

UNITED MALACCA BERHAD (1319 - V)

(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FOURTH QUARTER ENDED 30 APRIL 2014****CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE FOURTH QUARTER ENDED 30 APRIL 2014**

	Individual Quarter 3 Months Ended 30 April		Cumulative Quarter 12 Months Ended 30 April	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Revenue	63,452	44,239	244,347	206,090
Cost of sales	(41,462)	(32,094)	(153,947)	(120,089)
Gross profit	21,990	12,145	90,400	86,001
Other income	4,225	4,501	16,940	12,026
Selling and distribution expenses	(1,273)	(912)	(5,149)	(4,153)
Administrative expenses	(3,338)	(4,133)	(13,623)	(12,259)
Other expenses	(174)	(249)	(292)	(413)
Replanting expenses	(1,118)	(823)	(4,179)	(2,870)
Operating profit	20,312	10,529	84,097	78,332
Share of results of an associate	-	165	-	4,372
Profit before tax	20,312	10,694	84,097	82,704
Income tax expense	(2,589)	(935)	(12,579)	(13,995)
Profit for the period	17,723	9,759	71,518	68,709
Basic earnings per share (sen)	8.59	4.76	34.77	33.64
Diluted earnings per share (sen)	8.59	4.76	34.77	33.63

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.

UNITED MALACCA BERHAD (1319 - V)

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**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FOURTH QUARTER ENDED 30 APRIL 2014****CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FOURTH QUARTER ENDED 30 APRIL 2014**

	Individual Quarter		Cumulative Quarter	
	3 Months Ended		12 Months Ended	
	30 April		30 April	
	2014	2013	2014	2013
	RM'000	RM'000	RM'000	RM'000
Comprehensive Income				
Profit for the period	17,723	9,759	71,518	68,709
Other comprehensive income:				
Items that will be subsequently reclassified to profit or loss:				
Net gain/(loss) on fair value changes of available-for-sale investments	1,410	247	(66)	(1,236)
Transfer of gain on disposal of available-for-sale investments to profit or loss	(457)	-	(457)	(749)
Share of other comprehensive income of an associate	-	(400)	-	(759)
	953	(153)	(523)	(2,744)
Items that will not be subsequently reclassified to profit or loss:				
Revaluation surplus of lands, buildings, biological assets and investment property, net of deferred tax	-	459,137	-	459,137
Reversal of deferred tax liabilities to asset revaluation reserve upon reduction in tax rate	7,842	-	7,842	-
	7,842	459,137	7,842	459,137
Total comprehensive income for the period	26,518	468,743	78,837	525,102

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 FOURTH QUARTER ENDED 30 APRIL 2014****CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	As at End of Current Quarter 30 April 2014	As at Preceding Financial Year End 30 April 2013
	RM'000	RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	692,545	685,060
Biological assets	827,418	803,422
Prepaid land lease payments	11,829	10,254
Investment property	1,040	960
Goodwill on consolidation	18,628	18,628
Available-for-sale investments	47,418	57,105
	<u>1,598,878</u>	<u>1,575,429</u>
Current Assets		
Inventories	8,618	9,746
Trade receivables	15,415	8,703
Other receivables	2,191	3,920
Held-for-trading investments	14,168	7,182
Held-to-maturity investments	23,703	28,440
Cash and bank balances	147,854	108,025
	<u>211,949</u>	<u>166,016</u>
Non-current assets held for sale	-	31,536
	<u>211,949</u>	<u>197,552</u>
TOTAL ASSETS	<u>1,810,827</u>	<u>1,772,981</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	206,503	205,109
Share premium	26,070	17,987
Other reserves	760,467	756,733
Retained earnings	593,846	561,706
Shareholders' equity	<u>1,586,886</u>	<u>1,541,535</u>
Non-Current Liability		
Deferred tax liabilities	200,732	209,821
Current Liabilities		
Trade payables	5,674	5,475
Other payables	15,322	14,760
Income tax payable	2,213	1,390
	<u>23,209</u>	<u>21,625</u>
Total liabilities	<u>223,941</u>	<u>231,446</u>
TOTAL EQUITY AND LIABILITIES	<u>1,810,827</u>	<u>1,772,981</u>
Net assets per share attributable to owners of the Company (RM)	<u>7.68</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 FOURTH QUARTER ENDED 30 APRIL 2014****CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE TWELVE MONTHS ENDED 30 APRIL 2014**

