

a) Standards early adopted by the Group and the Company:

The Group and the Company did not early adopt any new accounting standards, amendments to published standards and interpretation.

b) Standards, amendments to published standards and interpretations to existing standards that are applicable to the Group and the Company but not yet effective:

	Effective for financial periods beginning on or after
• Offsetting Financial Assets and Financial Liabilities (Amendments to FRS 132)	1 January 2014
• Investment Entities (Amendments to FRS 10, FRS 12 and FRS 127)	1 January 2014

• Recoverable Amount Disclosures for Non-Financial Assets (Amendments to FRS 10, FRS 12 and FRS 127)	1 January 2014
• Novation of Derivatives and Continuation of Hedge Accounting (Amendments to FRS 139)	1 January 2014
• Levies (IC Interpretation 21)	1 January 2014
• Defined Benefit Plans: Employee Contribution (Amendments to FRS 119)	1 July 2014
• Annual Improvements to FRSs 2010-2012 Cycle	1 July 2014
• Annual Improvements to FRSs 2011-2013 Cycle	1 July 2014
• Financial Instruments (IFRS 9 issued by IASB in November 2009) (FRS 9)	To be announced
• Financial Instruments (IFRS 9 issued by IASB in October 2010) (FRS 9)	To be announced
• Financial Instruments: Hedge Accounting and amendments to FRS 9, FRS 7 and FRS 139 (FRS 9)	To be announced

The Group and the Company will adopt the above pronouncements when they become effective. These pronouncements are not expected to have any effect on the financial statements of the Group and the Company upon their initial application.

c) Convergence of the FRS Framework in Malaysia with the IFRS Framework issued by the International Accounting Standards Board (IASB)

On 19 November 2011, the MASB issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (MFRS Framework).

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15).

The Company will not be adopting the MFRS framework for the year ending 31 December 2013 as the Company falls within the scope of IC 15.

3. Seasonal or cyclical factory

The Group's operations were not affected by any seasonal or cyclical factors.

4. Unusual items due to their nature, size or incidence

There were no unusual items due to their nature, size or incidence in the quarter under review.

5. Changes in estimates

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

6. Capital and reserves

There was no change in the capital and revaluation reserves in the financial quarter.

7. Debt and equity securities

There were no issuance, cancellation, repurchase and resale of equity securities in the financial quarter.

8. Dividend

At the 30th Annual General Meeting of the Company held on 31 May 2014, shareholders approved the payment of a final single-tier dividend of 3.0 sen per RM0.50 ordinary share in respect of the year ended 31 December 2013.

The dividend was paid on 18 July 2014 to shareholders whose names appeared in the Record of Depositors as at 30 June 2014.

9. Segment reporting

Segment reporting is presented in respect of the Group's business segment. The activities of the Group are carried out in Malaysia and as such, there was no segmental reporting by geographical location.

	Period ended 30 June 2014		Period ended 30 June 2013	
	Turnover <u>RM</u>	Segment result/ Profit/Loss from operations <u>RM</u>	Turnover <u>RM</u>	Segment result/ Profit/Loss from operations <u>RM</u>
Property	-	-	-	-
Plantation	4,681,249	978,874	4,042,668	1,491,076
Others	-	(1,051,347)	-	(614,208)
Consolidated	4,681,249	(72,468)	4,042,668	876,868

There are no inter-segment elimination and unallocated operating income or expenses.

The activities of the Group are now concentrated on cultivation of oil palm and investment in short term funds.

10. Property, motor vehicle, plant and equipment and biological assets

a) Valuations

The costs of biological assets had been brought forward, without amendment from the previous annual financial statements. The Company had adopted the revaluation model in FRS 116 and the costs of land and investment properties are currently measured at fair value.

b) Acquisitions and disposals

Acquisitions and disposals of items of property, motor vehicle, plant and equipment in the current interim period and preceding corresponding period are as follows:

	Period ended 30 June 2014 RM	Period ended 30 June 2013 RM
Acquisition of :		
Building ó at cost	17,250	98,851
Plant and Machinery ó at cost	-	-
Motor Vehicle - at cost	139,890	4,400
Earthmoving equipment ó at cost	120,000	52,400
Office equipment & fittings ó at cost	2,200	17,925
Biological Asset	824,697	1,445,367
	<u>1,104,037</u>	<u>1,618,943</u>
Total proceeds from disposal of assets	-	480,000

11. Post balance sheet events

There were no material events after the end of the quarter which had not been reflected in the financial statements for the quarter ended 30 June 2014.

