

UNITED MALACCA BERHAD (1319 - V)

(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED 31 OCTOBER 2014****CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE SECOND QUARTER ENDED 31 OCTOBER 2014**

	Individual Quarter 3 Months Ended 31 October		Cumulative Quarter 6 Months Ended 31 October	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Revenue	58,962	65,073	117,204	108,304
Cost of sales	(37,405)	(37,669)	(77,071)	(68,906)
Gross profit	21,557	27,404	40,133	39,398
Other income	2,637	1,801	4,984	9,885
Selling and distribution expenses	(1,473)	(1,393)	(2,740)	(2,319)
Administrative expenses	(3,905)	(3,040)	(7,594)	(6,134)
Other expenses	(1,137)	(21)	(982)	(47)
Replanting expenses	(501)	(1,130)	(1,148)	(1,943)
Profit before tax	17,178	23,621	32,653	38,840
Income tax expense	(3,481)	(4,661)	(6,215)	(5,956)
Profit for the period	13,697	18,960	26,438	32,884
Basic earnings per share (sen)	6.61	9.23	12.78	16.02
Diluted earnings per share (sen)	6.61	9.23	12.78	16.02

The Condensed Consolidated Income Statement should be read in conjunction with the audited financial statements for the year ended 30 April 2014 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 2014****CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SECOND QUARTER ENDED 31 OCTOBER 2014**

	Individual Quarter		Cumulative Quarter	
	3 Months Ended		6 Months Ended	
	31 October		31 October	
	2014	2013	2014	2013
	RM'000	RM'000	RM'000	RM'000
Comprehensive Income				
Profit for the period	13,697	18,960	26,438	32,884
Other comprehensive income/(loss):				
Items that will be subsequently reclassified to profit or loss:				
Net gain/(loss) on fair value changes of available-for-sale investments	430	328	794	(94)
Total comprehensive income for the period	14,127	19,288	27,232	32,790

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 30 April 2014 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 2014****CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	As at End of Current Quarter 31 October 2014	As at Preceding Financial Year End 30 April 2014
	RM'000	RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	690,101	692,545
Biological assets	837,402	827,418
Prepaid land lease payments	11,593	11,829
Investment property	1,040	1,040
Goodwill on consolidation	18,628	18,628
Available-for-sale investments	48,897	47,418
	1,607,661	1,598,878
Current Assets		
Inventories	12,094	8,618
Trade receivables	16,489	15,415
Other receivables	7,897	2,191
Held-for-trading investments	18,399	14,168
Held-to-maturity investments	7,987	23,703
Cash and bank balances	142,102	147,854
	204,968	211,949
TOTAL ASSETS	1,812,629	1,810,827
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	207,203	206,503
Share premium	30,373	26,070
Other reserves	759,021	760,467
Retained earnings	588,969	593,846
Shareholders' equity	1,585,566	1,586,886
Non-Current Liability		
Deferred tax liabilities	200,175	200,732
Current Liabilities		
Trade payables	8,430	5,674
Other payables	15,926	15,322
Income tax payable	2,532	2,213
	26,888	23,209
Total liabilities	227,063	223,941
TOTAL EQUITY AND LIABILITIES	1,812,629	1,810,827
Net assets per share attributable to owners of the Company (RM)	7.65	7.68

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 30 April 2014 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 2014****CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 31 OCTOBER 2014**

	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
<u>Current 6 Months Ended</u>					
<u>31 October 2014</u>					
Balance at 1 May 2014	206,503	26,070	760,467	593,846	1,586,886
Total comprehensive income for the period	-	-	794	26,438	27,232
Transfer to retained earnings:					
Realisation of asset revaluation reserve upon depreciation	-	-	(1,767)	1,767	-
	-	-	(1,767)	1,767	-
Transactions with owners:					
Fair value of share options granted to eligible directors and employees	-	-	757	-	757
Shares issued pursuant to Employee Share Option Scheme ("ESOS")	700	4,303	(1,167)	-	3,836
Employee share options forfeited	-	-	(63)	63	-
Dividends	-	-	-	(33,145)	(33,145)
	700	4,303	(473)	(33,082)	(28,552)
Balance at 31 October 2014	207,203	30,373	759,021	588,969	1,585,566