	Attributable to Owners of the Company				Total Equity RM'000
	Share Capital RM'000	Non-distributable		Distributable Retained Earnings RM'000	
		Share Premium RM'000	Other Reserves RM'000		
Current 12 Months Ended 30 April 2014					
Balance at 1 May 2013	205,109	17,987	756,733	561,706	1,541,535
Total comprehensive income for the period	-	-	7,319	71,518	78,837
Transfer to retained earnings:					
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	-	-	(3,415)	3,415	-
- Property, plant and equipment written off	-	-	(1)	1	-
	-	(502)	(3,276)	3,778	-
Transactions with owners:					
Fair value of share options granted to eligible directors and employees	-	-	1,760	-	1,760
Shares issued pursuant to Employee Share Option Scheme ("ESOS")	1,209	7,449	(2,028)	-	6,630
Employee share options forfeited	-	-	(41)	41	-
Executive Share Incentive Plan ("ESIP") expense	-	-	1,321	-	1,321
Shares issued pursuant to ESIP	185	1,136	(1,321)	-	-
Dividends	-	-	-	(43,197)	(43,197)
	1,394	8,585	(309)	(43,156)	(33,486)
Balance at 30 April 2014	206,503	26,070	760,467	593,846	1,586,886

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FOR THE TWELVE MONTHS ENDED 30 APRIL 2014 - CONT'D**

	Attributable to Owners of the Company				Total Equity RM'000
	Share Capital RM'000	Non-distributable		Distributable Retained Earnings RM'000	
		Share Premium RM'000	Other Reserves RM'000		
12 Months Ended 30 April 2013					
Balance at 1 May 2012	203,473	7,963	301,899	544,801	1,058,136
Total comprehensive income for the period	-	-	456,393	68,709	525,102
Transfer to retained earnings:					
Realisation of asset revaluation reserve upon:					
- Depreciation	-	-	(1,200)	1,200	-
- Disposal of property, plant and equipment	-	-	(26)	26	-
- Property, plant and equipment written off	-	-	(1)	1	-
	-	-	(1,227)	1,227	-
Transactions with owners:					
Fair value of share options granted to eligible directors and employees	-	-	2,495	-	2,495
Shares issued pursuant to ESOS	1,636	10,024	(2,743)	-	8,917
Employee share options forfeited	-	-	(84)	84	-
Dividends	-	-	-	(53,115)	(53,115)
	1,636	10,024	(332)	(53,031)	(41,703)
Balance at 30 April 2013	205,109	17,987	756,733	561,706	1,541,535

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 FOURTH QUARTER ENDED 30 APRIL 2014****CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE TWELVE MONTHS ENDED 30 APRIL 2014**

