CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
THE TWELVE MONTHS ENDED 31 DECEMBER 2013 (UNAUDITED)

In thousands of RM	Current Quarter 31 December		Current Period 31 December	
	2013	**2012**	**2013**	**2012**
Revenue	293,537	379,008	1,288,566	1,514,030
Cost of goods sold	(244,311)	(304,923)	(1,079,831)	(1,237,691)
Gross profit	49,226	74,085	208,735	276,339
Other income	4,924	10,283	24,194	11,950
Distribution expenses	(16,598)	(15,537)	(67,001)	(59,130)
Administrative expenses	(24,933)	(11,228)	(83,655)	(81,307)
Other expenses	(21,410)	(20,122)	(37,775)	(45,634)
Results from operating activities	(8,791)	37,481	44,498	102,218
Share of profit of equity accounted investee, net of tax	349	1,207	2,504	2,337
Finance income	1,037	949	5,437	2,653
Finance costs	(8,162)	(9,131)	(31,759)	(35,326)
Profit before tax	(15,567)	30,506	20,680	71,882
Income tax expense	(326)	(6,593)	(9,190)	(17,863)
Profit for the period	(15,893)	23,913	11,490	54,019
Other comprehensive income				
Revaluation of property, plant and equipment	-	2,002	-	2,002
Foreign currency translation differences for foreign operations	137	(3,250)	5,770	(6,127)
Total comprehensive income for the period	(15,756)	22,665	17,260	49,894
Profit attributable to :				
Owners of the Company	(17,192)	18,905	630	36,912
Non-controlling interests	1,299	5,008	10,860	17,107
	(15,893)	23,913	11,490	54,019
Total comprehensive income attributable to :				
Owners of the Company	(17,675)	17,161	5,780	32,291
Non-controlling interests	1,919	5,504	11,480	17,603
	(15,756)	22,665	17,260	49,894
Basic earnings per share (Sen)	-3.76	4.67	0.14	9.11
Diluted earnings per share (Sen)	-3.76	4.11	0.14	9.11

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Notes to the Interim Financial Report.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2013 (UNAUDITED)

In thousands of RM	**As at 31 December 2013**	**As at 31 December 2012**	**As at 1 January 2012**
		(*Restated)	**(*Restated)**
ASSETS			
Property, plant and equipment	578,270	589,622	634,495
Intangible assets	288,090	302,341	303,713
Investment properties	30,940	85,760	50,793
Prepaid lease payments	5,744	6,131	6,553
Investment in associates	13,410	12,875	10,538
Other Investments	124	124	124
Deferred tax assets	9,945	12,243	10,001
Total non-current assets	926,523	1,009,096	1,016,217
Trade and other receivables	283,873	370,239	354,515
Inventories	290,143	352,818	375,954
Current tax assets	23,407	26,071	66,270
Assets classified as held for sale	74,814	-	1,740
Cash and cash equivalents	255,337	293,958	180,541
Total current assets	927,574	1,043,086	979,020
TOTAL ASSETS	1,854,097	2,052,182	1,995,237
EQUITY AND LIABILITIES			
Share capital	457,630	457,630	404,756
Reserves	36,423	31,273	16,860
Retained earnings	310,494	345,779	319,916
Total equity attributable to equity holders of the Company	804,547	834,682	741,532
Non-controlling interests	122,641	133,272	128,030
Total equity	927,188	967,954	869,562
Loans and borrowings	380,000	550,000	122,438
Deferred tax liabilities	19,897	25,683	20,705
Total non-current liabilities	399,897	575,683	143,143
Provisions	410	1,121	766
Trade and other payables	155,352	204,263	263,238
Current tax liabilities	1,616	9,518	53,458
Loans and borrowings	369,634	293,643	665,070
Total current liabilities	527,012	508,545	982,532
Total liabilities	926,909	1,084,228	1,125,675
TOTAL EQUITY AND LIABILITIES	1,854,097	2,052,182	1,995,237
Net assets per share attributable to ordinary equity holders of the parent (sen)	**177**	**184**	**185**

* Restated due to effect of adoption of Amendments to MFRS 116 ; Property, Plant and Equipment (Annual Improvements 2009-2011 Cycle).

