

**KLUANG RUBBER COMPANY (MALAYA) BERHAD (3441-K)**  
**(Incorporated in Malaysia)**

**Consolidated Statement Of Comprehensive Income**  
**For the Financial Year Ended 30 June 2014**  
(The figures have not been audited)

	Note	Individual Quarter 3 months ended		Year to Date 12 months ended	
		30.06.14 RM'000	30.06.13 restated RM'000	30.06.14 RM'000	30.06.13 restated RM'000
<b>Revenue</b>	4	10,249	9,927	27,830	23,945
Other Income		110	69	199	87
Changes in Inventories		(661)	(358)	30	(55)
Staff Costs		(342)	(154)	(1,148)	(1,487)
Depreciation		(28)	(51)	(107)	(95)
Subcontract Labour Costs, Fertilizer and Chemical Costs		(1,722)	(1,767)	(5,292)	(5,003)
Foreign Exchange Gain / (Loss)		697	(1,041)	1,355	425
Other Expenses		(764)	(1,068)	(5,423)	(5,284)
Fair Value Gain on Investment Properties		7,496	5,158	7,496	5,158
<b>Profit from Operations</b>	4	15,035	10,715	24,940	17,691
Share of (Loss) / Profit of Associates		(5,518)	(2,295)	369	(361)
<b>Profit before tax</b>		9,517	8,420	25,309	17,330
Income tax expense	21	(1,278)	5,978	(2,996)	4,960
<b>Profit after tax</b>		8,239	14,398	22,313	22,290
<b><u>Other Comprehensive Income</u></b>					
Available-for-sale investments: Gain / (loss) on fair value changes		43,097	(23,949)	70,803	50,040
Foreign currency translation		(5,282)	7,498	7,310	(203)
Share of other comprehensive income of Associates		7,096	(18,125)	1,634	(7,139)
<b>Other comprehensive income / (loss) for the year, net of tax</b>		44,911	(34,576)	79,747	42,698
<b>Total comprehensive income / (loss) for the year</b>		53,150	(20,178)	102,060	64,988
<b>Profit attributable to:</b>					
Owners of the parent		3,742	6,085	8,429	10,250
Non-controlling interest		4,497	8,313	13,884	12,040
		8,239	14,398	22,313	22,290
<b>Total comprehensive income attributable to:</b>					
Owners of the parent		23,225	(12,069)	43,168	26,141
Non-controlling interest		29,925	(8,109)	58,892	38,847
		53,150	(20,178)	102,060	64,988
<b>Earnings per share attributable to owners of the parent:</b>					
Basic (Sen)	26(a)	5.92	10.11	13.56	17.03
Diluted (Sen)	26(b)	5.92	10.11	13.56	17.03

The consolidated statement of comprehensive income should be read in conjunction with the accompanying explanatory notes attached to the financial statements.

**KLUANG RUBBER COMPANY (MALAYA) BERHAD (3441-K)**

(Incorporated in Malaysia)

**Consolidated Statement of Financial Position****As at 30 June 2014**

	(Unaudited) As at <b>30.06.14</b>  RM'000	As at <b>30.6.2013</b>  Restated RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	75,252	74,875
Biological assets	885	885
Investment properties	60,565	52,225
Investment in associates	88,790	86,255
Available-for-sale investments	400,703	323,870
Deferred tax asset	53	53
	<u>626,248</u>	<u>538,163</u>
<b>Current assets</b>		
Inventories	59	29
Trade and other receivables	1,008	717
Prepayments	188	186
Tax recoverable	9	816
Cash and bank balances	220,604	212,795
	<u>221,868</u>	<u>214,543</u>
<b>TOTAL ASSETS</b>	<u>848,116</u>	<u>752,706</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Parent</b>		
Share capital	63,172	60,191
Reserves	381,829	344,866
	<u>445,001</u>	<u>405,057</u>
Non-controlling interests	398,121	343,009
<b>Total equity</b>	<u>843,122</u>	<u>748,066</u>
<b>Non-current liabilities</b>		
Deferred tax liability	1,521	630
Provision for retirement benefits	364	318
	<u>1,885</u>	<u>948</u>
<b>Current liabilities</b>		
Trade and other payables	3,075	3,523
Tax payable	34	169
	<u>3,109</u>	<u>3,692</u>
<b>Total liabilities</b>	<u>4,994</u>	<u>4,640</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>848,116</u>	<u>752,706</u>

