

**UNITED MALACCA BERHAD (1319 - V)**

(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL STATEMENTS  
FOR THE FIRST QUARTER ENDED 31 JULY 2010****CONDENSED CONSOLIDATED INCOME STATEMENT  
FOR THE FIRST QUARTER ENDED 31 JULY 2010**

	Individual Quarter 3 Months Ended 31 July		Cummulative Quarter 3 Months Ended 31 July	
	2010 RM'000	2009 RM'000 (Restated)	2010 RM'000	2009 RM'000 (Restated)
<b>Revenue</b>	43,242	41,991	43,242	41,991
Cost of sales	(21,669)	(22,378)	(21,669)	(22,378)
<b>Gross profit</b>	21,573	19,613	21,573	19,613
Other income	1,812	190	1,812	190
Selling and distribution expenses	(727)	(647)	(727)	(647)
Administrative expenses	(1,793)	(1,328)	(1,793)	(1,328)
Other expenses	(14)	(38)	(14)	(38)
Replanting expenses	(908)	(1,263)	(908)	(1,263)
<b>Operating profit</b>	19,943	16,527	19,943	16,527
Share of results of associates	1,130	1,202	1,130	1,202
<b>Profit before tax</b>	21,073	17,729	21,073	17,729
Income tax expense	(4,805)	(3,888)	(4,805)	(3,888)
<b>Profit for the period</b>	16,268	13,841	16,268	13,841
Basic earnings per share (sen)	12.14	10.33	12.14	10.33
Diluted earnings per share (sen)	12.14	10.33	12.14	10.33

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

**UNITED MALACCA BERHAD (1319 - V)**

(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL STATEMENTS  
FOR THE FIRST QUARTER ENDED 31 JULY 2010****CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FIRST QUARTER ENDED 31 JULY 2010**

	Individual Quarter 3 Months Ended 31 July		Cummulative Quarter 3 Months Ended 31 July	
	2010 RM'000	2009 RM'000 (Restated)	2010 RM'000	2009 RM'000 (Restated)
<b>Comprehensive Income</b>				
<b>Profit for the period</b>	16,268	13,841	16,268	13,841
<b>Other income</b>				
Fair value changes on available-for-sale investments	(2,703)	-	(2,703)	-
Share of other comprehensive income of associates:				
- Share premium	502		502	
- Other reserves	2,135	-	2,135	-
	(66)	-	(66)	-
<b>Total comprehensive income for the period</b>	<b>16,202</b>	<b>13,841</b>	<b>16,202</b>	<b>13,841</b>

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

**UNITED MALACCA BERHAD (1319 - V)**

(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL STATEMENTS  
FOR THE FIRST QUARTER ENDED 31 JULY 2010****CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	As at End of Curent Quarter 31 July 2010 RM'000	As at Preceding Financial Year End 30 April 2010 RM'000 (Restated)
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	495,467	496,251
Biological assets	394,254	392,229
Prepaid land lease payments	4,377	4,426
Interest in associates	27,206	24,798
Available-for-sale investments	35,659	15,822
Goodwill on consolidation	18,628	18,628
	975,591	952,154
<b>Current Assets</b>		
Inventories	13,723	11,326
Trade and other receivables	14,627	19,969
Held for trading investments	13,494	-
Cash and bank balances	127,653	123,457
	169,497	154,752
<b>TOTAL ASSETS</b>	1,145,088	1,106,906
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	134,005	134,005
Share premium	6,848	6,346
Other reserves	335,357	336,230
Retained earnings	565,966	526,853
<b>Shareholders' equity</b>	1,042,176	1,003,434
<b>Non-Current Liability</b>		
Deferred tax liabilities	83,323	83,035
<b>Current Liabilities</b>		
Trade and other payables	15,425	16,191
Income tax payable	4,164	4,246
	19,589	20,437
<b>Total liabilities</b>	102,912	103,472
<b>TOTAL EQUITY AND LIABILITIES</b>	1,145,088	1,106,906
Net assets per share attributable to owners of the Company (RM)	7.78	7.49

