

GUH HOLDINGS BERHAD (Company No. 4104-W)

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2013

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/12/2013 RM '000	PRECEDING YEAR CORRESPONDING QUARTER 31/12/2012 RM '000	CURRENT YEAR TO DATE 31/12/2013 RM '000	PRECEDING YEAR CORRESPONDING PERIOD 31/12/2012 RM '000
Revenue	70,163	63,139	286,569	280,386
Operating expenses	(66,284)	(57,196)	(263,107)	(248,551)
Other operating income	4,122	3,659	8,203	6,997
Finance costs	(2)	(2)	(7)	(2)
Share of profit of associate	1,916	2,150	6,948	8,067
Profit before tax (Note 16)	9,915	11,750	38,606	46,897
Tax expense	(1,620)	(4,272)	(8,023)	(10,687)
Profit for the period/financial year	8,295	7,478	30,583	36,210
Profit for the period/financial year attributable to:				
Owners of the Company	8,150	7,379	29,987	36,111
Non-controlling interests	145	99	596	99
	8,295	7,478	30,583	36,210
Earnings per share (sen):				
(a) Basic	3.08	2.79	11.34	13.23
(b) Diluted	N/A	N/A	N/A	N/A

(The Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2012)

GUH HOLDINGS BERHAD (Company No. 4104-W)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2013

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/12/2013 RM '000	PRECEDING YEAR CORRESPONDING QUARTER 31/12/2012 RM '000	CURRENT YEAR TO DATE 31/12/2013 RM '000	PRECEDING YEAR CORRESPONDING PERIOD 31/12/2012 RM '000
Profit for the period/financial year	8,295	7,478	30,583	36,210
Other comprehensive income:				
Items that will not be reclassified to profit or loss:-				
- Gross revaluation increase of properties	34,004	-	34,004	-
- Deferred tax relating to revalued properties	(7,304)	-	(7,304)	-
Items that may be reclassified subsequently to profit or loss:-				
- Gain/(Loss) on available-for-sale financial assets	(150)	(13)	1,317	(5,505)
- Reclassification adjustment on derecognition of available-for-sale financial assets	-	-	(720)	658
- Currency translation differences for foreign operations	5,054	579	16,058	(4,165)
- Reclassification adjustment on capital repayment from foreign operation	(851)	-	(851)	-
Other comprehensive income for the period/financial year	30,753	566	42,504	(9,012)
Total comprehensive income for the period/financial year	39,048	8,044	73,087	27,198
Total comprehensive income for the period/financial year attributable to :				
Owners of the Company	38,903	7,945	72,491	27,099
Non-controlling interests	145	99	596	99
	39,048	8,044	73,087	27,198

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2012)

GUH HOLDINGS BERHAD (Company No. 4104-W)

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

	AS AT 31/12/2013 RM '000	AS AT 31/12/2012 RM '000
Non-Current Assets		
Property, Plant and Equipment	157,127	125,754
Investment Properties	7,035	6,399
Goodwill	3,348	3,348
Investment in Associate	11,791	20,218
Available-for-sale Financial Assets	17,094	13,511
Investments in Club Memberships	151	140
Land Held for Property Development	49,157	49,601
	<u>245,703</u>	<u>218,971</u>
Current Assets		
Property Development Costs	18,398	22,294
Accrued Billings	9,390	1,909
Assets Held for Sale	470	-
Amounts Due from Customers for Contract Work	5,330	703
Inventories	34,536	32,602
Trade and Other Receivables	63,813	51,624
Prepayments	1,973	1,267
Current Tax Assets	823	1,569
Cash and Cash Equivalents	183,262	160,286
	<u>317,995</u>	<u>272,254</u>
Current Liabilities		
Trade and Other Payables	57,817	57,795
Amounts Due to Customers for Contract Work	59	-
Hire Purchase Payables	66	54
Current Tax Liabilities	2,895	1,578
	<u>60,837</u>	<u>59,427</u>
Net Current Assets	257,158	212,827
Non-Current Liabilities		
Hire Purchase Payables	70	63
Deferred Tax Liabilities	12,712	6,517
	<u>12,782</u>	<u>6,580</u>
Net Assets	490,079	425,218
Equity		
Share Capital	277,905	185,414
Treasury Shares	(12,131)	(12,058)
Reserves	224,305	249,352
	<u>490,079</u>	<u>422,708</u>
Equity Attributable to Owners of the Company	490,079	422,708
Non-controlling Interests	-	2,510
	<u>490,079</u>	<u>425,218</u>
Total Equity	490,079	425,218
Net Assets per Share Attributable to Owners of the Company (RM)	<u>1.82</u>	<u>2.40</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2012)