	<u>2013/2014</u> 12 Months Ended 30 April 2014 RM'000	<u>2012/2013</u> 12 Months Ended 30 April 2013 RM'000
Operating Activities		
Profit before tax	84,097	82,704
Adjustments for:		
Amortisation of prepaid land lease payments	196	193
Depreciation of property, plant and equipment	16,941	12,386
Dividend income	(2,133)	(2,623)
Fair value of share options expensed off	1,760	2,495
Gain from fair value adjustment of investment property	(80)	-
Gain on disposal of:		
- an associate	(5,675)	-
- available-for-sale investments	(457)	(749)
- non-current asset held for sale	(261)	-
- property, plant and equipment	(32)	(195)
Interest income	(4,848)	(4,797)
Net fair value gains on held-for-trading investments	(1,503)	(200)
Property, plant and equipment written off	47	265
Reversal of provision for impairment of advances for acquisition of land in prior years	-	(2,146)
Share of results of an associate	-	(4,372)
Unrealised foreign exchange loss/(gain)	2	(65)
Operating cash flows before changes in working capital	<u>88,054</u>	<u>82,896</u>
Decrease in inventories	1,128	1,083
(Increase)/decrease in trade and other receivables	(6,762)	6,855
Decrease in trade and other payables	(851)	(401)
Cash flows from operations	<u>81,569</u>	<u>90,433</u>
Interest received	4,642	4,848
Income taxes refunded	2,449	-
Income taxes paid	(13,002)	(17,264)
Net cash flows from operating activities	<u>75,658</u>	<u>78,017</u>
Investing Activities		
Dividend received from:		
- an associate	-	1,376
- available-for-sale investments	1,742	2,262
- held-for-trading investments	340	355
Purchase of:		
- available-for-sale investments	(1,542)	(21,334)
- held-for-trading investments	(14,925)	(23,647)
- property, plant and equipment	(28,107)	(19,822)
Proceeds from disposal of:		
- an associate	36,315	-
- available-for-sale investments	11,163	4,749
- held-for-trading investments	9,295	31,606
- non-current asset held for sale	1,157	-
- property, plant and equipment	204	240
Additions of:		
- biological assets	(20,320)	(20,935)
- prepaid land lease payments	(642)	(4,265)
Net withdrawal of held-to-maturity investments	4,737	14,042
Net cash flows used in investing activities	<u>(583)</u>	<u>(35,373)</u>

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**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FOURTH QUARTER ENDED 30 APRIL 2014****CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE TWELVE MONTHS ENDED 30 APRIL 2014 - CONT'D**

	<u>2013/2014</u> 12 Months Ended 30 April 2014 RM'000	<u>2012/2013</u> 12 Months Ended 30 April 2013 RM'000
Financing Activities		
Dividends paid	(43,197)	(53,115)
Proceeds from exercise of:		
- employee share options under ESOS	6,630	8,917
- ESIP shares	1,321	-
Net cash flows used in financing activities	<u>(35,246)</u>	<u>(44,198)</u>
Net change in cash and bank balances	39,829	(1,554)
Cash and bank balances at beginning of period	108,025	109,579
Cash and bank balances at end of period	<u>147,854</u>	<u>108,025</u>
Cash and bank balances comprise:		
Cash on hand and at banks	1,413	89
Short-term deposits with licensed financial institutions	107,075	69,635
Money market funds placed with fund managers	39,366	38,301
	<u>147,854</u>	<u>108,025</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 FOURTH QUARTER ENDED 30 APRIL 2014

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 and interpretations effective for the financial year beginning 1 May 2013:

Effective for annual periods beginning on or after 1 July 2012

Amendments to FRS 101 *Presentation of Items of Other Comprehensive Income*

Effective for annual periods beginning on or after 1 January 2013

FRS 3	<i>Business Combinations (IFRS 3: Business Combinations issued by IASB in March 2004)</i>
FRS 10	<i>Consolidated Financial Statements</i>
FRS 11	<i>Joint Arrangements</i>
FRS 12	<i>Disclosure of Interests in Other Entities</i>
FRS 13	<i>Fair Value Measurement</i>
FRS 119	<i>Employee Benefits (IAS 19 as amended by IASB in June 2011)</i>
FRS 127	<i>Consolidated and Separate Financial Statements (IAS 27 revised by IASB in December 2003)</i>
FRS 127	<i>Separate Financial Statements (IAS 27 as amended by IASB in May 2011)</i>
FRS 128	<i>Investments in Associates and Joint Ventures (IAS 28 as amended by IASB in May 2011)</i>
Amendments to FRS 1	<i>Government Loans</i>
Amendments to FRS 7	<i>Disclosures - Offsetting Financial Assets and Financial Liabilities</i>

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UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 30 APRIL 2014

NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D

A2. Changes in Accounting Policies - Cont'd

Effective for financial periods beginning on or after 1 January 2013 - Cont'd

Amendments to FRS 10, FRS 11 and FRS 12 IC Interpretation 20 Annual Improvements 2009-2011 Cycle	<i>Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance Stripping Costs in the Production Phase of a Surface Mine</i>
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The adoption of the above standards and interpretations 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").