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

**UNITED MALACCA BERHAD** (1319 - V)

(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL STATEMENTS  
FOR THE FIRST QUARTER ENDED 31 JULY 2010****CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE THREE MONTHS ENDED 31 JULY 2010**

	Attributable to Owners of the Company				Total Equity RM'000
	Share Capital RM'000	Non-distributable Share Premium RM'000	Other Reserves RM'000	Distributable Retained Earnings RM'000	
<b><u>Current 3 Months Ended</u></b>					
<b><u>31 July 2010</u></b>					
<b>Balance at 1 May 2010</b>					
As previously stated	134,005	6,346	237,246	525,837	903,434
Effect of adopting Amendments to FRS 117	-	-	98,984	1,016	100,000
<b>As restated</b>	134,005	6,346	336,230	526,853	1,003,434
Effect of adopting FRS 139	-	-	-	22,540	22,540
	134,005	6,346	336,230	549,393	1,025,974
Total comprehensive income for the period	-	502	(568)	16,268	16,202
Realisation of asset revaluation reserve upon depreciation	-	-	(305)	305	-
<b>Balance at 31 July 2010</b>	<b>134,005</b>	<b>6,848</b>	<b>335,357</b>	<b>565,966</b>	<b>1,042,176</b>
<b><u>3 months ended 31 July 2009</u></b>					
<b>Balance at 1 May 2009</b>					
As previously stated	134,005	6,346	237,544	501,593	879,488
Effect of adopting Amendments to FRS 117	-	-	98,073	931	99,004
<b>As restated</b>	134,005	6,346	335,617	502,524	978,492
Total comprehensive income for the period (restated)	-	-	-	13,841	13,841
Realisation of asset revaluation reserve upon depreciation (restated)	-	-	(306)	306	-
<b>Balance at 31 July 2009</b>	<b>134,005</b>	<b>6,346</b>	<b>335,311</b>	<b>516,671</b>	<b>992,333</b>

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

**UNITED MALACCA BERHAD (1319 - V)**

(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL STATEMENTS  
FOR THE FIRST QUARTER ENDED 31 JULY 2010****CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE THREE MONTHS ENDED 31 JULY 2010**

	<u>2010/2011</u> <b>3 Months</b> <b>Ended</b> <b>31 July 2010</b> <b>RM'000</b>	<u>2009/2010</u> <b>3 Months</b> <b>Ended</b> <b>31 July 2009</b> <b>RM'000</b> <b>(Restated)</b>
<b>Cash Flows From Operating Activities</b>		
Profit before tax	21,073	17,729
Adjustments for:		
Amortisation of prepaid land lease payments	46	43
Depreciation of property, plant and equipment	2,332	1,912
Gain on disposal of held for trading investments	(1)	(4)
Net fair value gains on held for trading investments	(536)	-
Property, plant and equipment written off	7	8
Dividend income	(350)	(311)
Interest income	(811)	(2,605)
Share of results of associates	(1,130)	(1,202)
<b>Operating profit before working capital changes</b>	<b>20,630</b>	<b>15,570</b>
(Increase)/Decrease in inventories	(2,397)	1,848
Increase in trade and other receivables	(2,112)	(26,027)
(Decrease)/Increase in trade and other payables	(766)	650
<b>Cash generated from/(used in) operations</b>	<b>15,355</b>	<b>(7,959)</b>
Dividend received from associates	1,359	727
Dividend received from other investments	313	222
Interest received	777	951
income taxes paid	(4,590)	(3,455)
<b>Net cash generated from/(used in) operating activities</b>	<b>13,214</b>	<b>(9,514)</b>
<b>Cash Flows From Investing Activities</b>		
Additions of biological assets	(1,693)	(428)
Proceeds from disposal of held for trading investments	8,258	1,377
Purchase of held for trading investments	(13,699)	(2,221)
Purchase of property, plant and equipment	(1,884)	(1,589)
<b>Net cash used in investing activities</b>	<b>(9,018)</b>	<b>(2,861)</b>
<b>Net change in Cash and Cash Equivalents</b>	<b>4,196</b>	<b>(12,375)</b>
<b>Cash and Cash Equivalents at beginning of period</b>	<b>123,457</b>	<b>349,795</b>
<b>Cash and Cash Equivalents at end of period</b>	<b>127,653</b>	<b>337,420</b>
<b>Cash and cash equivalents comprise:</b>		
Cash on hand and at banks	56	590
Deposits with licensed financial institutions	103,860	211,793
Money market funds placed with fund managers	23,737	125,037
	<b>127,653</b>	<b>337,420</b>