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Notes to the Interim Financial Report.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2013 (UNAUDITED)

In thousands of RM	Attributable to shareholders of the Company											
	Non-distributable								Distributable			
	Share capital	Share premium	Capital redemption reserve	Translation reserve	Revaluation reserve	Fair value reserve	Other capital reserve	Treasury shares	Retained earnings	Total	Non-controlling interest	Total equity
At 1 January 2013 (*Restated)	457,630	39,944	73	(7,915)	2,002	23	2,982	(5,836)	345,779	834,682	133,272	967,954
Foreign exchange translation differences	-	-	-	5,150	-	-	-	-	-	5,150	620	5,770
Total other comprehensive income for the period	-	-	-	5,150	-	-	-	-	-	5,150	620	5,770
Profit for the year	-	-	-	-	-	-	-	-	630	630	10,860	11,490
Total comprehensive income for the period	-	-	-	5,150	-	-	-	-	630	5,780	11,480	17,260
Dividends to owners of the Company	-	-	-	-	-	-	-	-	(35,915)	(35,915)	-	(35,915)
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(22,111)	(22,111)
At 31 December 2013	457,630	39,944	73	(2,765)	2,002	23	2,982	(5,836)	310,494	804,547	122,641	927,188

* Restated due to effect of adoption of Amendments to MFRS 116 ; Property, Plant and Equipment (Annual Improvements 2009-2011 Cycle).

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Notes to the Interim Financial Reports.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2012

In thousands of RM	Attributable to shareholders of the Company — Non-distributable: Share capital	Share premium	Capital redemption reserve	Translation reserve	Revaluation reserve	Fair value reserve	Other capital reserve	Treasury shares	Distributable: Retained earnings	Total	Non-controlling interest	Total equity
At 1 January 2012 (*Restated)	404,756	20,910	73	(1,292)	-	23	2,982	(5,836)	319,916	741,532	128,030	869,562
Foreign exchange translation differences	-	-	-	(6,623)	-	-	-	-	-	(6,623)	496	(6,127)
Revaluation of PPE	-	-	-	-	2,002	-	-	-	-	2,002	-	2,002
Total other comprehensive income for the year	-	-	-	(6,623)	2,002	-	-	-	-	(4,621)	496	(4,125)
Profit for the year	-	-	-	-	-	-	-	-	36,912	36,912	17,107	54,019
Total comprehensive income for the year	-	-	-	(6,623)	2,002	-	-	-	36,912	32,291	17,603	49,894
Issue of shares:												
Conversion of warrants	52,874	19,034	-	-	-	-	-	-	-	71,908	-	71,908
Dividends to owners of the Company	-	-	-	-	-	-	-	-	(11,049)	(11,049)	-	(11,049)
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(12,361)	(12,361)
At 31 December 2012 (*Restated)	457,630	39,944	73	(7,915)	2,002	23	2,982	(5,836)	345,779	834,682	133,272	967,954

* Restated due to effect of adoption of Amendments to MFRS 116 ; Property, Plant and Equipment (Annual Improvements 2009-2011 Cycle).

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Notes to the Interim Financial Report.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2013 (UNAUDITED)