12. Changes in composition of the Group

There were no changes in the composition of the Group during the financial quarter.

13. Associate

The Company's remaining investment in associate is Rimba Raya Sdn Bhd, the cost of which had been fully impaired.

14. Contingent liabilities

The company has undertaken to provide financial support to certain subsidiaries to enable them to continue operation on a going concern basis.

15. Capital commitments

There were no capital commitments during the financial quarter.

16. Material related party transactions

There were no material related party transactions during the financial quarter.

17. Review of performance

In the quarter ended 30 June 2014, the Group recorded a revenue of **RM2.2 million** and an operating loss of **RM0.2 million** compared with a revenue of **RM2.1 million** and an operating profit of **RM0.8 million** recorded in the previous corresponding quarter ended 30 June 2013.

The quarter ended 30 June 2014 recorded slightly higher revenue and slightly higher income from short term investment. However, the high cost of sales resulting mainly from manuring charges at the plantation contributed to the operating loss in the quarter.

18. Variation of results against preceding quarter

The Group recorded a revenue of **RM2.2 million** and operating loss of **RM0.2 million** in the quarter under review compared with a revenue of **RM2.5 million** and operating profit of **RM0.1 million** recorded in the preceding quarter.

The lower revenue was due to lower production and lower palm oil price compared to the preceding quarter. Higher cost of sales resulting from manuring charges at the plantation contributed to the operating loss in the quarter.

19. Future prospects

The Group's performance for the next quarter is dependent on the palm oil prices and production. The lower palm oil prices will be mitigated by the income from short term investments.

20. Profit forecast

Profit forecast is not applicable in the period under review.

21. Taxation

	Period ended 30 June 2014 RM	Period ended 30 June 2013 RM
Income tax (Provision)	60,000	225,000
Under/(Over)-provision in prior financial year	6,249	-
Real Property Gain Tax	172,428	-
Deferred taxation	-	-
Tax Expense	238,677	225,000

The Group's effective tax rate is lower than the statutory tax rate as the profit before taxation is mainly from plantation.

22. Unquoted investments and properties

There was no acquisition or disposal of unquoted investments and properties during the financial quarter.

23. Quoted investments

- i) There was no purchase of quoted securities for the quarter under review and financial year to-date.
- ii) Investments in quoted securities as at 30 June 2014 were as follows:

	<u>RM</u>
Cost	16,738
Impairment of investment	(16,738)
Market Value	<u>0.00</u>

24. Status of corporate proposals announced

There was no announcement on corporate proposals in the quarter under review.

25. Borrowing and debt securities

The Group had obtained a Short Term Revolving Credit Facility of RM2 Million from Malayan Banking Berhad on 15 July 2013, secured with a Fixed Deposits of RM500,000. The outstanding amount as at 30 June 2014 was RM1,000,000.

26. Off balance sheet financial instruments

There were no financial instruments with off-balance sheet risk as at the date of this announcement.

27. Material litigation

There was no material litigation against the Group.

28. Basic earnings per share

The basic earnings per share can be viewed in the Condensed Consolidated Statement of Comprehensive Income at page 2.

The calculation of basic earnings per share was based on the profit for the period and the number of shares in issue of 179,328,982 shares ranking for dividend during the year.

29. Realised and Unrealised Profits

	June 2014 RMø000	June 2013 RMø000
Total Group retained profits/(Loss)		
Realised	4,034	8,667
Unrealised	(10,914)	(13,088)
	(6,880)	(4,421)
Total retained profits/(Loss) from associated companies		
Realised	-	-
Unrealised	-	-
Less : Consolidated Adjustment	30,127	33,064
Total Groups Retained Profit	23,247	28,643

30. Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 27 August 2014.