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FOR THE SIX MONTHS ENDED 31 OCTOBER 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		
6 Months Ended 31 October 2013					
Balance at 1 May 2013	205,109	17,987	756,733	561,706	1,541,535
Total comprehensive (loss)/ income for the period	-	-	(94)	32,884	32,790
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	-	-	(1,708)	1,708	-
	-	(502)	(1,568)	2,070	-
Transactions with owners:					
Fair value of share options granted to eligible directors and employees	-	-	938	-	938
Shares issued pursuant to ESOS	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)
Balance at 31 October 2013	205,520	20,013	755,310	574,081	1,554,924

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 30 April 2014 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 2014****CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 31 OCTOBER 2014**

	<u>2014/2015</u> 6 Months Ended 31 October 2014 RM'000	<u>2013/2014</u> 6 Months Ended 31 October 2013 RM'000
Operating Activities		
Profit before tax	32,653	38,840
Adjustments for:		
Amortisation of prepaid land lease payments	209	98
Depreciation of property, plant and equipment	8,796	8,098
Dividend income	(1,072)	(859)
Fair value of share options expensed off	757	938
Gain on disposal of:		
- an associate	-	(5,675)
- property, plant and equipment	(3)	(29)
Interest income	(2,719)	(2,349)
Net fair value (gains)/losses on held-for-trading investments		
- realised	(605)	(562)
- unrealised	690	29
Property, plant and equipment written off	187	12
Unrealised foreign exchange gain	(10)	-
Operating cash flows before changes in working capital	38,883	38,541
Increase in inventories	(3,476)	(5,891)
Increase in trade and other receivables	(6,690)	(13,706)
Increase in trade and other payables	3,360	6,788
Cash flows from operations	32,077	25,732
Interest received	2,928	2,195
Income taxes refunded	-	793
Income taxes paid	(6,452)	(5,702)
Net cash flows from operating activities	28,553	23,018
Investing Activities		
Dividend received from:		
- available-for-sale investments	867	713
- held-for-trading investments	239	154
Purchase of:		
- available-for-sale investments	(685)	(527)
- held-for-trading investments	(12,496)	(7,333)
- property, plant and equipment	(8,859)	(16,441)
Proceeds from disposal of:		
- an associate	-	36,315
- held-for-trading investments	7,857	5,291
- property, plant and equipment	54	101
Additions of:		
- biological assets	(7,689)	(10,504)
- prepaid land lease payments	-	(27)
Net withdrawal/(placement) of held-to-maturity investments	15,716	(9,639)
Net cash flows used in investing activities	(4,996)	(1,897)

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FOR THE SIX MONTHS ENDED 31 OCTOBER 2014 - CONT'D**

	<u>2014/2015</u> 6 Months Ended 31 October 2014 RM'000	<u>2013/2014</u> 6 Months Ended 31 October 2013 RM'000
Financing Activities		
Dividends paid	(33,145)	(22,590)
Proceeds from exercise of employee share options under ESOS	3,836	2,251
Net cash flows used in financing activities	(29,309)	(20,339)
Net change in cash and bank balances	(5,752)	782
Cash and bank balances at beginning of period	147,854	108,025
Cash and bank balances at end of period	142,102	108,807
Cash and bank balances comprise:		
Cash on hand and at banks	1,149	1,505
Short-term deposits with licensed financial institutions	33,563	68,482
Money market funds placed with fund managers	107,390	38,820
	142,102	108,807

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 30 April 2014 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 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 2014. 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 2014.

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 2014 except for the adoption of the following standards and interpretation effective for the financial year beginning 1 May 2014:

Effective for annual periods beginning on or after 1 January 2014

Amendments to FRS 10, FRS 12 and FRS 127	<i>Investment Entities</i>
Amendments to FRS 132	<i>Offsetting Financial Assets and Financial Liabilities</i>
Amendments to FRS 136	<i>Recoverable Amount Disclosures for Non-Financial Assets</i>
Amendments to FRS 139	<i>Novation of Derivatives and Continuation of Hedge Accounting</i>
IC Interpretation 21	<i>Levies</i>

The adoption of the above standards and interpretation 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").

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NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D

A2. Changes in Accounting Policies - Cont'd

Malaysian Financial Reporting Standards - Cont'd

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 for annual periods beginning on or after 1 January 2016 as 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.

A3. Seasonal or Cyclical of Operations

The production of oil palm fresh fruits bunches ("FFB") is influenced by weather conditions.

The FFB production for the six months ended 31 October 2014 was 9% higher than that of the corresponding period of the preceding financial year mainly due to additional area of 852 hectares coming into harvesting as well as increasing yield trend of young matured oil palms in Sabah.