	Twelve Months Ended 31 December	
In thousands of RM	**2013**	**2012 (*Restated)**
Cash flows from operating activities		
Profit before taxation	20,680	71,882
Adjustments for:		
Amortisation of prepaid lease payments	387	422
Change in fair value of investment properties	(18,846)	(7,326)
Depreciation of property, plant and equipment	57,980	57,745
Gain on disposal of asset held for sale	-	(602)
Gain on disposal of property, plant and equipment	(160)	(1,039)
Unrealised foreign exhange (gain)/loss	-	84
Share of profit of equity accounted associates	(2,504)	(2,337)
Impairment loss on property, plant and equipment	-	176
Net impairment loss on intangible assets	15,787	800
Interest income	(5,437)	(2,653)
Finance costs	31,759	35,326
Property, plant and equipment written off	103	168
Operating profit before changes in working capital	99,749	152,646
Change in inventories	72,135	22,692
Change in receivables, deposits and prepayments	86,052	(15,808)
Change in payables and accruals	(49,720)	(58,619)
Cash generated from operations	208,216	100,911
Finance costs paid	(31,759)	(35,326)
Interest income	5,437	2,653
Income tax paid	(19,195)	(18,868)
Net cash generated from/(used in) operating activities	162,699	49,370
Cash flows from investing activities		
Acquisition of property, plant and equipment	(51,191)	(45,465)
Dividend received from associates	1,969	-
Proceeds from disposal of property, plant and equipment	233	4,056
Net cash used in investing activities	(48,989)	(41,409)
Cash flows from financing activities		
Net drawdown/(repayment) of loans and borrowings	(94,008)	56,135
Dividends paid to non-controlling interests	(22,111)	(12,361)
Dividends paid to owners of the Company	(35,915)	(11,049)
Increase in deposits pledged with banks	-	516
Proceeds from exercise of Warrants	-	71,908
Net cash (used in)/generated from financing activities	(152,034)	105,149
Exchange difference on translation of the financial statements of foreign operations	(297)	823
Net (decrease)/increase in cash and cash equivalents	(38,621)	113,933
Cash and cash equivalents at 1 January	293,958	180,025
Cash and cash equivalents as at 31 December	255,337	293,958

* Restated due to effect of adoption of Amendments to MFRS 116 ; Property, Plant and Equipment (Annual Improvements 2009-2011 Cycle).

The Condensed Cash Flow Statement should be read in conjunction with the Notes to the Interim Financial Report.

CHEMICAL COMPANY OF MALAYSIA BERHAD (5136-T)
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NOTES TO THE INTERIM FINANCIAL REPORT

A1) Basis of preparation

The interim financial report is unaudited and has been prepared in accordance with the applicable disclosure provisions of the Listing Requirements of the Bursa Malaysia Securities Berhad and MFRS 134, *Interim Financial Reporting* in Malaysia and with IAS 34, *Interim Financial Reporting*.

The interim financial report has been prepared in accordance with the same accounting policies in the consolidated financial statement as at and for the year ended 31 December 2012.

A2) Changes in Accounting Policies

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the most recent audited financial statements for the financial year ended 31 December 2012.

On 1 January 2013, the Group adopted the following new and amended MFRSs and IC Interpretation mandatory for annual financial periods beginning on or after 1 January 2013:

MFRSs/ Interpretations

- MFRS 10, *Consolidated Financial Statements*
- MFRS 11, *Joint Arrangements*
- MFRS 12, *Disclosure of Interests in Other Entities*
- MFRS 13, *Fair Value Measurement*
- MFRS 119, *Employee Benefits* (2011)
- MFRS 127, *Separate Financial Statements* (2011)
- MFRS 128, *Investments in Associates and Joint Ventures* (2011)
- IC Interpretation 20, *Stripping Costs in the Production Phase of a Surface Mine*
- Amendments to MFRS 7, *Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities*
- Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards – Government Loans*
- Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements 2009-2011 Cycle)*
- Amendments to MFRS 101, *Presentation of Financial Statements (Annual Improvements 2009-2011 Cycle)*
- Amendments to MFRS 116, *Property, Plant and Equipment (Annual Improvements 2009-2011 Cycle)*
- Amendments to MFRS 132, *Financial Instruments: Presentation (Annual Improvements 2009-2011 Cycle)*
- Amendments to MFRS 134, *Interim Financial Reporting (Annual Improvements 2009-2011 Cycle)*
- Amendments to MFRS 10, *Consolidated Financial Statements: Transition Guidance*
- Amendments to MFRS 11, *Joint Arrangements: Transition Guidance*
- Amendments to MFRS 12, *Disclosure of Interests in Other Entities: Transition Guidance*

The adoption of the above did not have any significant effects on the financial statements of the Group except for the effects of adoption of Amendments to MFRS 116.

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A2) Changes in Accounting Policies (continued)

Amendments to MFRS 116, *Property, Plant and Equipment (Annual Improvements 2009-2011 Cycle);*

Amendments to MFRS 116 clarify that items such as spare parts, stand-by equipment and servicing equipment shall be recognised as property, plant and equipment when they meet the definition of property plant and equipment. Otherwise, such items are classified as inventories. Previously, MFRS 116 states that spare parts, stand-by equipment and servicing equipment are usually carried as inventory and recognised in profit or loss as consumed.

