

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

(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL STATEMENTS  
FOR THE SECOND QUARTER ENDED 31 OCTOBER 2013****CONDENSED CONSOLIDATED INCOME STATEMENT  
FOR THE SECOND QUARTER ENDED 31 OCTOBER 2013**

	Individual Quarter 3 Months Ended 31 October		Cumulative Quarter 6 Months Ended 31 October	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
<b>Revenue</b>	65,073	59,645	108,304	112,217
Cost of sales	(37,669)	(29,190)	(68,906)	(57,484)
<b>Gross profit</b>	27,404	30,455	39,398	54,733
Other income	1,801	1,845	4,210	5,074
Gain on disposal of an associate	-	-	5,675	-
Selling and distribution expenses	(1,393)	(1,195)	(2,319)	(2,016)
Administrative expenses	(3,040)	(2,563)	(6,134)	(5,180)
Other expenses	(21)	(13)	(47)	(163)
Replanting expenses	(1,130)	(688)	(1,943)	(1,506)
<b>Operating profit</b>	23,621	27,841	38,840	50,942
Share of results of an associate	-	1,788	-	2,381
<b>Profit before tax</b>	23,621	29,629	38,840	53,323
Income tax expense	(4,661)	(5,744)	(5,956)	(10,450)
<b>Profit for the period</b>	18,960	23,885	32,884	42,873
Basic earnings per share (sen)	9.23	11.72	16.02	21.05
Diluted earnings per share (sen)	9.23	11.70	16.02	21.02

*The Condensed Consolidated Income Statement should be read in conjunction with the audited financial statements for the year ended 30 April 2013 and the accompanying explanatory notes attached to the interim financial statements.*

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**UNAUDITED INTERIM FINANCIAL STATEMENTS  
FOR THE SECOND QUARTER ENDED 31 OCTOBER 2013****CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE SECOND QUARTER ENDED 31 OCTOBER 2013**

	Individual Quarter		Cumulative Quarter	
	3 Months Ended		6 Months Ended	
	31 October		31 October	
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
<b>Comprehensive Income</b>				
<b>Profit for the period</b>	18,960	23,885	32,884	42,873
<b>Other comprehensive income:</b>				
Net gain/(loss) on available-for-sale investments:				
- Gain/(loss) on fair value changes	328	(289)	(94)	(112)
- Transfer to profit or loss upon disposal	-	-	-	(749)
Share of other comprehensive income of an associate	-	(555)	-	250
	328	(844)	(94)	(611)
<b>Total comprehensive income for the period</b>	19,288	23,041	32,790	42,262

*The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 30 April 2013 and the accompanying explanatory notes attached to the interim financial statements.*

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**UNAUDITED INTERIM FINANCIAL STATEMENTS  
FOR THE SECOND QUARTER ENDED 31 OCTOBER 2013****CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>As at End of Current Quarter 31 October 2013</b>	<b>As at Preceding Financial Year End 30 April 2013</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	691,665	685,060
Biological assets	815,685	803,422
Prepaid land lease payments	10,076	10,254
Investment property	960	960
Goodwill on consolidation	18,628	18,628
Available-for-sale investments	57,538	57,105
	<u>1,594,552</u>	<u>1,575,429</u>
<b>Current Assets</b>		
Inventories	15,637	9,746
Trade receivables	20,627	8,703
Other receivables	3,407	3,920
Held-for-trading investments	9,757	7,182
Held-to-maturity investments	38,079	28,440
Cash and bank balances	108,807	108,025
	<u>196,314</u>	<u>166,016</u>
Non-current assets held for sale	896	31,536
	<u>197,210</u>	<u>197,552</u>
<b>TOTAL ASSETS</b>	<u>1,791,762</u>	<u>1,772,981</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	205,520	205,109
Share premium	20,013	17,987
Other reserves	755,310	756,733
Retained earnings	574,081	561,706
<b>Shareholders' equity</b>	<u>1,554,924</u>	<u>1,541,535</u>
<b>Non-Current Liability</b>		
Deferred tax liabilities	208,840	209,821
<b>Current Liabilities</b>		
Trade payables	12,031	5,475
Other payables	14,992	14,760
Income tax payable	975	1,390
	<u>27,998</u>	<u>21,625</u>
<b>Total liabilities</b>	<u>236,838</u>	<u>231,446</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>1,791,762</u>	<u>1,772,981</u>
Net assets per share attributable to owners of the Company (RM)	<u>7.57</u>	<u>7.52</u>