The consolidated statement of financial position should be read in conjunction with the accompanying explanatory notes attached to the financial statements.

**KLUANG RUBBER COMPANY (MALAYA) BERHAD (3441-K)**

(Incorporated in Malaysia)

**Consolidated Statement of Changes in Equity**
**For the Financial Year Ended 30 June 2014**

(The figures have not been audited)

	← Non distributable →						← Distributable →						
	Equity, Total RM'000	Equity Attributable to Owners of the Parent, total RM'000	Share Capital RM'000	Share Premium RM'000	Capital Reserve RM'000	Share of Associated Companies Reserve RM'000	Fair Value Reserve RM'000	Foreign Exchange Reserves RM'000	Cultivation and Replacement Reserves RM'000	Property and Investment Reserve RM'000	General Reserve RM'000	Retained Earnings RM'000	Non- controlling interests RM'000
<b>Opening balance at 1 July 2013</b>													
As previously stated	412,259	412,259	60,191	-	25,710	198,124	12,689	(2,830)	2,307	-	10,000	106,068	-
Prior year adjustments: - effect of adopting FRS 10	335,807	(7,202)	-	-	46,901	(198,124)	90,303	7,333	2,555	5,285	7,233	31,312	343,009
<b>Opening balance at 1 July 2013 (restated)</b>	<b>748,066</b>	<b>405,057</b>	<b>60,191</b>	<b>-</b>	<b>72,611</b>	<b>-</b>	<b>102,992</b>	<b>4,503</b>	<b>4,862</b>	<b>5,285</b>	<b>17,233</b>	<b>137,380</b>	<b>343,009</b>
Issuance of new shares	14,835	8,197	2,981	5,216	-	-	-	-	-	-	-	-	6,638
Total comprehensive income for the year	102,060	43,168	-	-	723	-	30,908	3,108	-	-	-	8,429	58,892
Dividend	(21,839)	(11,421)	-	-	-	-	-	-	-	-	-	(11,421)	(10,418)
<b>As at 30 June 2014</b>	<b>843,122</b>	<b>445,001</b>	<b>63,172</b>	<b>5,216</b>	<b>73,334</b>	<b>-</b>	<b>133,900</b>	<b>7,611</b>	<b>4,862</b>	<b>5,285</b>	<b>17,233</b>	<b>134,388</b>	<b>398,121</b>
<b>Opening balance at 1 July 2012</b>													
As previously stated	386,615	386,615	60,191	-	25,710	178,589	16,068	(2,586)	2,307	-	10,000	96,336	-
Prior year adjustments: - effect of adopting FRS 10	298,009	(7,022)	-	-	49,963	(178,589)	67,697	7,363	2,555	5,285	7,233	31,471	305,031
<b>Opening balance at 1 July 2012 (restated)</b>	<b>684,624</b>	<b>379,593</b>	<b>60,191</b>	<b>-</b>	<b>75,673</b>	<b>-</b>	<b>83,765</b>	<b>4,777</b>	<b>4,862</b>	<b>5,285</b>	<b>17,233</b>	<b>127,807</b>	<b>305,031</b>
Total comprehensive income / (loss) for the year	64,988	26,141	-	-	(3,062)	-	19,227	(274)	-	-	-	10,250	38,847
Dividend	(1,546)	(677)	-	-	-	-	-	-	-	-	-	(677)	(869)
<b>As at 30 June 2013</b>	<b>748,066</b>	<b>405,057</b>	<b>60,191</b>	<b>-</b>	<b>72,611</b>	<b>-</b>	<b>102,992</b>	<b>4,503</b>	<b>4,862</b>	<b>5,285</b>	<b>17,233</b>	<b>137,380</b>	<b>343,009</b>

The consolidated statement of changes in equity should be read in conjunction with the accompanying explanatory notes attached to the financial statements.