Upon adoption of Amendment to MFRS 116, the Group reclassified retrospectively spare parts, stand-by equipment and servicing equipment previously accounted for under inventories to property, plant and equipment.

The adoption of Amendments to MFRS 116 does not have impact on the Group's reported net assets other than the following reclassifications:-

In thousands of RM	As at 31.12.2012	As at 01.01.2012
Statement of Financial Position		
Increase in property, plant and equipment	15,585	15,363
Decrease in inventories	(15,585)	(15,363)

At the date of authorization of these interim financial statements, the Group has not early adopted the following accounting standards that have been issued by the Malaysian Accounting Standards Board ("MASB"):

Amendments to MFRSs effective 1 January 2014 :

MFRS 10, 12 and 127 Consolidated Financial Statements, Disclosure of Interests in Other Entities and Separate Financial Statements: Investment Entities
MFRS 132 Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities.

MFRSs effective 1 January 2015 :

MFRS 7 Financial Instruments: Disclosures – Mandatory Date of MFRS 9 and Transition Disclosures
MFRS 9 Financial Instruments (IFRS 9 issued by IASB in November 2009)
MFRS 9 Financial Instruments (IFRS 9 issued by IASB in October 2010)

A3) Disclosure of audit report qualification

The auditor's report on the financial statements of the Group and the Company for the year ended 31 December 2012 was not subject to any qualification.

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A4) Explanatory comments about the seasonality or cyclicality of operations

The Group's operations were not subjected to any material seasonal or cyclical factor other than market fluctuations in selling prices and costs of raw materials.

A5) Unusual Items due to their nature, size or incidence

There was no item affecting assets, liabilities, net income or cash flows that were unusual because of their nature, size or incidence for the current quarter and financial period under review.

A6) Changes in prior estimates of amounts which materially affect the current interim period

There was no material changes in the prior estimates which would materially affect the current interim period.

A7) Issuances, cancellations, repurchases, resale and repayments of debt and equity securities

There was no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the quarter under review save for RM20 million partial redemption of the RM120 million Unsecured Sukuk Musyarakah on 6 November 2013. The number of Treasury Shares held as at the end of reporting period was 2,998,000.

A8) Dividends paid

A final single tier dividend for financial year ended 31 December 2012 of 5.75 sen per ordinary share totalling RM26.14 million was paid on 23 July 2013.

An interim single tier dividend for financial year ended 31 December 2013 of 2.15 sen per ordinary share totalling RM9.77 million was paid on 15 November 2013.

A9) Segment reporting

	Segment Revenue			
In thousands of RM	**Individual 4th Quarter**		**Cumulative 4th Quarter**	
	2013	**2012**	**2013**	**2012**
Chemicals	72,540	93,111	299,502	352,199
Pharmaceuticals	80,745	70,980	295,033	284,825
Fertilizers	141,973	218,310	692,956	876,332
	295,258	382,401	1,287,491	1,513,356
Others* and inter-segment transactions	(1,721)	(3,393)	1,075	674
Group result	293,537	379,008	1,288,566	1,514,030

** Administrative and non-core activities*

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A9) Segment reporting (continued)

In thousands of RM	Segment Profit/(Loss) Before Tax			
	Individual 4th Quarter		Cumulative 4th Quarter	
	2013	2012	2013	2012
Chemicals	5,857	14,971	18,513	39,023
Pharmaceuticals	11,859	3,315	29,556	25,461
Fertilizers	(9,307)	7,727	(12,922)	10,701
	8,409	26,013	35,147	75,185
Others* and inter-segment transactions	(23,976)	4,493	(14,467)	(3,303)
Group result	(15,567)	30,506	20,680	71,882

** Administrative and non-core activities*

A10) Property, plant and equipment

The Group adopts the cost model for its property, land and building.

A11) Post balance sheet event

Save for corporate proposals disclosed in note B7, there are no other material events after the period end that has not been reflected in the Interim Financial Reports for the financial period ended 31 December 2013.

A12) Effect of changes in the composition of the Group

There was no change in the composition of the Group for the current quarter under review.