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 2014.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D

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 2014.

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 2014 except for the issuance of 699,800 ordinary shares of RM1 each for cash pursuant to the Company's ESOS.

A7. Dividends Paid

The amount of dividends paid during the six months ended 31 October 2014 were as follows:

	RM'000
In respect of financial year ended 30 April 2014	
Second interim single-tier dividend of 11 sen per share, on 207,155,401 ordinary shares, paid on 22 August 2014	22,787
Special single-tier dividend of 5 sen per share, on 207,155,401 ordinary shares, paid on 22 August 2014	10,358
	<u>33,145</u>

A8. Segmental Information

	Current Quarter Ended 31 October 2014 RM'000	Cumulative Six Months Ended 31 October 2014 RM'000
Segment Revenue		
Plantation revenue	70,384	138,745
Elimination of inter-segment sales	(11,422)	(21,541)
External sales	<u>58,962</u>	<u>117,204</u>

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FOR THE SECOND QUARTER ENDED 31 OCTOBER 2014****NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D****A8. Segmental Information - Cont'd**

	Current Quarter Ended 31 October 2014 RM'000	Cumulative Six Months Ended 31 October 2014 RM'000
Segment Results		
Plantation	15,906	29,023
Investment holding	1,272	3,630
Profit before tax	17,178	32,653
Income tax expense	(3,481)	(6,215)
Profit for the period	<u>13,697</u>	<u>26,438</u>
		As at End of Current Quarter 31 October 2014 RM'000
Segment Assets		
Plantation		1,594,273
Investment holding		218,356
Consolidated total assets		<u>1,812,629</u>
Segment Liabilities		
Plantation		<u>227,063</u>

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

There were no material events from the current quarter ended 31 October 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 six months ended 31 October 2014.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D

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 2014.

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
Purchase of property, plant and equipment	2,449
	<u>2,952</u>
Capital expenditure approved but not contracted for:	
Additions of biological assets	6,707
Construction of new palm oil mill	56,837
Purchase of property, plant and equipment	16,600
	<u>80,144</u>
	<u>83,096</u>

A13. Related Party Disclosures

There were no transactions and balances with related party during the current quarter and current financial year-to-date ended 31 October 2014.

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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

(a) Current Quarter vs. Preceding Year's Corresponding Quarter

For the current quarter ended 31 October 2014, the Group achieved a 7% increase in FFB production to 106,205 tonnes compared with that of the corresponding quarter of the preceding year. However, the Group's pretax profit of RM17.18 million was 27% lower compared with RM23.62 million in the corresponding quarter of the preceding year mainly due to lower average prices of crude palm oil ("CPO") and palm kernel ("PK") by 9% and 2% respectively.

Comments on the business segments are as follows:

Plantation

FFB production was higher by 7% or 7,219 tonnes. However, due to lower average prices of CPO and PK of RM2,140/tonne and RM1,357/tonne compared with the corresponding quarter of the preceding year of RM2,357/tonne and RM1,386/tonne respectively, plantation profit fell by 28% to RM15.91 million from RM22.14 million.

Investment holding

Investment profit of RM1.27 million was 14% lower than RM1.48 million in the corresponding quarter of the preceding year mainly due to fair value losses on held-for-trading investments of RM593,000 recorded in the current quarter despite higher dividend and interest income received.

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

For the six months ended 31 October 2014, the Group's pretax profit of RM32.65 million was 16% lower compared with RM38.84 million in the corresponding period of the preceding year which included a gain of RM5.68 million on disposal of an associate, Niro Ceramic (M) Sdn Bhd. Excluding this gain, the pretax profit for the current six months was marginally lower than that in the corresponding period of the preceding year mainly due to lower average price of CPO despite higher FFB production.

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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 - Cont'd

Comments on the business segments are as follows:

Plantation

Despite a 9% or 14,650 tonnes increase in FFB production, the lower average price of CPO of RM2,293/tonne (compared with RM2,349/tonne in the corresponding period of the preceding year) as well as lower oil extraction rate caused plantation profit to fall to RM29.02 million from RM29.46 million.

Investment holding

Investment profit of RM3.63 million in the current six months was 61% lower compared with RM9.38 million in the corresponding period of the preceding year which included a gain of RM5.68 million on disposal of an associate, Niro Ceramic (M) Sdn Bhd. Excluding this gain, the investment profit in the current six months was marginally lower than that of the corresponding period of the preceding year.