*The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 30 April 2013 and the accompanying explanatory notes attached to the interim financial statements.*

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**UNAUDITED INTERIM FINANCIAL STATEMENTS  
FOR THE SECOND QUARTER ENDED 31 OCTOBER 2013****CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE SIX MONTHS ENDED 31 OCTOBER 2013**

	Attributable to Owners of the Company				Total Equity
	Non-distributable		Distributable		
	Share Capital	Share Premium	Other Reserves	Retained Earnings	
	RM'000	RM'000	RM'000	RM'000	RM'000
<b><u>Current 6 Months Ended</u></b>					
<b><u>31 October 2013</u></b>					
<b>Balance at 1 May 2013</b>	205,109	17,987	756,733	561,706	1,541,535
<b>Total comprehensive income for the period</b>	-	-	(94)	32,884	32,790
<b>Transfer to retained earnings:</b>					
Realisation of share premium upon disposal of an associate	-	(502)	-	502	-
Realisation of foreign currency translation reserve upon disposal of an associate	-	-	140	(140)	-
Realisation of asset revaluation reserve upon depreciation	-	-	(1,708)	1,708	-
	-	(502)	(1,568)	2,070	-
<b>Transactions with owners:</b>					
Fair value of share options granted to eligible directors and employees	-	-	938	-	938
Shares issued pursuant to exercise of employee share options	411	2,528	(688)	-	2,251
Employee share options forfeited	-	-	(11)	11	-
Dividend	-	-	-	(22,590)	(22,590)
	411	2,528	239	(22,579)	(19,401)
<b>Balance at 31 October 2013</b>	205,520	20,013	755,310	574,081	1,554,924

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FOR THE SECOND QUARTER ENDED 31 OCTOBER 2013****CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE SIX MONTHS ENDED 31 OCTOBER 2013 - CONT'D**

	Attributable to Owners of the Company				Total Equity
	Share Capital	Share Premium	Other Reserves	Non-distributable Distributable Retained Earnings	
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>6 Months Ended 31 October 2012</b>					
<b>Balance at 1 May 2012</b>	203,473	7,963	301,899	544,801	1,058,136
<b>Total comprehensive income for the period</b>	-	-	(611)	42,873	42,262
<b>Transfer to retained earnings:</b>					
Realisation of asset revaluation reserve upon:					
- Depreciation	-	-	(600)	600	-
- Property, plant and equipment written off	-	-	(1)	1	-
	-	-	(601)	601	-
<b>Transactions with owners:</b>					
Fair value of share options granted to eligible directors and employees	-	-	1,448	-	1,448
Shares issued pursuant to exercise of employee share options	527	3,214	(875)	-	2,866
Employee share options forfeited	-	-	(77)	77	-
Dividend	-	-	-	(32,623)	(32,623)
	527	3,214	496	(32,546)	(28,309)
<b>Balance at 31 October 2012</b>	204,000	11,177	301,183	555,729	1,072,089

*The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 30 April 2013 and the accompanying explanatory notes attached to the interim financial statements.*

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**UNAUDITED INTERIM FINANCIAL STATEMENTS  
FOR THE SECOND QUARTER ENDED 31 OCTOBER 2013****CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE SIX MONTHS ENDED 31 OCTOBER 2013**