A13) Changes in contingent liabilities or contingent assets since the last annual balance sheet date

There were no changes in contingent liabilities or assets as at end of the current interim financial period.

A14) Capital Commitments

Commitments for the purchase of property, plant and equipments as at 31 December 2013.

	At 31 December 2013	At 31 December 2012
	RM'000	RM'000
Approved but not contracted for	35,003	32,785
Contracted but not provided for	35,681	16,772
	70,684	49,557

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Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

B1) Review of Performance

Commentary for Individual Quarter ended 31 December 2013

For the current quarter ended 31 December 2013, the Group recorded revenue of RM293.5 million, lower by 23% compared to the corresponding quarter last year. The Group incurred loss before tax of RM15.6 million for the current quarter under review compared to profit before tax of RM30.5 million recorded in the same quarter last year.

The Group has marketing rights for Asian region (excluding Japan) for Pneumococcal Vaccine ("Vaccine") acquired from Synergy America Inc., in 2006. The Vaccine is currently still at pre-clinical development stage. The Group has assessed the commercial viability of its marketing rights vis-a-vis future development stages of the Vaccine. The Group anticipated that full economic benefits of the marketing rights will not be recovered, and full impairment of RM15.8 million was recognised in the quarter under review.

Chemicals Division recorded a lower profit before tax of RM5.9 million, a decrease of RM9.1 million as compared to the corresponding quarter last year. The lower profit recorded in the quarter was primarily due to a 22% decline in revenue, primarily due to lower selling prices of its chlor alkali products, and lower trading volume from its chemical trading business.

Pharmaceuticals Division recorded profit before tax of RM11.9 million, an increase of RM8.5 million as compared to the corresponding quarter last year. The increase was mainly due to the higher revenue generated primarily from an increased demand from Government Hospitals via tender business and export market.

Fertilizers Division's revenue decreased by 35% to RM142.0 million from RM218.3 million in the same quarter last year. The Division recorded a loss before tax of RM9.3 million from a profit position of RM7.7 million in the same quarter last year. The unexpected July 2013 unravelling of world's largest potash (a key soil nutrient) joint venture had created market uncertainty whereby potash price dropped significantly compared to a year ago. In view of the uncertainty surrounding the raw material prices, plantation owners observed high degree of caution in respect of their purchase of fertilisers, and thus resulted in lower volume sold during the quarter under review. The plants in Lahad Datu and Medan were severely impacted by the sharp decline in sales during the quarter. The Division's continuous cost improvement initiatives had however softened the full impact of the decline in fertilisers' demand, during the quarter under review.

Commentary for Cumulative Quarters ended 31 December 2013

For the financial year ended 31 December 2013, the Group recorded revenue of RM1.29 billion. It was lower by RM225.5 million or 15% as compared to the corresponding period last year, mainly due to lower revenue recorded by Fertilizers and Chemicals Divisions during the financial year. The Group recorded a profit before tax of RM20.7 million for the financial year ended 31 December 2013. This represented a decline of 71% from RM71.9 million in the same period last year.

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B1) Review of Performance (continued)

Included in the Group profit was a RM15.8 million impairment loss of its Marketing Rights for Pneumococcal Vaccine, where the Group has assessed that full economic benefits of the said marketing rights will not be recovered. The impact of impairment loss of the marketing rights was cushioned by the recognition of change in fair value of investment properties of RM18.8 million.

Chemicals Division recorded revenue of RM299.5 million during the financial year, representing a decrease of 15% as compared to the corresponding period last year. The lower revenue recorded during the year was primarily due to lower selling prices for its chlor-alkali products, as well as lower sales volume of its trading business. The Division's profit before tax of RM18.5 million for the year under review was lower by 53% compared to the same period last year. The decrease in profit was largely attributable to the lower selling prices of its chlor-alkali products.

Pharmaceuticals Division recorded revenue of RM295.0 million for the current financial year, an increase of 4% as compared to the same period last year. Profit before tax increased by RM4.1 million from RM25.5 million in 2012 to RM29.6 million in the current year. The higher profit recorded in the current year was primarily attributable to the increase in the revenue generated from both the goverment and private sectors.