B2. Comparison with Preceding Quarter's Results

The Group's pretax profit for the current quarter ended 31 October 2014 of RM17.18 million was 11% higher than RM15.48 million in the preceding quarter mainly due to higher FFB production by 32%.

Comments on the business segments are as follows:

Plantation

Plantation profit of RM15.91 million was 21% higher compared with RM13.12 million in the preceding quarter mainly due to a significant improvement of 32% or 25,564 tonnes in FFB production which more than offset the adverse impact of lower average prices of CPO (RM2,140/tonne compared with RM2,485/tonne) and PK (RM1,357/tonne compared with RM1,919/tonne).

Investment holding

Investment profit was lower at RM1.27 million compared with RM2.36 million in the preceding quarter mainly due to fair value losses on held-for-trading investments of RM593,000 in the current quarter as against fair value gains of RM508,000 in the preceding quarter.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D

B3. Current Year Prospects

The young age profile of the Group's oil palm, 93% of which is below 15 years, bodes well for the Company. Coupled with the additional 852 hectares coming into maturity this year, FFB output is expected to be better than the preceding year.

For the first half of the financial year, the young age profile of the palms helped cushion the effect of the dry weather which occurred during January and February 2014. With the imminent threat of El Nino, which is predicted to occur in the first half of 2015, it will have an adverse effect on the yields for the second half of the financial year.

Currently the CPO prices are in the range of RM2,100 to RM2,200/tonne. Should this trend continue, the financial performance for the current financial year will be lower than the preceding 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 2014.

B5. Profit Before Tax

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

	Current Quarter Ended 31 October 2014 RM'000	Cumulative Six Months Ended 31 October 2014 RM'000
Dividend income	(575)	(1,072)
Gain on disposal of property, plant and equipment	-	(3)
Interest income	(1,298)	(2,719)
Net fair value (gains)/losses on held-for-trading investments		
- realised	(323)	(605)
- unrealised	916	690
Amortisation of prepaid land lease payments	105	209
Depreciation of property, plant and equipment	4,448	8,796
Fair value of share options expensed off	379	757
Property, plant and equipment written off	175	187
Net foreign exchange loss/(gain)		
- realised	11	18
- unrealised	(38)	(29)

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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

	Current Quarter Ended 31 October 2014 RM'000	Cumulative Six Months Ended 31 October 2014 RM'000
Current tax expense	3,904	6,772
Deferred tax expense	(423)	(557)
	<u>3,481</u>	<u>6,215</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 new planting tax allowances.

B7. Status of Corporate Proposals

There is no corporate proposal announced by the Group or pending completion as at 24 December 2014.

B8. Group Borrowings and Debt Securities

There was no borrowing and debt security as at 31 October 2014.

B9. Material Litigations

There was no material litigation since the last reporting date as at 30 April 2014.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D

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 31 October 2014 RM'000	As at Preceding Financial Year End 30 April 2014 RM'000
Total retained earnings of the Company and its subsidiaries:		
- realised	618,251	621,502
- unrealised	(12,964)	(11,647)
	<u>605,287</u>	<u>609,855</u>
Less: Consolidation adjustments	(16,318)	(16,009)
Total Group's retained earnings as per consolidated statement of financial position	<u>588,969</u>	<u>593,846</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:

	Current Quarter Ended 31 October 2014	Cumulative Six Months Ended 31 October 2014
Profit for the period (RM'000)	13,697	26,438
Weighted average number of ordinary shares in issue ('000 unit)	207,182	206,947
Basic earnings per share (sen)	<u>6.61</u>	<u>12.78</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.

UNITED MALACCA BERHAD (1319 - V)

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 31 OCTOBER 2014

NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D

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 2014.

B13. Dividends

The directors declare a first interim single-tier dividend of 8 sen, in respect of current financial year ending 30 April 2015 (previous year 2014: single-tier dividend of 10 sen).

The first interim dividend will be paid on 6 February 2015.

B14. Closure of Books

NOTICE IS HEREBY GIVEN that a first interim single-tier dividend of 8 sen per share, in respect of the financial year ending 30 April 2015 will be paid on 6 February 2015 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 21 January 2015.

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 21 January 2015 in respect of transfers;
- (b) Shares deposited into the Depositor's Securities Account before 12.30 p.m. on 19 January 2015 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 24 December 2014.

By order of the Board,

Leong Yok Mui

Yong Yoke Hiong

Company Secretaries

Melaka, 24 December 2014