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

# UNITED MALACCA BERHAD (1319 - V)

(Incorporated in Malaysia)

## UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 JULY 2010

---

### NOTES TO THE INTERIM FINANCIAL STATEMENTS

#### A. EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARD ("FRS") 134: INTERIM FINANCIAL REPORTING AND BURSA LISTING REQUIREMENTS

##### A1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in compliance 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 annual audited financial statements of the Group for the year ended 30 April 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 April 2010.

##### A2. Changes in Accounting Policies

The accounting policies and methods of computation applied by the Group in the interim financial statements are consistent with those applied in the latest audited financial statements for the financial year ended 30 April 2010 except for the adoption of the following new FRSs, amendments to FRSs, new Issues Committee ("IC") Interpretations and amendments to IC Interpretation which are applicable and relevant to the Group's operations effective for the financial year beginning 1 May 2010:

FRS 7	Financial Instruments: Disclosures
FRS 8	Operating Segments
FRS 101	Presentation of Financial Statements (revised)
FRS 139	Financial Instruments: Recognition and Measurement
Amendments to FRS 1	First-time Adoption of Financial Reporting Standards
Amendments to FRS 2	Share-based Payment – Vesting Conditions and Cancellations
Amendments to FRS 7	Financial Instruments: Disclosures
Amendments to FRS 8	Operating Segments
Amendments to FRS 107	Statements of Cash Flows
Amendments to FRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
Amendments to FRS 110	Events after the Reporting Period
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 127	Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
Amendments to FRS 128	Investments in Associates

# UNITED MALACCA BERHAD (1319 - V)

(Incorporated in Malaysia)

## UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 JULY 2010

---

### NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D

#### A2. Changes in Accounting Policies - Cont'd

Amendments to FRS 132	Financial Instruments: Presentation
Amendments to FRS 134	Interim Financial Reporting
Amendments to FRS 136	Impairment of Assets
Amendments to FRS 138	Intangible Assets
Amendments to FRS 139	Financial Instruments: Recognition and Measurement
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
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives

The adoption of the above new FRSs, amendments to FRSs, new IC Interpretations and amendments to IC Interpretation do not have any material impact on the financial statements of the Group except for those set out below:

#### **FRS 7: Financial Instruments: Disclosures**

FRS 7 requires the disclosure of both quantitative and qualitative information of the Group's financial instruments in the annual financial statements as well as the risks associated with the financial instruments, including how the Group manages those risks.

#### **FRS 8: Operating Segment**

FRS 8 requires segment information to be presented on a similar basis to that used for internal reporting purposes. The Group concluded that the reportable operating segments determined in accordance with FRS 8 are the same as the business segments previously identified under FRS 114<sub>2004</sub>.

FRS 8 does not have any impact on the financial position and results of the Group.

#### **FRS 101: Presentation of Financial Statements (revised)**

The revised FRS 101 introduces changes in the presentation and disclosures of financial statements. The revised standard introduces the statement of comprehensive income, with all items of income and expense recognised in profit or loss, together with all other items of income and expense recognised directly in equity (eg. fair value changes on available-for-sale investments, revaluation surplus/deficit on land and buildings, foreign currency translation adjustments, share of other comprehensive income of associates and etc.), present either in one single statement, or in two linked statements. The Group has elected to present this statement in two linked statements.