**KLUANG RUBBER COMPANY (MALAYA) BERHAD (3441-K)**  
(Incorporated in Malaysia)

**Consolidated Statement of Cash Flows**  
**For the Financial Year Ended 30 June 2014**  
(The figures have not been audited)

	<b>12 months ended</b>	
	<b>30.06.14</b>	<b>30.06.13</b>
	<b>RM'000</b>	<b>Restated RM'000</b>
<b>OPERATING ACTIVITIES</b>		
Profit before taxation	25,309	17,330
Adjustments for:		
Depreciation	107	95
Provision for retirement benefit	47	16
Dividend income	(11,424)	(9,555)
Interest income	(1,625)	(1,429)
Share of profit of associates	(369)	361
Unrealised foreign exchange gain	(1,386)	(453)
Fair value gain of investment properties	(7,496)	(5,158)
Operating cash flows before working capital changes	3,163	1,207
Receivables	(233)	(17)
Prepayments	(2)	(16)
Inventories	(30)	55
Payables	(466)	243
Cash flows from operations	2,432	1,472
Retirement benefit paid	(2)	(1,810)
Taxes paid	(979)	(1,734)
Net cash flows from / (used in) operating activities	<u>1,451</u>	<u>(2,072)</u>
<b>INVESTING ACTIVITIES</b>		
Dividends received	10,967	9,552
Interest received	1,571	1,435
Purchase of property, plant and equipment	(484)	(383)
Purchase of available-for-sale investments	(2,028)	(543)
Cash flows from investing activities	<u>10,026</u>	<u>10,061</u>
<b>FINANCING ACTIVITY</b>		
Dividends paid to owners of the Company	(11,421)	(677)
Dividends paid to non-controlling interest	(10,418)	(869)
Proceeds from issuance of new shares	14,835	-
Net cash used in financing activity	<u>(7,004)</u>	<u>(1,546)</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	4,473	6,443
<b>EFFECTS OF EXCHANGE RATE CHANGES</b>	3,336	130
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR</b>	<u>212,795</u>	<u>206,222</u>
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR</b>	<u><u>220,604</u></u>	<u><u>212,795</u></u>

The consolidated statement of cash flows should be read in conjunction with the accompanying explanatory notes attached to the financial statements.

**KLUANG RUBBER COMPANY (MALAYA) BERHAD (3441-K)**  
**(Incorporated in Malaysia)**

**Part A - Explanatory Notes Pursuant to FRS 134**

**1. Basis of Preparation**

The interim financial statements have been prepared on a historical cost basis, except for freehold land included within property, plant and equipment, investment properties and available-for-sale investments that have been measured at their fair values.

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

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 30 June 2013. 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 year ended 30 June 2013.

**2. Significant accounting policies**

Except as described below, the significant accounting policies adopted in the unaudited interim financial statements are consistent with those adopted in the Group's audited financial statements for the financial year ended 30 June 2013.