GUH HOLDINGS BERHAD (Company No. 4104-W)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2013**

	← Non-Distributable →						Distributable *		Equity attributable to owners of the Company RM '000	Non-controlling interests RM '000	Total equity RM '000
	Share capital RM '000	Treasury shares RM '000	Share premium RM '000	Capital redemption reserve RM '000	Revaluation surplus RM '000	Fair value reserve RM '000	Currency translation reserve RM '000	Retained profits RM '000			
At 01/01/2013	185,414	(12,058)	-	65,288	12,152	1,012	(309)	171,209	422,708	2,510	425,218
Gross revaluation increase of properties	-	-	-	-	34,004	-	-	-	34,004	-	34,004
Deferred tax relating to revalued properties	-	-	-	-	(7,304)	-	-	-	(7,304)	-	(7,304)
Gain on available-for-sale financial assets	-	-	-	-	-	1,317	-	-	1,317	-	1,317
Reclassification adjustment on derecognition of available-for-sale financial assets	-	-	-	-	-	(720)	-	-	(720)	-	(720)
Currency translation differences for foreign operations	-	-	-	-	-	-	16,058	-	16,058	-	16,058
Reclassification adjustment on capital repayment from foreign operation	-	-	-	-	-	-	(851)	-	(851)	-	(851)
Other comprehensive income for the financial year	-	-	-	-	26,700	597	15,207	-	42,504	-	42,504
Profit for the financial year	-	-	-	-	-	-	-	29,987	29,987	596	30,583
Total comprehensive income for the financial year	-	-	-	-	26,700	597	15,207	29,987	72,491	596	73,087
Purchase of own shares	-	(73)	-	-	-	-	-	-	(73)	-	(73)
Interim dividend of 6.0 sen per share (less tax at 25%)	-	-	-	-	-	-	-	(7,931)	(7,931)	-	(7,931)
Bonus issue	88,116	-	-	(65,288)	-	-	-	(22,828)	-	-	-
Issue of shares to acquire non-controlling interests	4,375	-	87	-	-	-	-	(1,356)	3,106	(3,106)	-
Share issue transaction costs	-	-	-	-	-	-	-	(222)	(222)	-	(222)
Total transactions with owners	92,491	(73)	87	(65,288)	-	-	-	(32,337)	(5,120)	(3,106)	(8,226)
At 31/12/2013	277,905	(12,131)	87	-	38,852	1,609	14,898	168,859	490,079	-	490,079

* Retained profits as at 31 December 2013 amounting to RM12,044,000, being the excess of treasury shares over share premium, were considered as non-distributable.

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2012)

GUH HOLDINGS BERHAD (Company No. 4104-W)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2013 (cont'd)**