The revised FRS 101 was adopted retrospectively by the Group.

# UNITED MALACCA BERHAD (1319 - V)

(Incorporated in Malaysia)

## UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 JULY 2010

---

### NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D

#### A2. Changes in Accounting Policies - Cont'd

##### **FRS 139: Financial Instruments: Recognition and Measurement**

FRS 139: *Financial Instruments: Recognition and Measurement* establishes principles for recognising and measuring financial assets, financial liabilities and some contracts to buy and sell non-financial items. The Group has adopted FRS 139 prospectively since beginning of new financial year, i.e. 1 May 2010 in accordance with the transitional provisions. The effect arising from the adoption of FRS 139 has been accounted for by adjusting the opening balance of retained earnings as at 1 May 2010. Comparatives are not restated. The details of the changes in accounting policies and the effects arising from the adoption of FRS 139 are set out below:

##### **(a) Available-for-sale investments**

Prior to 1 May 2010, the Group classified its investments in quoted shares, quoted unit trusts and unquoted shares which were held for non-trading purposes as non-current investments. Such investments were carried at cost less impairment loss. Upon adoption of FRS 139, these investments are designated at 1 May 2010 as available-for-sale investments and accordingly are stated at their fair values as at that date. The adjustments to their previous carrying amounts are recognised as adjustments to the opening balance of retained earnings and this have resulted in an increase in retained earnings as at 1 May 2010 by RM22,540,000.

However, for investments in equity instruments whose fair value cannot be reliably measured, they are continued to be measured at cost less impairment loss.

##### **(b) Held for trading investments**

Prior to 1 May 2010, the Group classified its investments in quoted shares which were held for trading purposes as marketable securities. Such investments were carried at lower of cost and market value, determined on an aggregate basis. Upon adoption of FRS 139, these investments are redesignated as held for trading investments and are stated at fair value where changes in fair value are recognised through profit or loss (i.e. also known as financial assets at fair value through profit or loss).

##### **Amendments to FRS 117: Leases**

Previously, leasehold land is classified as Prepaid Land Lease Payments and stated at cost/valuation less accumulated amortisation. Amendments to FRS 117 now requires long term leasehold land which initial lease period of several decades be reclassified from Prepaid Land Lease Payments to Property, Plant and Equipment and be stated at valuation less accumulated amortisation. The Group has applied this change in accounting policy retrospectively and certain comparatives have been restated. However, for short term leasehold land, it will remain in Prepaid Land Lease Payments and state at cost less accumulated amortisation.



**UNITED MALACCA BERHAD (1319 - V)**

(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL STATEMENTS  
FOR THE FIRST QUARTER ENDED 31 JULY 2010****NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D****A2. Changes in Accounting Policies - Cont'd****Amendments to FRS 117: Leases - Cont'd**

The effects arising from the Amendments to FRS 117 are as follows:

**Condensed Consolidated Income Statement  
For the First Quarter Ended 31 July 2009**

	<b>As Previously Stated</b>	<b>Effects of adopting Amendments to FRS 117</b>	<b>As Restated</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Cost of sales	(22,221)	(157)	(22,378)
Administrative expenses	(1,326)	(2)	(1,328)
Replanting expenses	(1,194)	(69)	(1,263)
Profit before tax	17,957	(228)	17,729
Income tax expense	(3,905)	17	(3,888)
Profit for the period	14,052	(211)	13,841
Basic/Diluted earnings per share (sen)	10.49	(0.16)	10.33

**Condensed Consolidated Statement of Financial Position  
As at 30 April 2010**

	<b>As Previously Stated</b>	<b>Effects of adopting Amendments to FRS 117</b>	<b>As Restated</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Property, plant and equipment	173,381	322,870	496,251
Biological assets	392,049	180	392,229
Prepaid land lease payments	215,507	(211,081)	4,426
Other reserves	237,246	98,984	336,230
Retained earnings	525,837	1,016	526,853
Deferred tax liabilities	71,066	11,969	83,035
Net assets per share attributable to owners of the Company (RM)	6.74	0.75	7.49

# **UNITED MALACCA BERHAD (1319 - V)**

(Incorporated in Malaysia)

## **UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 JULY 2010**

---

### **NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D**

#### **A3. Seasonal or Cyclical of Operations**

The production of oil palm fresh fruits bunches ("FFB") is seasonal in nature and subject to variation in weather conditions.