**(a) Adoption of New and Revised FRSs, IC Interpretations and Amendments to FRS**

**FRSs, Amendments to FRS and IC Interpretations**

FRS 10 Consolidated Financial Statements

FRS 11 Joint Arrangements

FRS 12 Disclosure of interests in Other Entities

FRS 13 Fair Value Measurement

FRS 119 Employee Benefits

FRS 127 Separate Financial Statements

FRS 128 Investment in Associate and Joint Ventures

IC Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine

Amendments to FRS 1 Government Loan

Amendments to FRS 7: Disclosures – Offsetting Financial Assets and  
Financial Liabilities

Amendments to FRS 10, FRS 11 and FRS 12 Consolidated Financial Statements,  
Joint Arrangements and Disclosure of Interest in Other Entities: Transition Guidance

Amendment to FRS 101 (Improvements to FRSs-2012)

Amendment to FRS 116 (Annual Improvements to FRSs 2010-2012 Cycle)

Amendment to FRS 132 (Improvements to FRSs -2012)

Amendment to FRS 134 (Improvements to FRSs -2012)

The adoption of the new FRSs, Amendments to FRSs and IC Interpretations that are effective for the financial statements commencing on 1 July 2013 does not result in any significant effect on the financial position, results and presentation of financial statements of the Group except for FRS 13 Fair Value Measurement and FRS 10 Consolidated Financial Statements.

**KLUANG RUBBER COMPANY (MALAYA) BERHAD (3441-K)**  
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**Part A - Explanatory Notes Pursuant to FRS 134**

**2. Significant Accounting Policies (cont'd)**

**(a) Adoption of New and Revised FRSs, IC Interpretations and Amendments to FRS (cont'd)**

The impact on the financial performance and results of the Group arising from the adoption of FRS 10 is discussed below:

FRS 10 replaces part of FRS 127 Consolidated and Separate Financial Statements that deals with consolidated financial statements and IC Interpretation 112 Consolidation - Special Purpose Entities.

Under FRS 10, an investor controls an investee when (a) the investor has power over an investee, (b) the investor has exposure, or rights, to variable returns from its investment with the investee, and (c) the investor has ability to use its power over the investee to affect the amount of the investor's return. Under FRS 127 Consolidated and Separate Financial Statements, control was defined as the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

FRS 10 includes detailed guidance to explain when an investor that owns less than 50 per cent of the voting shares in an investee has control over the investee. FRS 10 requires the investor to take into account all relevant facts and circumstances, particularly the size of the investor's holding of voting rights relative to the size and dispersion of holdings of the other vote holders.

The application of FRS 10 affected the accounting for the Group's equity interest in Kuchai Development Berhad ("KDB") and Sungei Bagan Rubber Company (Malaya) Berhad ("SBB").

Under FRS 10 which was effective on 1 January 2013, the directors assessed that the Group has control of KDB and SBB even though it has less than 50% of the voting rights in both companies. The Group is the major shareholder of KDB with 41.91% equity interest and SBB with 42.89% effective equity interest as at 30 June 2013. Given the dispersed nature of the shareholdings in KDB and SBB not held by the Group, the directors consider that the shareholders who are likely to attend the shareholders' meetings of KDB and SBB are unlikely to out vote the Group in any resolution and that therefore, the Group has control over KDB and SBB.

The change in accounting policy has been accounted for retrospectively in accordance with the transitional provision of FRS 10.

Following the adoption of FRS 10, certain comparatives have been restated as follow:

**Consolidated statement of financial position at 30 June 2013**

	<b>Originally stated RM'000</b>	<b>Adjustment RM'000</b>	<b>Restated RM'000</b>
Non-current assets	368,579	169,584	538,163
Current assets	44,883	169,660	214,543
Total assets	<u>413,462</u>	<u>339,244</u>	<u>752,706</u>
Non-current liabilities	91	857	948
Current liabilities	1,112	2,580	3,692
Total equity	<u>412,259</u>	<u>335,807</u>	<u>748,066</u>
Total equity and liabilities	<u>413,462</u>	<u>339,244</u>	<u>752,706</u>

**KLUANG RUBBER COMPANY (MALAYA) BERHAD (3441-K)**  
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**Part A - Explanatory Notes Pursuant to FRS 134**