Transitioning Entities are allowed to defer the adoption of the new MFRS Framework and may in the alternative, apply Financial Reporting Standards ("FRS") as its financial reporting framework for annual periods beginning on or after 1 January 2014.

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 present its first set of MFRS financial statements when the MFRS Framework is mandated by the 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.

The Group has not completed its assessment of the financial effects of the differences between Financial Reporting Standards and accounting standards under the MFRS Framework. Accordingly, the financial performance and financial position as disclosed in these financial statements could be different if prepared under the MFRS Framework.

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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 greatly influenced by variation in weather conditions.

The FFB production for the financial year ended 30 April 2014 was marginally lower than that of the preceding financial year mainly due to lower FFB production from Sabah estates as the palms were under resting period after bumper crop in the preceding financial year.

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 financial year ended 30 April 2014.

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 30 April 2014.

A6. Changes in Debt and Equity Securities

There were no issuance, repurchase and repayment of debt and equity securities during the financial year ended 30 April 2014 except for the followings:

- (a) issuance of 1,208,600 ordinary shares of RM1 each for cash pursuant to the Company's ESOS.
- (b) issuance of 185,300 ordinary shares of RM1 each pursuant to the Company's ESIP.

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**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FOURTH QUARTER ENDED 30 APRIL 2014****NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D****A7. Dividends Paid**

The amount of dividends paid during the financial year ended 30 April 2014 were as follows:

	RM'000
(a) 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
(b) In respect of financial year ended 30 April 2014	
First interim single-tier dividend of 10 sen per share, on 206,070,601 ordinary shares, paid on 28 January 2014	20,607
	<u>43,197</u>

A8. Segmental Information

	Current Quarter Ended 30 April 2014 RM'000	Cumulative Twelve Months Ended 30 April 2014 RM'000
Segment Revenue		
Plantation revenue	73,729	291,285
Elimination of inter-segment sales	(10,277)	(46,938)
External sales	<u>63,452</u>	<u>244,347</u>
Segment Results		
Plantation	17,565	69,646
Investment holding	2,747	14,451
Profit before tax	<u>20,312</u>	<u>84,097</u>
Income tax expense	(2,589)	(12,579)
Profit for the period	<u>17,723</u>	<u>71,518</u>

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NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D**A8. Segmental Information - Cont'd**

	As at End of Current Quarter 30 April 2014
	<u>RM'000</u>
Segment Assets	
Plantation	1,577,066
Investment holding	<u>233,761</u>
Consolidated total assets	<u>1,810,827</u>
Segment Liabilities	
Plantation	<u>223,941</u>

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

There were no material events from the current quarter ended 30 April 2014 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 financial year ended 30 April 2014 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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**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FOURTH QUARTER ENDED 30 APRIL 2014****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:

	RM'000
Capital expenditure approved and contracted for:	
Acquisition of land	503
Additions of biological assets	91
Purchase of property, plant and equipment	1,080
	<u>1,674</u>
Capital expenditure approved but not contracted for:	
Additions of biological assets	11,025
Construction of new palm oil mill	57,020
Purchase of property, plant and equipment	22,577
	<u>90,622</u>
	<u>92,296</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 30 April 2014:

	Current Quarter Ended 30 April 2014 RM'000	Cumulative Twelve Months Ended 30 April 2014 RM'000
A licensed commercial bank in which one of the directors of the Company is a director		
- Interest income	447	972
	<u>447</u>	<u>972</u>