	<u>2013/2014</u> <u>6 Months</u> <u>Ended</u> <u>31 October 2013</u> <u>RM'000</u>	<u>2012/2013</u> <u>6 Months</u> <u>Ended</u> <u>31 October 2012</u> <u>RM'000</u>
<b>Operating Activities</b>		
Profit before tax	38,840	53,323
Adjustments for:		
Amortisation of prepaid land lease payments	98	94
Depreciation of property, plant and equipment	8,098	6,082
Fair value of share options granted to eligible directors and employees expensed off	938	1,448
Gain on disposal of an associate	(5,675)	-
Gain on disposal of available-for-sale investments	-	(749)
Gain on disposal of property, plant and equipment	(29)	(17)
Net fair value gains on held-for-trading investments	(533)	(129)
Property, plant and equipment written off	12	38
Unrealised foreign exchange gain	-	(65)
Dividend income	(859)	(953)
Interest income	(2,349)	(2,534)
Share of results of an associate	-	(2,381)
<b>Operating cash flows before changes in working capital</b>	<u>38,541</u>	<u>54,157</u>
Increase in inventories	(5,891)	(7,371)
Increase in trade and other receivables	(13,706)	(1,367)
Increase in trade and other payables	6,788	2,060
<b>Cash flows from operations</b>	<u>25,732</u>	<u>47,479</u>
Interest received	2,195	2,387
Income taxes refunded	793	-
Income taxes paid	(5,702)	(10,920)
<b>Net cash flows from operating activities</b>	<u>23,018</u>	<u>38,946</u>
<b>Investing Activities</b>		
Dividend received from an associate	-	1,376
Dividend received from other investments	867	960
Additions of biological assets	(10,504)	(10,083)
Additions of prepaid land lease payments	(27)	-
Net placement of held-to-maturity investments	(9,639)	(3,373)
Proceeds from disposal of an associate	36,315	-
Proceeds from disposal of available-for-sale investments	-	4,749
Proceeds from disposal of held-for-trading investments	5,291	22,595
Proceeds from disposal of property, plant and equipment	101	21
Purchase of available-for-sale investments	(527)	(461)
Purchase of held-for-trading investments	(7,333)	(15,108)
Purchase of property, plant and equipment	(16,441)	(12,068)
<b>Net cash flows used in investing activities</b>	<u>(1,897)</u>	<u>(11,392)</u>
<b>Financing Activities</b>		
Dividend paid on ordinary shares	(22,590)	(32,623)
Proceeds from exercise of employee share options	2,251	2,866
<b>Net cash flows used in financing activities</b>	<u>(20,339)</u>	<u>(29,757)</u>
<b>Net change in Cash and Cash Equivalents</b>	782	(2,203)
<b>Cash and Cash Equivalents at beginning of period</b>	108,025	109,579
<b>Cash and Cash Equivalents at end of period</b>	<u>108,807</u>	<u>107,376</u>
<b>Cash and Cash Equivalents comprise:</b>		
Cash on hand and at banks	1,505	689
Deposits with licensed financial institutions	68,482	61,283
Money market funds placed with fund managers	38,820	45,404
	<u>108,807</u>	<u>107,376</u>

*The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 30 April 2013 and the accompanying explanatory notes attached to the interim financial statements.*

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## UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 31 OCTOBER 2013

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### 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 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 financial year ended 30 April 2013.

##### 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 2013 except for the adoption of the following standards which are applicable and relevant to the Group's operations effective for the financial year beginning 1 May 2013:

###### **Effective for financial periods beginning on or after 1 July 2012**

Amendments to FRS 101	<i>Presentation of Items of Other Comprehensive Income</i>
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###### **Effective for financial periods beginning on or after 1 January 2013**

FRS 10	<i>Consolidated Financial Statements</i>
FRS 12	<i>Disclosure of Interests in Other Entities</i>
FRS 13	<i>Fair Value Measurement</i>
FRS 119	<i>Employee Benefits</i>
FRS 127	<i>Separate Financial Statements</i>
FRS 128	<i>Investments in Associates and Joint Ventures</i>
Amendments to FRS 1	<i>Government Loans</i>
Amendments to FRS 7	<i>Disclosures - Offsetting Financial Assets and Financial Liabilities</i>
Amendments to FRS 10	<i>Consolidated Financial Statements: Transition Guidance</i>
Amendments to FRS 12	<i>Disclosure of Interests in Other Entities: Transition Guidance</i>
Improvements to FRS issued in 2012 which include:	
- Amendments to FRS 1	<i>First-time Adoption of Financial Reporting Standards</i>
- Amendments to FRS 101	<i>Presentation of Financial Statements</i>
- Amendments to FRS 116	<i>Property, Plant and Equipment</i>
- Amendments to FRS 132	<i>Financial Instruments: Presentation</i>
- Amendments to FRS 134	<i>Interim Financial Reporting</i>

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## **UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 31 OCTOBER 2013**

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

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

The adoption of the above standards do not have any material impact on the financial statements of the Group.