**2. Significant Accounting Policies (cont'd)**

**(a) Adoption of New and Revised FRSs, IC Interpretations and Amendments to FRS (cont'd)**

**Consolidated statement of comprehensive income for 12 months period ended 30 June 2013**

	<b>Originally stated RM'000</b>	<b>Adjustment RM'000</b>	<b>Restated RM'000</b>
Revenue	6,292	17,653	23,945
Profit before tax	10,826	6,504	17,330
Profit for the period	10,409	11,881	22,290

**Consolidated statement of comprehensive income for 3 months period ended 30 June 2013**

	<b>Originally stated RM'000</b>	<b>Adjustment RM'000</b>	<b>Restated RM'000</b>
Revenue	6,292	3,635	9,927
Profit before tax	10,826	(2,406)	8,420
Profit for the period	10,409	3,989	14,398

**(b) Revised FRS and IC Interpretation issued and not yet effective**

The Group has not early adopted the following revised FRS and IC Interpretation which have been issued as at the date of authorisation of these financial statements and will be effective for the financial periods as stated below:

	<b>Effective date for financial periods beginning on or after</b>
Amendments to FRS 132: Offsetting Financial Assets and Financial	1 January 2014
Amendments to FRS 10, FRS 12 and FRS 127: Investment Entities	1 January 2014
Amendments to FRS 136: Recoverable Amount Disclosures for Non-Financial Assets	1 January 2014
Amendments to FRS 139: Novation of Derivatives and Continuation of Hedge Accounting	1 January 2014
IC Interpretation 21 Levies	1 January 2014
Amendments to FRS 119: Defined Benefit Plans Employee Contributions	1 July 2014
Annual Improvements to FRSs 2010-2012 cycle	1 July 2014
Annual Improvements to FRSs 2011-2013 cycle	1 July 2014
FRS 9 Financial Instruments (IFRS 9 issued by IASB in November 2009)	To be announced
FRS 9 Financial Instruments (IFRS 9 issued by IASB in October 2010)	To be announced
FRS 9 Financial Instruments: Hedge Accounting and amendments to FRS 9, FRS 7 and FRS 139	To be announced

The directors expect that the adoption of the standards and interpretations above will have no material impact on the financial statements in the period of initial application.

**KLUANG RUBBER COMPANY (MALAYA) BERHAD (3441-K)**  
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**Part A - Explanatory Notes Pursuant to FRS 134**

**2. Significant Accounting Policies (cont'd)**

**(b) Revised FRS and IC Interpretation issued and not yet effective (cont'd)**

**Malaysian Financial Reporting Standards (MFRS Framework)**

On 19 November 2011, the Malaysian Accounting Standards Board (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), including its parent, significant investor and venturer (herein called 'Transitioning Entities').

Transitioning Entities are allowed to defer the adoption of the new MFRS Framework when it is mandated by MBSB and may in the alternative, apply Financial Reporting Standards (FRS) as its financial reporting framework.

The Group falls within the scope definition of Transitioning Entities and accordingly, will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements when the MFRS Framework is mandated by MASB. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively against opening retained earnings.

**3. Auditors' Report on Preceding Annual Financial Statements**

The auditors' report on the financial statements for the year ended 30 June 2013 was not qualified.



**KLUANG RUBBER COMPANY (MALAYA) BERHAD (3441-K)**  
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**Part A - Explanatory Notes Pursuant to FRS 134**

**4. Segmental Information**

	<b>12 months ended</b>	
	<b>30.06.14</b>	<b>30.06.13</b>
		<b>Restated</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Segment Revenue</b>		
Plantation	13,978	12,185
Investment	13,852	11,760
Total	<u>27,830</u>	<u>23,945</u>
<b>Segment results</b>		
Plantation	7,042	6,882
Investment	22,210	16,938
	<u>29,252</u>	<u>23,820</u>
Unallocated corporate expenses	(4,312)	(6,129)
Profit from operations	<u>24,940</u>	<u>17,691</u>
<b>Segment assets</b>		
Plantation	128,757	125,561
Investment	719,282	626,756
	<u>848,039</u>	<u>752,317</u>
Unallocated corporate asset	77	389
Total assets	<u>848,116</u>	<u>752,706</u>

**5. Unusual Items due to their Nature, Size or Incidence**

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the financial year ended 30 June 2014.