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UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 30 APRIL 2014

NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D

A13. Related Party Disclosures - Cont'd

(b) Balances with Related Party

	As at End of Current Quarter 30 April 2014
	RM'000
A licensed commercial bank in which one of the directors of the Company is a director	
- Placement in current accounts	864
- Placement in deposits	53,332
- Placement in held-to-maturity investments	5,629
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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's Corresponding Quarter

Group pretax profit of RM20.31 million for the current quarter ended 30 April 2014 was 90% higher compared with RM10.69 million in the corresponding quarter of the preceding year mainly due to higher average prices of crude palm oil ("CPO") and palm kernel ("PK") as well as increased production of fresh fruit bunches ("FFB").

Comments on the business segments are as follows:

Plantation

Plantation profit more than doubled to RM17.57 million from RM8.65 million in the corresponding quarter of the preceding year boosted by higher average prices of CPO and PK of RM2,693/tonne and RM2,103/tonne compared with RM2,347/tonne and RM1,226/tonne respectively as well as an 8% rise in output of FFB to 69,886 tonnes.

Investment holding

Investment profit of RM2.75 million jumped by 46% from RM1.88 million in the corresponding quarter of the preceding year mainly due to higher fair value gains on held-for-trading investments as well as a profit of RM457,000 from the disposal of available-for-sale investments.

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UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 30 APRIL 2014

NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D

B1. Review of Performance - Cont'd

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

Group pretax profit edged up by 2% to RM84.10 million for the financial year ended 30 April 2014 from RM82.70 million in the preceding year mainly due to the gain of RM5.68 million on disposal of an associate, Niro Ceramic (M) Sdn Bhd.

Comments on the business segments are as follows:

Plantation

With the higher contribution from our two mills operations, the Group was able to maintain the plantation profit at RM69.65 million compared with RM69.92 million in the preceding year despite marginally lower FFB production and CPO prices.

Investment holding

Investment profit of RM14.45 million included a gain of RM5.68 million on disposal of an associate, Niro Ceramic (M) Sdn Bhd. Excluding this gain, the investment profit at RM8.77 million was marginally higher than RM8.41 million in the preceding year.

B2. Comparison with Preceding Quarter's Results

Group pretax profit declined by 19% to RM20.31 million for the current quarter ended 30 April 2014 from RM24.95 million in the preceding quarter due to lower FFB production.

Comments on the business segments are as follows:

Plantation

Plantation profit declined by 22% to RM17.57 million from RM22.62 million in the preceding quarter.

Due to dry weather, FFB production fell by 24% and this more than offset higher average prices of CPO and PK of RM2,693/tonne and RM2,103/tonne. In the preceding quarter, CPO and PK prices averaged RM2,555/tonne and RM1,727/tonne respectively.

Investment holding

Investment profit increased by 18% to RM2.75 million from RM2.32 million in the preceding quarter on profits of RM457,000 from the disposal of available-for-sale investments.

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UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 30 APRIL 2014

NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D

B3. Current Year Prospects

In the long term, output will be heightened by rising yields of FFB as the oil palms achieve peak maturity. Currently, the average age profile of the Group's oil palms is 8 years.

For the financial year ending 30 April 2015, the Group will see an additional 758 hectares reach maturity which should lead to an increase in FFB output.

Australia's Bureau of Meteorology ("ABM") predicts El Nino could occur in September this year. El Nino is a weather phenomenon which causes rising temperatures and drought. While the ABM cautions the odds of a strong El Nino – similar to that in 1997/1998 – have eased with more recent readings of ocean temperature, the possibility cannot be ruled out.

Although El Nino could cause oil palm yields in Malaysia and Indonesia to fall, this could underpin palm oil prices. Whether the expected higher prices will more than offset the impact of a likely reduction in United Malacca's FFB output is uncertain.