The FFB production for the three months ended 31 July 2010 was 17% higher than that of the corresponding period in the preceding financial year mainly due to higher FFB yield. Of this increase, 59% was from the additional area coming into harvesting and increasing yield trend from the young matured oil palms in Group's existing estates, whilst the remaining 41% of the increase was from the newly acquired Millian Labau Plantations.

#### **A4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the three months ended 31 July 2010.

#### **A5. Material Changes in Estimates**

There were no material changes in estimates that have a material effect against results in the current quarter and current financial year-to-date ended 31 July 2010.

#### **A6. Changes in Debt and Equity Securities**

There were no issuance, repurchase and repayment of debt and equity securities during the three months ended 31 July 2010.

#### **A7. Dividends paid**

There were no dividends paid during the three months ended 31 July 2010.

**UNITED MALACCA BERHAD (1319 - V)**

(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL STATEMENTS  
FOR THE FIRST QUARTER ENDED 31 JULY 2010****NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D****A8. Segmental Information**

	<b>Current Quarter Ended 31 July 2010 RM'000</b>	<b>Cumulative Three Months Ended 31 July 2010 RM'000</b>
<b>Segment Revenue</b>		
Plantation revenue	74,884	74,884
Elimination of inter-segment sales	(31,642)	(31,642)
External sales	<u>43,242</u>	<u>43,242</u>
<b>Segment Results</b>		
Plantation	18,252	18,252
Investment holding	1,691	1,691
Share of results of associates	1,130	1,130
Profit before tax	<u>21,073</u>	<u>21,073</u>
Income tax expense	(4,805)	(4,805)
Profit for the period	<u>16,268</u>	<u>16,268</u>

**A9. Material Events Subsequent to the End of the Interim Period**

There were no material events from the current quarter ended 31 July 2010 to the date of this announcement that had not been reflected in this interim financial statements.

**A10. Changes in the Composition of the Group**

There were no changes in the composition of the Group during the three months ended 31 July 2010.

**A11. Changes in Contingent Liabilities and Contingent Assets**

At the date of this report, no contingent liabilities and contingent assets had arisen since the last balance sheet date as at 30 April 2010.

**UNITED MALACCA BERHAD (1319 - V)**

(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL STATEMENTS  
FOR THE FIRST QUARTER ENDED 31 JULY 2010****NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D****A12. Capital Commitments**

At the end of the current quarter, the Group has the following capital commitments:

	<b>RM'000</b>
<b>Capital expenditure approved and contracted for:</b>	
Additions of biological assets	7,262
Purchase of property, plant and equipment	2,834
	<u>10,096</u>
<b>Capital expenditure approved but not contracted for:</b>	
Acquisition of land	5,097
Additions of biological assets	4,914
Purchase of property, plant and equipment	16,335
	<u>26,346</u>
	<u>36,442</u>

**A13. Related Party Disclosures****(a) Transactions with Related Parties**

The Group had the following transactions with related parties during the current quarter and current financial year-to-date ended 31 July 2010:

	<b>Current Quarter Ended 31 July 2010 RM'000</b>	<b>Cumulative Three Months Ended 31 July 2010 RM'000</b>
<b>Associates</b>		
- Interest income	31	31
<b>Company in which a director of the Company has financial interests</b>		
- Interest income	<u>309</u>	<u>309</u>
<b>(b) Balance with Related Parties</b>		<b>As at End of Current Quarter 31 July 2010 RM'000</b>
<b>Company in which a director of the Company has financial interest</b>		
- Placement in current accounts		16
- Placement in deposits		<u>59,368</u>