	← Non-Distributable →						Distributable *		Equity attributable to owners of the Company RM '000	Non- controlling interests RM '000	Total equity RM '000
	Share capital RM '000	Treasury shares RM '000	Share premium RM '000	Capital redemption reserve RM '000	Revaluation surplus RM '000	Fair value reserve RM '000	Currency translation reserve RM '000	Retained profits RM '000			
At 01/01/2012	203,070	(18,968)	-	47,632	12,152	5,859	3,856	164,504	418,105	-	418,105
Loss on available-for-sale financial assets	-	-	-	-	-	(5,505)	-	-	(5,505)	-	(5,505)
Reclassification adjustment on derecognition of available-for-sale financial assets	-	-	-	-	-	658	-	-	658	-	658
Currency translation differences for foreign operations	-	-	-	-	-	-	(4,165)	-	(4,165)	-	(4,165)
Other comprehensive income for the financial year	-	-	-	-	-	(4,847)	(4,165)	-	(9,012)	-	(9,012)
Profit for the financial year	-	-	-	-	-	-	-	36,111	36,111	99	36,210
Total comprehensive income for the financial year	-	-	-	-	-	(4,847)	(4,165)	36,111	27,099	99	27,198
Purchase of own shares	-	(14,348)	-	-	-	-	-	-	(14,348)	-	(14,348)
Interim dividend of 6.0 sen per share (less tax at 25%)	-	-	-	-	-	-	-	(8,148)	(8,148)	-	(8,148)
Total transactions with owners	-	(14,348)	-	-	-	-	-	(8,148)	(22,496)	-	(22,496)
Acquisition of subsidiary	-	-	-	-	-	-	-	-	-	2,411	2,411
Cancellation of treasury shares	(17,656)	21,258	-	17,656	-	-	-	(21,258)	-	-	-
At 31/12/2012	185,414	(12,058)	-	65,288	12,152	1,012	(309)	171,209	422,708	2,510	425,218

* Retained profits as at 31 December 2012 amounting to RM12,058,000, being the excess of treasury shares over share premium, were considered as non-distributable.

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2012)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2013**

	CURRENT YEAR TO DATE 31/12/2013 RM '000	PRECEDING YEAR CORRESPONDING PERIOD 31/12/2012 RM '000
Cash flows from operating activities		
Profit before tax	38,606	46,897
Adjustments for:		
Allowance for slow moving inventories	154	154
Deposit written off	-	4
Depreciation	13,453	12,409
Dividend income	(385)	(10,519)
(Gain)/loss on derecognition of available-for-sale financial assets	(720)	549
(Gain)/loss on disposal of property, plant and equipment	(181)	118
(Gain)/loss on foreign exchange	(1,171)	157
Gain on disposal of investment properties	(297)	(379)
Gain on fair value adjustment of investment properties	(1,636)	(2,669)
Impairment loss on loans and receivables	8	11
Interest expense	7	2
Interest income	(4,849)	(4,858)
Inventories written down	105	-
Property, plant and equipment written off	15	689
Revaluation increase of properties	(477)	-
Reversal of allowance for slowing moving inventories	(75)	(96)
Share of profit of associate	(6,948)	(8,067)
	<hr/>	<hr/>
Operating profit before working capital changes	35,609	34,402
Changes in:		
Property development costs	4,340	(14,938)
Accrued billings	(7,481)	2,522
Amounts due from/to customers for contract work	(4,568)	(993)
Inventories	(2,118)	4,000
Receivables and prepayments	(12,763)	17,469
Payables	878	(7,062)
Cash generated from operations	<hr/>	<hr/>
	13,897	35,400
Interest paid	(7)	(2)
Tax paid	(8,164)	(7,082)
Tax refunded	967	226
	<hr/>	<hr/>
	(7,204)	(6,858)
Net cash from operating activities	6,693	28,542
Cash flows from investing activities		
Acquisition of subsidiary, net of cash acquired	(1,000)	(1,978)
Capital repayment from associate	3,874	-
Dividends received	12,742	17,093
Interest received	4,849	4,858
Proceeds from disposal of available-for-sale financial assets	6,824	17,814
Proceeds from disposal of investment properties	827	3,209
Proceeds from disposal of investments in club memberships	-	134
Proceeds from disposal of property, plant and equipment	382	207
Purchase of available-for-sale financial assets	(9,090)	(6,277)
Purchase of property, plant and equipment	(5,500)	(21,292)
Net cash from investing activities	13,908	13,768
Cash flows from financing activities		
Dividend paid	(7,931)	(8,148)
Purchase of own shares	(73)	(14,348)
Repayment of hire purchase obligations	(67)	(18)
Share issue transaction costs paid	(222)	-
Net cash used in financing activities	(8,293)	(22,514)
Currency translation differences	10,668	(2,072)
Net increase in cash and cash equivalents	22,976	17,724
Cash and cash equivalents at beginning of the financial year	160,286	142,562
Cash and cash equivalents at end of the financial year	<hr/>	<hr/>
	183,262	160,286

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2012)

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

1. Basis of Preparation

The interim financial report has been prepared in accordance with requirements of FRS 134: "Interim Financial Reporting" and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad, and should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2012.