#### **Malaysian Financial Reporting Standards**

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").

MASB has, on 7 August 2013, announced to allow Transitioning Entities to defer the adoption of the MFRS Framework for an additional one year. Consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2015 in light of the latest status of the International Accounting Standards Board's work plan on the two transitional issues that have yet to be resolved.

The Company and certain subsidiaries in the Group fall within the scope definition of Transitioning Entities and have opted to defer adoption of the new MFRS Framework. Accordingly, the Group will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 30 April 2016.

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 as at 1 May 2014.

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

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

The FFB production for the six months ended 31 October 2013 was marginally lower than that of the corresponding period in the preceding financial year mainly due to lower FFB production from Sabah estates in the second quarter as a result of laggard effect of lower rainfall about 6 months ago.



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## UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 31 OCTOBER 2013

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

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

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the six months ended 31 October 2013.

#### **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 October 2013.

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

There were no issuance, repurchase and repayment of debt and equity securities during the six months ended 31 October 2013 except for the issuance of 411,100 ordinary shares of RM1 each for cash pursuant to the Company's Employee Share Scheme ("ESS").

During the current quarter, pursuant to the ESS, 1,350,000 new options were offered and accepted by eligible employees, out of which 10% are exercisable into new ordinary shares with effect from 22 October 2013 and expiring 21 October 2018.

In addition, during the current quarter, pursuant to the Executive Share Incentive Plan ("ESIP") of the Company's ESS, the Company has granted 187,300 ordinary shares of RM1 each ("ESIP shares") to the directors and selected executives. The vesting period of ESIP shares is from 7 November 2013 to 31 December 2013.

#### **A7. Dividend Paid**

The amount of dividend paid during the six months ended 31 October 2013 was as follows:

**RM'000**

##### **In respect of financial year ended 30 April 2013**

Second interim single-tier dividend of 11 sen per share, on 205,365,001  
ordinary shares, paid on 2 August 2013

22,590

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**UNAUDITED INTERIM FINANCIAL STATEMENTS  
FOR THE SECOND QUARTER ENDED 31 OCTOBER 2013****NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D****A8. Segmental Information**

	<b>Current Quarter Ended 31 October 2013 RM'000</b>	<b>Cumulative Six Months Ended 31 October 2013 RM'000</b>
<b>Segment Revenue</b>		
Plantation revenue	79,938	133,063
Elimination of inter-segment sales	(14,865)	(24,759)
External sales	<u>65,073</u>	<u>108,304</u>
<b>Segment Results</b>		
Plantation	22,137	29,459
Investment holding	<u>1,484</u>	<u>9,381</u>
Profit before tax	23,621	38,840
Income tax expense	(4,661)	(5,956)
Profit for the period	<u>18,960</u>	<u>32,884</u>

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

There were no material events from the current quarter ended 31 October 2013 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 six months ended 31 October 2013 except for the disposal of the Company's 25.05% equity interest in an associated company, Niro Ceramic (M) Sdn Bhd for a cash consideration of RM36,315,000 which was completed on 1 July 2013.

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

At the date of this report, no contingent liabilities and contingent assets had arisen since the end of preceding financial year 30 April 2013.