**6. Changes in Estimates**

There were no changes in estimates that have had a material effect in the current quarter results.

**7. Comments about Seasonal or Cyclical Factors**

The revenue and earnings are impacted by the production of fresh fruit bunches and volatility of the selling price of crude palm oil. The production of fresh fruit bunches is influenced by weather conditions, production cycle and age of palms.

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**Part A - Explanatory Notes Pursuant to FRS 134**

**8. Dividend Paid**

In respect of the financial year ended 30 June 2013, as reported in the directors' report of that year, the following dividends were paid during the current quarter:

	<b>Amount RM</b>	<b>Net dividend per share Sen</b>
Paid on 4 November 2013:- Special dividend of 24.25 % less 25% taxation	<u>10,947,342</u>	<u>18.19</u>
	<b>Amount RM</b>	<b>Net dividend per share Sen</b>
Paid on 26 December 2013:- Final dividend of 1% less 25% taxation	<u>473,789</u>	<u>0.75</u>

**9. Debt and Equity Securities**

During the period, the Company increased its issued and paid up ordinary share capital from RM60,191,550 to RM 63,171,977 by way of the issuance of 2,980,427 ordinary shares of RM 1 each at an issue price of RM 2.75 per ordinary share. This arose from shareholders who elected to reinvest their cash dividends in new ordinary shares during the Dividend Reinvestment Scheme exercise.

**10. Changes in Composition of the Group**

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

**11. Capital Commitments**

There are no commitments for the purchase of property, plant and equipment not provided for in the financial statements as at 30 June 2014.

**12. Changes in Contingent Liabilities and Contingent Assets**

There were no contingent liabilities or contingent assets as at 30 June 2014.

**KLUANG RUBBER COMPANY (MALAYA) BERHAD (3441-K)**  
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**Part A - Explanatory Notes Pursuant to FRS 134**

**13. Related Party Transactions**

Transactions with related parties are as follows:

	<b>Individual Quarter</b>		<b>Year-To-Date</b>	
	<b>3 months ended</b>		<b>12 months ended</b>	
	<b>30.06.14</b>	<b>30.06.13</b>	<b>30.06.14</b>	<b>30.06.13</b>
		<b>Restated</b>		<b>Restated</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Rental income from Ice Cold Beer Pte. Ltd., a company in which a director, Lee Chung-Shih has an interest (recurrent)	201	192	803	776
Estate agency fee payable to Kluang Estates (1977) Sdn Bhd, a company in which a director, Lee Chung-Shih, has an interest (recurrent)	122	115	500	476
Administration and support services payable to The Nyalas Rubber Estates Limited, a company in which a director, Lee Chung-Shih, has an interest (recurrent)	443	331	1,582	1,343
Administration and support services payable to Estate & Trust Agencies (1927) Limited, a company in which a director, Lee Chung-Shih, has an interest (recurrent)	195	33	291	114

**14. Subsequent Events**

There were no material events subsequent to the end of the current quarter.

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**Part A - Explanatory Notes Pursuant to FRS 134**

**15. Fair Value Hierarchy**

The Group uses the following hierarchy for determining the fair value of all financial instruments carried at fair value:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices), and
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>30.06.14</b>				
Available-for-sale financial assets	<u>352,639</u>	<u>48,064</u>	<u>-</u>	<u>400,703</u>
<b>30.06.13</b>				
Available-for-sale financial assets	<u>280,053</u>	<u>43,817</u>	<u>-</u>	<u>323,870</u>

There have been no transfers between Level 1, Level 2 and Level 3 fair value measurements during the current financial period and the comparative period. There were no change in the purpose of any financial asset that subsequently resulted in a different classification of that asset.