# **UNITED MALACCA BERHAD (1319 - V)**

(Incorporated in Malaysia)

## **UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 JULY 2010**

---

### **NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D**

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

##### **B1. Review of Performance**

The Group's pretax profit of RM21.07 million for the first quarter ended 31 July 2010 was 19% higher as compared with RM17.73 million in the corresponding quarter in the preceding year. The higher profit was mainly due to higher FFB production by 17% as well as higher CPO and PK prices.

##### **B2. Comparison with Preceding Quarter's Results**

The Group's pretax profit of RM21.07 million for the current quarter ended 31 July 2010 was 11% higher than that of the preceding quarter of RM18.98 million mainly due to higher FFB production as well as lower FFB production cost as a result of lower fertilizer price.

##### **B3. Current Year Prospects**

The Group's FFB production for the current financial year ending 30 April 2011 is expected to increase by 20% or 52,000 tonnes. Of this increase, 65% is from the additional area coming into harvesting as well as from increasing yield trend from the young matured oil palms in Group's existing estates. The balance of the increase is expected from the newly acquired Millian Labau Plantations.

Should the current level of CPO price be sustained, the Group expects better performance for the current financial year ending 30 April 2011.

##### **B4. Variance of Actual Profit from Profit Forecast or Profit Guarantee**

No profit forecast or profit guarantee was issued by the Group during the three months ended 31 July 2010.

**UNITED MALACCA BERHAD (1319 - V)**

(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL STATEMENTS  
FOR THE FIRST QUARTER ENDED 31 JULY 2010****NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D****B5. Income Tax Expense**

	<b>Current Quarter Ended 31 July 2010 RM'000</b>	<b>Cumulative Three Months Ended 31 July 2010 RM'000</b>
Current tax expense	4,517	4,517
Deferred tax expense	288	288
	<u>4,805</u>	<u>4,805</u>

**B6. Sale of Unquoted Investments and/or Properties**

There was no sale of unquoted investments and/or properties during the three months ended 31 July 2010.

**B7. Purchase and Sale of Quoted Securities**

(a) Particulars of purchase and sale of quoted securities and gain/(loss) arising therefrom for the current quarter and current financial year-to-date ended 31 July 2010 were as follows:

	<b>Current Quarter Ended 31 July 2010 RM'000</b>	<b>Cumulative Three Months Ended 31 July 2010 RM'000</b>
<b>Total purchases</b>		
- Held for trading investments	<u>13,699</u>	<u>13,699</u>
<b>Total sales</b>		
- Held for trading investments	<u>742</u>	<u>742</u>
<b>Net fair value gains recognised in profit or loss</b>		
- Held for trading investments	<u>536</u>	<u>536</u>
<b>Fair value changes recognised in other comprehensive income</b>		
- Available-for-sale investments	<u>(2,703)</u>	<u>(2,703)</u>
<b>Gain on disposal of</b>		
- Held for trading investments	<u>1</u>	<u>1</u>

# UNITED MALACCA BERHAD (1319 - V)

(Incorporated in Malaysia)

## UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 JULY 2010

---

### NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D

#### **B7. Purchase and Sale of Quoted Securities - Cont'd**

(b) Investment in quoted securities as at 31 July 2010 was as follows:

	As At 31 July 2010	
	Available- for-sale Investments RM'000	Held for Trading Investments RM'000
At cost	12,958	15,782
At carrying amount/fair value	<u>13,494</u>	<u>35,619</u>

#### **B8. Status of Corporate Proposals**

##### **(a) Establishment of a new Employee Share Scheme ("ESS") involving up to 15% of the issue and paid-up share capital**

The Company's ESS was earlier approved by its shareholders at an extraordinary general meeting held on 29 August 2009.