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FOR THE SECOND QUARTER ENDED 31 OCTOBER 2013****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	812
Purchase of property, plant and equipment	4,382
	<u>5,194</u>
<b>Capital expenditure approved but not contracted for:</b>	
Additions of biological assets	5,496
Purchase of property, plant and equipment	28,823
	<u>34,319</u>
	<u>39,513</u>

**A13. Related Party Disclosures****(a) Transaction with Related Party**

The Group had the following transaction with related party during the current quarter and current financial year-to-date ended 31 October 2013:

	<b>Current Quarter Ended 31 October 2013 RM'000</b>	<b>Cumulative Six Months Ended 31 October 2013 RM'000</b>
<b>A licensed commercial bank in which one of the directors of the Company is a director</b>		
- Interest income	<u>133</u>	<u>239</u>

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

#### A13. Related Party Disclosures - Cont'd

##### (b) Balances with Related Party

	<b>As at End of Current Quarter 31 October 2013</b>
	<b>RM'000</b>
<b>A licensed commercial bank in which one of the directors of the Company is a director</b>	
- Placement in current accounts	1,436
- Placement in deposits	10,299
- Placement in held-to-maturity investments	<u>10,902</u>

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

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

###### **(a) Current Quarter vs. Preceding Year Corresponding Quarter**

The Group's pretax profit of RM23.62 million for the current quarter ended 31 October 2013 was 20% lower as compared with RM29.63 million in the corresponding quarter in the preceding year. The lower profit was mainly due to lower crude palm oil ("CPO") price.

Comments on the business segments are as follows:

###### Plantation

The plantation profit of RM22.14 million was 16% lower as compared with RM26.29 million in the corresponding quarter in the preceding year mainly due to lower CPO price by 9%.

###### Investment holding

The investment profit of RM1.48 million was slightly lower as compared with RM1.55 million in the corresponding quarter in the preceding year mainly due to lower dividend income and interest income received.

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## UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 31 OCTOBER 2013

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

#### **B1. Review of Performance - Cont'd**

##### **(b) Current Year-to-date vs. Preceding Year-to-date**

The Group's pretax profit of RM38.84 million for the six months ended 31 October 2013 was 27% lower as compared with RM53.32 million in the corresponding period in the preceding year. The lower profit was mainly due to lower crude palm oil ("CPO") and palm kernel ("PK") prices.

Comments on the business segments are as follows:

##### Plantation

The plantation profit of RM29.46 million was 37% lower as compared with RM46.51 million in the corresponding period in the preceding year mainly due to lower CPO and PK prices by 16% and 12% respectively.

##### Investment holding

The investment profit of RM9.38 million was 112% higher as compared with RM4.43 million in the corresponding period in the preceding year mainly due to the gain of RM5.68 million on disposal of an associate, Niro Ceramic (M) Sdn Bhd on 1 July 2013.

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

The Group's pretax profit of RM23.62 million for the current quarter ended 31 October 2013 was 55% higher than that of the preceding quarter of RM15.22 million mainly due to higher FFB production as well as higher CPO and PK prices.

Comments on the business segments are as follows:

##### Plantation

The plantation profit of RM22.14 million was 202% higher than that of the preceding quarter of RM7.32 million mainly due to higher FFB production by 35% as well as higher CPO and PK prices by 1% and 10% respectively.

##### Investment holding

The investment profit of RM1.48 million was 81% lower than that of the preceding quarter of RM7.90 million which had included the gain of RM5.68 million on disposal of an associate, Niro Ceramic (M) Sdn Bhd.

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

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

In view of the favourable age profile of the Group's oil palm trees of which 93% are below 15 years old, the Group's FFB production for the financial year ending 30 April 2014 will continue to increase especially from estates in Sabah.

However, the Group continues to face challenges of rising cost of labour and transportation and this may affect profit margin.

Barring unforeseen circumstances, the Group expects satisfactory performance for the current financial year.

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

No profit forecast or profit guarantee was issued by the Group during the six months ended 31 October 2013.