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**16. Performance Review**

The Group recorded revenue of RM10.25 million and RM27.83 million for the current quarter and financial year ended 30 June 2014 respectively. These were higher as compared to the preceding year's corresponding quarter and a year ago, mainly due to the increased production of fresh fruit bunches of oil palm ("FFB") and higher average selling prices of FFB. Dividend and interest income were also higher.

For the current quarter, the Group reported an after-tax profit of RM8.24 million. This was significantly lower than last year's corresponding quarter's RM14.40 million despite higher fair value gain of RM7.50 million arising from the revaluation of the Group's investment properties and the unrealised exchange difference was gain of RM697,000 as compared to last year's loss of RM1.04 million. This was due to:-

- 1) Share of the financial results of its associates was a loss of RM5.52 million which was significantly higher than last year's corresponding quarter's loss of RM2.30 million.
- 2) The quarter a year ago benefitted from the reversal of temporary difference of deferred tax of RM6.24 million on account of the revised basis of recognition of capital gain tax for its investment property located overseas while there was no such reversal for the current quarter.

The Group ended the financial year with an after-tax profit of RM22.31 million. This was slightly better than the profit a year ago of RM22.29 million despite there was no reversal of prior years' provision of deferred tax during the current financial year. This was mainly due to:-

- 1) Higher revenue achieved.
- 2) The foreign exchange gain of RM1.36 million was higher than last year's gain of RM425,000.
- 3) The fair value gain of RM7.50 million arising from the revaluation of the Group's investment properties was higher than last year's RM5.16 million.
- 4) Share of the financial results of its associates was a profit of RM369,000 for the current year while it was loss of RM361,000 a year ago.

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**17. Comment on Material Change in Profit Before Taxation for the Current Quarter as  
Compared with the Immediate Preceding Quarter**

For the quarter under review, the Group's revenue of RM10.25 million was significantly higher than the immediate preceding quarter of RM3.84 million. This was due to the receipt of dividend income of RM5.89 million while only RM38,000 was received in the preceding quarter. Crop sales and interest income were higher too.

The Group reported a pre-tax profit of RM9.52 million for the current quarter. This was significantly higher than the immediate preceding quarter's RM1.58 million despite share of financial results of its associates was a loss of RM5.52 million as compared to the immediate preceding quarter's profit of RM334,000. This was mainly due to:-

- 1) Higher revenue achieved.
- 2) Higher foreign exchange gain.
- 3) Recognition of the fair value gain of RM7.50 million arising from the revaluation of the Group's investment properties while there was none for the immediate preceding quarter.

**18. Commentary on Prospects**

For the next financial year ending 30 June 2015, higher crop is expected. However, palm trees of different age group will respond differently to the climatic changes while the global edible oil and its related markets, and global economic conditions impact CPO prices. The Group's performance for financial year ending 30 June 2015 is expected to remain profitable.

The results of the associated companies may be further affected by the market valuation of their investments and currency fluctuations.

**19. Profit Forecast or Profit Guarantee**

There is no profit forecast or profit guarantee.

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**20. Profit / (Loss) before tax**

Profit / (Loss) for the period is arrived after charging/(crediting):

	Individual Quarter		Year-To-Date	
	30.06.14	30.06.13	30.06.14	30.06.13
		Restated		Restated
	RM'000	RM'000	RM'000	RM'000
Interest income	(473)	(404)	(1,625)	(1,429)
Other income including investment income	(6,198)	(6,927)	(12,426)	(10,418)
Fair value (gain) / loss on Investment properties	(7,496)	(5,158)	(7,496)	(5,158)
Interest expense	n/a	n/a	n/a	n/a
Depreciation and amortization	28	51	107	95
Provision for and write off of receivables	n/a	n/a	n/a	n/a
Provision for and write off of inventories	n/a	n/a	n/a	n/a
Gain or loss on disposal of quoted or unquoted investments or properties	n/a	n/a	n/a	n/a
Impairment of assets	n/a	n/a	n/a	n/a
Foreign exchange (gain) / loss	(697)	1,041	(1,355)	(425)
(Gain) / Loss on derivatives	n/a	n/a	n/a	n/a
Exceptional items	n/a	n/a	n/a	n/a