The Fertilizers Division recorded revenue of RM693.0 million during the financial year. This was 21% lower compared to the same period last year, contributed by the lower volume of compound fertilisers sold to plantations and export sectors. The Division recorded a loss before tax of RM12.9 million in the year under review as compared to a profit of RM10.7 million in the preceeding year. The financial results for Quarter 3 and Quarter 4 with aggregate losses of RM19.1 million, had weighed down the Division's financial performance to a loss position for the current financial year.

B2) Material changes in the Quarterly Results compared to the results of the Preceding Quarter

The Group's revenue for the current quarter was RM293.2 million, lower by RM17.9 million (or 6%) as compared to the immediate preceding quarter. This was primarily attributable to the decrease in revenue contribution from Fertilizers divisions which saw its revenue decrease by RM25.7 million.

The Group has marketing rights for Asian region (excluding Japan) for Pneumococcal Vaccine ("Vaccine").The Vaccine is currently still at its development stage. The Group has assessed the commercial viability of its marketing rights vis-a-vis future development stages of the Vaccine. The Group anticipated that full economic benefits of the marketing rights will not be recovered, and full impairment of RM15.8 million was recognised in the quarter under review. The impairment loss recognised for the marketing rights coupled with lower gross profit margin registered by Fertilisers Division during the quarter, has resulted to a loss before tax of RM15.6 million as compared to the preceding quarter of a profit before tax of RM11.1 million.

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B3) Prospects for the next financial year

The Group will continue to focus on enhancing business profitability by implementing operational and management best practices across all of its business divisions, as well as strengthening its presence in the region.

For Chemicals Division, the chlor alkali market is experiencing a phase of consolidation but the regional market has shown signs of rebound. The polymer coating business is expected to soften the cyclical effect of the chlor alkali market. The Division is continuously striving to increase its trading margin for the current financial year, which focuses on new trading segments and expansion of its customer base within the region.

The demand for pharmaceuticals products is expected to remain relatively stable throughout the financial year. The prospects for the Division remain positive as it strengthens its position in the local and regional markets.

The outlook for CPO price is likely to be more optimistic than 2013 attributed to declining palm oil inventories in the coming months, thus expectation of higher demand for fertilisers. The Fertilisers Division will continue to focus on costs optimisation and operational excellence to improve margins, in anticipation of higher fertilisers demand for the next manuring season.

The Group's performance for the financial year ending 31 December 2014 is expected to continue to be challenging.

B4) Variance of Actual Profit from Forecast Profit

The Group did not make any profit forecast or issue any profit guarantee.

B5) Taxation

Taxation charge of the Group for the current quarter and financial period was as follows:

	Current Quarter	Current Period
	31-Dec-13	**31-Dec-13**
	RM'000	**RM'000**
Taxation		
In respect of profit for the year	2,313	12,678
Transfer from deferred tax	(1,987)	(3,488)
	326	9,190

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B6) Profit Before Tax

	Current Quarter 31-Dec-13 RM'000	Current Period 31-Dec-13 RM'000
Operating profit is arrived at after charging / (crediting):		
Interest income	(1,037)	(5,437)
Other income including investment income		
- Change in fair value of investment properties	(2,023)	(18,846)
Interest expenses	8,162	31,759
Depreciation and amortization	21,544	58,367
Provision for and write-off of receivables	7	542
Provision for and write-off of inventories	2,081	5,889
Impairment of intangible assets		
- Marketing rights for Pneumococcal Vaccine	15,787	15,787
Net foreign exchange loss/(gain)	1,562	3,679

Other than the above, there was no gain or loss on derivatives or on disposal of investment or properties. There were no other exceptional items during the period under review

B7) Status of corporate proposals that have been announced by the Company but not completed as at the date of this announcement

a) On 30th September 2013, the Company announced that it had entered into a conditional sale and purchase agreement ("SPA") with its major shareholder, Permodalan Nasional Berhad ("PNB"), to dispose 2 contiguous parcels of freehold land together with 3 units of double-storey detached houses located at:

i. GRN 25607, Lot 17, Section 71, Town and District of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur with postal address of No. 16A, Jalan Tun Ismail, 50480 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur ("Lot 17"); and
ii. GRN 14977, Lot 332, Section 71, Town of Kuala Lumpur and District of Wilayah Persekutuan with postal address of No. 18 & 18A, Jalan Tun Ismail, 50480 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur ("Lot 332"),

for a cash consideration of RM74,814,000 ("Disposal Consideration").