#### **B5. Profit Before Tax**

The following items have been (credited)/charged in arriving at profit before tax:

	<b>Current Quarter Ended 31 October 2013 RM'000</b>	<b>Cumulative Six Months Ended 31 October 2013 RM'000</b>
Dividend income	(152)	(859)
Interest income	(1,163)	(2,349)
Gain on disposal of property, plant and equipment	(29)	(29)
Net fair value gains on held-for-trading investments	(188)	(533)
Amortisation of prepaid land lease payments	49	98
Depreciation of property, plant and equipment	4,035	8,098
Fair value of share options granted to eligible directors and employees expensed off	376	938
Property, plant and equipment written off	2	12

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**UNAUDITED INTERIM FINANCIAL STATEMENTS  
FOR THE SECOND QUARTER ENDED 31 OCTOBER 2013****NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D****B5. Profit Before Tax - Cont'd**

The other minimum disclosure items which are currently not applicable to the Group are as follows:

- Interest expense
- Provision for and write off of receivables
- Provision for and write off of inventories
- Impairment of assets
- Gain or loss on derivatives
- Exceptional items

**B6. Income Tax Expense**

	<b>Current Quarter Ended 31 October 2013 RM'000</b>	<b>Cumulative Six Months Ended 31 October 2013 RM'000</b>
Current tax expense	5,149	6,937
Deferred tax expense	(488)	(981)
	<u>4,661</u>	<u>5,956</u>

The effective tax rate for the current quarter and current financial year-to-date was lower than the statutory tax rate due to certain income which are not taxable.

**B7. Status of Corporate Proposals**

There is no corporate proposal announced by the Group or pending completion as at 19 December 2013.

**B8. Group Borrowings and Debt Securities**

There was no borrowing and debt security as at 31 October 2013.

**B9. Material Litigations**

There was no material litigation since the last reporting date as at 30 April 2013.

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The breakdown of retained earnings of the Group into realised and unrealised profits/losses are as follows:

	<b>As at End of Current Quarter 31 October 2013 RM'000</b>	<b>As at Preceding Financial Year End 30 April 2013 RM'000</b>
Total retained earnings of the Company and its subsidiaries:		
- Realised	601,535	581,993
- Unrealised	(12,017)	(12,429)
	<u>589,518</u>	<u>569,564</u>
Total share of retained earnings from an associate:		
- Realised	-	13,865
- Unrealised	-	1,061
	<u>589,518</u>	<u>584,490</u>
Less: Consolidation adjustments	(15,437)	(22,784)
Total Group's retained earnings as per consolidated statement of financial position	<u>574,081</u>	<u>561,706</u>

**B11. Earnings Per Share****(a) Basic earnings per share**

Basic earnings per share are calculated by dividing profit for the period by the weighted average number of ordinary shares in issue during the period as follows:

	<b>Current Quarter Ended 31 October 2013</b>	<b>Cumulative Six Months Ended 31 October 2013</b>
Profit for the period (RM'000)	18,960	32,884
Weighted average number of ordinary shares in issue ('000 unit)	205,399	205,325
Basic earnings per share (sen)	<u>9.23</u>	<u>16.02</u>



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

#### **B11. Earnings Per Share - Cont'd**

##### **(b) Diluted earnings per share**

The share options granted under the Company's Employee Share Scheme could potentially dilute basic earnings per share in the future but have not been included in the calculation of diluted earnings per share because they are antidilutive for the period presented.

#### **B12. 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 2013.

#### **B13. Dividends**

The directors declare a first interim single-tier dividend of 10 sen, in respect of current financial year ending 30 April 2014 (previous year 2013: single-tier dividend of 10 sen).

The first interim dividend is payable on 28 January 2014.

#### **B14. Closure of Books**

NOTICE IS HEREBY GIVEN that a first interim single-tier dividend of 10 sen per share, in respect of the financial year ending 30 April 2014 will be payable on 28 January 2014 to shareholders whose names appear in the Record of Depositors and the Register of Members at the close of business at 5.00 p.m. on 10 January 2014.

A shareholder shall qualify for dividend entitlement only in respect of:

- (a) Shares transferred into the Depositor's Securities Account before 4.00 p.m. on 10 January 2014 in respect of transfers;
- (b) Shares deposited into the Depositor's Securities Account before 12.30 p.m. on 8 January 2014 in respect of shares which are exempted from mandatory deposit;
- (c) Shares bought on the Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of the Bursa Malaysia Securities Berhad.

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

**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 19 December 2013.

By order of the Board,

**Leong Yok Mui**

**Yong Yoke Hiong**

Company Secretaries

Melaka, 19 December 2013