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

No profit forecast or profit guarantee was issued by the Group during the financial year ended 30 April 2014.

B5. Profit Before Tax

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

	Current Quarter Ended 30 April 2014 RM'000	Cumulative Twelve Months Ended 30 April 2014 RM'000
Dividend income	(223)	(2,133)
Gain from fair value adjustment of investment property	(80)	(80)
Gain on disposal of:		
- an associate	-	(5,675)
- available-for-sale investments	(457)	(457)
- non-current asset held for sale	-	(261)
- property, plant and equipment	(4)	(32)
Interest income	(1,257)	(4,848)
Net fair value gains on held-for-trading investments	(886)	(1,503)
Amortisation of prepaid land lease payments	49	196

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	Current Quarter Ended 30 April 2014 RM'000	Cumulative Twelve Months Ended 30 April 2014 RM'000
Depreciation of property, plant and equipment	4,560	16,941
ESIP expense	-	1,321
Fair value of share options expensed off	387	1,760
Property, plant and equipment written off	18	47
Realised foreign exchange loss	5	5
Unrealised foreign exchange loss	2	2

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

	Current Quarter Ended 30 April 2014 RM'000	Cumulative Twelve Months Ended 30 April 2014 RM'000
Current tax expense	2,606	13,826
Deferred tax expense	(17)	(1,247)
	<u>2,589</u>	<u>12,579</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 as well as the availability of reinvestment and new planting tax allowances.

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There is no corporate proposal announced by the Group or pending completion as at 27 June 2014.

B8. Group Borrowings and Debt Securities

There was no borrowing and debt security as at 30 April 2014.

B9. Material Litigations

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

B10. Disclosure of Realised and Unrealised Profits/Losses

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

	As at End of Current Quarter 30 April 2014 RM'000	As at Preceding Financial Year End 30 April 2013 RM'000
Total retained earnings of the Company and its subsidiaries:		
- Realised	621,502	581,993
- Unrealised	(11,647)	(12,429)
	<u>609,855</u>	<u>569,564</u>
Total share of retained earnings from an associate:		
- Realised	-	13,865
- Unrealised	-	1,061
	<u>609,855</u>	<u>584,490</u>
Less: Consolidation adjustments	(16,009)	(22,784)
Total Group's retained earnings as per consolidated statement of financial position	<u>593,846</u>	<u>561,706</u>

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NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D

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:

	Current Quarter Ended 30 April 2014	Cumulative Twelve Months Ended 30 April 2014
Profit for the period (RM'000)	17,723	71,518
Weighted average number of ordinary shares in issue ('000 unit)	206,289	205,705
Basic earnings per share (sen)	<u>8.59</u>	<u>34.77</u>

(b) Diluted earnings per share

The share options granted under the Company's ESOS 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 second interim single-tier dividend of 11 sen, in respect of current financial year ended 30 April 2014 (previous year 2013: single-tier dividend of 11 sen) and a special single-tier dividend of 5 sen to commemorate the Company's forthcoming 100th Annual General Meeting.

The second interim dividend and special dividend are payable on 22 August 2014.

Together with the first interim single-tier dividend of 10 sen which had been paid on 28 January 2014, total single-tier dividend for the financial year ended 30 April 2014 is 26 sen (previous financial year 2012/2013: total single-tier dividend of 21 sen).

The directors do not recommend the payment of any final dividend in respect of the current financial year ended 30 April 2014.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D

B14. Closure of Books

NOTICE IS HEREBY GIVEN that a second interim single-tier dividend of 11 sen per share and a special single-tier dividend of 5 sen per share, in respect of the financial year ended 30 April 2014 will be payable on 22 August 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 4 August 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 4 August 2014 in respect of transfers;
- (b) Shares deposited into the Depositor's Securities Account before 12.30 p.m. on 31 July 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.

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 June 2014.

By order of the Board,
Leong Yok Mui
Yong Yoke Hiong
Company Secretaries
Melaka, 27 June 2014