The Proposed Disposal has been completed and vacant possession of the Properties has been delivered to PNB on 13 February 2014.

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B7) Status of corporate proposals that have been announced by the Company but not completed as at the date of this announcement (continued)

b) On 1st November 2013, the Company announced the Proposed Internal Restructuring exercise on the acquisition by CCM Usaha Kimia (M) Sdn Bhd ("UKSB") of 99.07% equity interest in CCM Innovative Solutions Sdn Bhd ("CCMIS") and 80% equity interest in CCM Chemicals Sdn Bhd ("CCMC") from the Company.

The Proposed Internal Restructuring will create a Chemicals Division flagship company which will be under the purview of a single board to enhance and streamline the corporate governance practices and policies and procedures as well as ensure that risks are better managed throughout the CCM Group.

All condition precedents as stipulated in Share Sale Agreements to execute the above restructuring exercise have been met and completed on 1 January 2014.

B8) Group Borrowings and Debt Securities

The Group borrowings as at 31 December 2013 were as follows:

	31-Dec-13 RM'000	31-Dec-12 RM'000
Short term borrowings		
Unsecured		
Ringgit Malaysia denominated	318,725	217,869
United States Dollar denominated	50,260	75,774
Singapore Dollar denominated	650	-
	369,635	293,643
Long term borrowings		
Unsecured		
Ringgit Malaysia denominated	380,000	550,000
	380,000	550,000

B9) Off Balance Sheet Financial Instruments

The Group did not have any financial instruments with off balance sheet risks as at the date of this report.

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B10) Earnings per share

	Current Quarter 31-Dec 2013 RM'000	Current Period 31-Dec 2013 RM'000
Basic and Diluted Earnings Per Share:-		
Profit after tax and minority shareholders' interests (RM'000)	(17,192)	630
Issued ordinary shares at beginning of the quarter/year ('000)	457,630	457,630
Weighted average number of ordinary shares ('000) at ending of the quarter/year	457,630	457,630
Basic earnings per share (sen)	(3.76)	0.14

There is no dilution to the earnings per orninary share as there are no dilutive potential ordinary shares.

B11) Dividend

No dividend is proposed for the current quarter under review.

B12) Economic Profit ("EP") Statement

	Current Quarter 31-Dec		Current Period 31-Dec	
In millions of RM	2013	2012	2013	2012
Net operating profit/(loss) after tax ("NOPAT") computation				
Earnings before interest and tax	(8.8)	37.1	44.5	101.9
Adjusted tax	2.2	(9.3)	(11.1)	(25.5)
NOPAT	**(6.6)**	**27.8**	**33.4**	**76.4**
Economic charge computation:				
Average invested capital	1,508.2	1,551.0	1,508.2	1,551.0
Weighted average cost of capital %	5.48%	4.59%	5.48%	4.59%
Economic charge	**20.7**	**17.8**	**82.7**	**71.2**
Economic profit/(loss)	**(27.3)**	**10.0**	**(49.3)**	**5.2**

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B12) Economic Profit ("EP") Statement (continued)

The EP statement is as prescribed under the Government-Linked Corporations (GLC) Transformation program, and is disclosed on a voluntary basis. EP measures the value created by a business during a single period reflecting how much return a business makes over its cost of capital.

B13) Material litigation

There was no material litigation against the Group as at the end of period under review.

B14) Disclosure of Realised and Unrealised

	31 December 2013 RM'000	31 December 2012 (Restated) RM'000
Total retained profits of CCM Berhad and its subsidiaries:		
- Realised	264,497	273,457
- Unrealised	45,997	72,322
Total	**310,494**	**345,779**

B15) Authorisation for issue

The interim financial report was authorised for issue by the Board of Directors in accordance with a resolution of the directors on 27 February 2014.

By Order of the Board

NOOR AZWAH SAMSUDIN (LS0006071)
Company Secretary
27 February 2014