n/a : Not applicable

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**21. Income Tax Expense**

	Individual Quarter		Year-To-Date	
	3 months ended		12 months ended	
	30.06.14	30.06.13	30.06.14	30.06.13
		Restated		Restated
	RM'000	RM'000	RM'000	RM'000
Current tax:				
Malaysian income tax	335	109	1,885	1,083
Foreign tax	66	183	244	227
	<u>401</u>	<u>292</u>	<u>2,129</u>	<u>1,310</u>
Under provision of Malaysian income tax in prior years	(6)	(22)	(16)	(22)
	<u>395</u>	<u>270</u>	<u>2,113</u>	<u>1,288</u>
Deferred tax:				
Relating to origination and reversal of temporary differences	883	(6,237)	883	(6,237)
Overprovision in prior years	-	(11)	-	(11)
	<u>883</u>	<u>(6,248)</u>	<u>883</u>	<u>(6,248)</u>
Total income tax expense	<u>1,278</u>	<u>(5,978)</u>	<u>2,996</u>	<u>(4,960)</u>

The effective tax rate for the current quarter, current year, last year's corresponding quarter and last year were lower than the statutory tax rates applicable in Malaysia as certain income are not subject to tax.

**22. Corporate Proposals**

There was no corporate proposal announced by the Company as at the date of the issue of this quarterly report.

**23. Borrowings**

There were no borrowings and debt securities as at 30 June 2014.

**24. Changes in Material Litigation**

There was no pending material litigation as at the date of the issue of this quarterly report.



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**25. Dividend Payable**

The directors do not recommend any dividend for the current quarter under review.

**26. Earnings Per Share**

**(a) Basic**

Basic earnings per share amounts are calculated by dividing profit for the year attributable to owners of the parent by the weighted average number of ordinary shares in issue during the financial year.

	<b>Individual Quarter</b>		<b>Year-To-Date</b>	
	<b>3 months ended</b>		<b>12 months ended</b>	
	<b>30.06.14</b>	<b>30.06.13</b>	<b>30.06.14</b>	<b>30.06.13</b>
		<b>Restated</b>		<b>Restated</b>
Profit / (Loss) attributable to owners of the parent (RM'000)	<u>3,742</u>	<u>6,085</u>	<u>8,429</u>	<u>10,250</u>
Weighted average number of ordinary shares in issue	<u>63,172</u>	<u>60,191</u>	<u>62,178</u>	<u>60,191</u>
Basic earnings / (loss) per share (Sen)	<u>5.92</u>	<u>10.11</u>	<u>13.56</u>	<u>17.03</u>

**(b) Diluted**

Diluted earnings per share is the same as basic earnings per share as there is no dilutive potential ordinary shares outstanding as at 30 June 2014.

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**27. Disclosure of Realised and Unrealised Retained Profits / (Losses)**

The disclosure of realised and unrealised profits mentioned above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Malaysia and should not be applied for any other purposes.

The breakdown of retained profits of the Group, pursuant to the format prescribed by Bursa Malaysia, is as follows:

	<b>As at 30.06.14 RM'000</b>	<b>As at 30.06.13 Restated RM'000</b>
<b>Total retained (losses) / profits of the Group and its subsidiaries:</b>		
- Realised	121,246	115,302
- Unrealised	24,724	21,100
	145,970	136,402
<b>Less: Consolidation adjustments</b>	(11,582)	978
	<u>134,388</u>	<u>137,380</u>

**28. 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 28 August 2014.