On 18 June 2010, the Company announced that the effective date for the ESS has been fixed on 18 June 2010 upon submission of the final By-Laws governing the ESS to Bursa Malaysia Securities Berhad.

On 3 August 2010, 6,190,000 options offered were accepted by eligible Directors and employees under the ESS Options, out of which 20% or 1,238,000 ESS Options are exercisable into new ordinary shares with immediate effect.

At the date of of this announcement, the Company has issued 708,000 ordinary shares under the ESS.

##### **(b) Proposed bonus issue**

On 14 June 2010, the Company announced a proposed bonus issue of 67,002,500 new ordinary shares of RM1.00 each to be credited as fully paid-up on the basis of one bonus share for every two existing shares held on the entitlement date. The proposal is subject to the approval of shareholders of the Company and Bursa Malaysia Securities Berhad for the listing of and quotation of the bonus shares to be issued pursuant to the proposal.

# **UNITED MALACCA BERHAD (1319 - V)**

(Incorporated in Malaysia)

## **UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 JULY 2010**

---

### **NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D**

#### **B8. Status of Corporate Proposals - Cont'd**

##### **(b) Proposed bonus issue - cont'd**

In view that the Company has recently granted options to eligible Directors and employees under the ESS as abovementioned, the Company had on 13 August 2010 announced to revise the original proposed bonus issue whereby it would now undertake the issuance of up to 67,621,500 new ordinary shares of RM1.00 each instead of 67,002,500 bonus shares (representing an increase of up to 619,000 shares), on the same basis of one bonus share for every two existing shares held on the entitlement date.

The exact number of bonus shares to be issued pursuant to the revised proposed bonus issue would depend on the issued and paid-up share capital of the Company on the entitlement date for the revised proposed bonus issue after taking into consideration any new shares that may be issued prior thereto pursuant to the exercise of any outstanding ESS Options.

#### **B9. Group Borrowings and Debt Securities**

There was no borrowing and debt security as at 31 July 2010.

#### **B10. Derivative Financial Instruments**

There was no derivative financial instrument with off balance sheet risk as at 31 July 2010 and as at the date of issue of the interim financial statements.

#### **B11. Material Litigations**

There was no material litigation since the last balance sheet date as at 30 April 2010.



**UNITED MALACCA BERHAD (1319 - V)**

(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL STATEMENTS  
FOR THE FIRST QUARTER ENDED 31 JULY 2010****NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D****B12. Earnings Per Share**

Both of the basic earnings per share and diluted earnings per share of the Group were the same for the current quarter and current financial year-to-date ended 31 July 2010 as there was no dilutive effect in the periods under review.

	<b>Current Quarter Ended 31 July 2010</b>	<b>Cumulative Three Months Ended 31 July 2010</b>
<u>Basic/Diluted earnings per share</u>		
Profit for the period (RM'000)	16,268	16,268
Weighted average number of ordinary shares in issue ('000 unit)	134,005	134,005
<u>Basic/diluted earnings per share (sen)</u>	<u>12.14</u>	<u>12.14</u>

**B13. Auditors' Report on Preceding Annual Financial Statements**

There were no qualifications in the auditors' report of the Group's latest annual financial statements ended 30 April 2010.

**B14. Dividends**

The final dividend of 25 sen (consisting of gross dividend of 11 sen per share less 25% taxation, tax exempt dividend of 4.5 sen per share and single-tier dividend of 9.5 sen per share) in respect of financial year ended 30 April 2010 (previous financial year 2008/2009: final dividend of 30 sen less 25% taxation) has been approved at the Company's Annual General Meeting held on 27 September 2010. The dividend is payable on 26 October 2010.

No interim dividend has been recommended or declared for the three months ended 31 July 2010.

**B15. Authorised for Issue**

The condensed consolidated interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Board on 27 September 2010.

By order of the Board,  
**Leong Yok Mui**  
Company Secretary  
Melaka, 27 September 2010