The same accounting policies and methods of computation are followed in the interim financial report as compared with the annual financial statements for the year ended 31 December 2012 except for the adoption of the following Financial Reporting Standards ("FRS"), amendments to FRSs and IC Interpretations:

<u>FRS/IC Interpretations</u>	<u>Effective for financial periods beginning on or after</u>
FRS 10 <i>Consolidated Financial Statements</i>	1 January 2013
FRS 11 <i>Joint Arrangements</i>	1 January 2013
FRS 12 <i>Disclosure of Interests in Other Entities</i>	1 January 2013
FRS 13 <i>Fair Value Measurement</i>	1 January 2013
FRS 119 <i>Employee Benefits</i> (amended in 2011)	1 January 2013
FRS 127 <i>Separate Financial Statements</i> (amended in 2011)	1 January 2013
FRS 128 <i>Investments in Associates and Joint Ventures</i> (amended in 2011)	1 January 2013
IC Interpretation 20 <i>Stripping Costs in the Production Phase of a Surface Mine</i>	1 January 2013
Amendments to FRS 1 <i>Government Loans</i>	1 January 2013
Amendments to FRS 7 <i>Disclosures - Offsetting Financial Assets and Financial Liabilities</i>	1 January 2013
Amendments to FRS 10, FRS 11 and FRS 12 <i>Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance</i>	1 January 2013
Amendments to FRS 101 <i>Presentation of Items of Other Comprehensive Income</i>	1 July 2012
Amendments to FRSs contained in the document entitled " <i>Improvements to FRSs (2012)</i> "	1 January 2013

The above FRSs, amendments to FRSs and IC Interpretations did not have any significant impacts on the financial statements of the Group.

In November 2011, the Malaysian Accounting Standards Board ("MASB") issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards ("MFRS") Framework. The issuance was made in conjunction with the MASB's plan to converge with International Financial Reporting Standards ("IFRS") in 2012. The MFRS Framework is a fully IFRS-compliant framework and equivalent to IFRSs.

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 and/or IC Interpretation 15 Agreements for Construction of Real Estate, including their parents, significant investors and venturers ("Transitioning Entities"). Transitioning Entities are allowed to continue applying the FRS Framework for annual periods beginning on or after 1 January 2014.

Being a Transitioning Entity as defined above, the Group has elected to continue preparing its financial statements in accordance with the FRS Framework and will present its first MFRS financial statements when the MFRS Framework is mandated by the MASB.

2. Audit Report

The preceding annual financial statements of the Group were reported on without any qualification.

3. Seasonal or Cyclical Factors

The business operations of the Group were not materially affected by any seasonal or cyclical factors.

4. Unusual Items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current year quarter and year ended 31 December 2013.

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

5. **Changes in Estimates**

There were no changes in the estimates that have a material effect in the current year quarter and year ended 31 December 2013.

6. **Debt and Equity Securities**

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities except for the following:

Bonus Issue and Issuance of Shares

On 13 November 2013, the Company issued 88,116,176 bonus shares, credited as fully paid up on the basis of one (1) bonus share for every two (2) existing shares held by the entitled shareholders of the Company.

On 26 December 2013, the Company issued 4,374,300 ordinary shares of RM 1.00 each to satisfy the purchase consideration of RM 4,461,787 for the acquisition of the remaining 30% equity interest in Teknoserv Engineering Sdn Bhd by GUH Water Holdings Sdn Bhd, a wholly-owned subsidiary of the Company.

Upon completion of the above, the number of issued and paid up ordinary share capital listed and quoted on Bursa Malaysia Securities Berhad is 277,904,539.

Share Buy Back

During the year ended 31 December 2013, a total of 60,000 ordinary shares were purchased from the open market for a total consideration of RM 0.07 million. The shares purchased were financed by internally generated funds and are held as treasury shares in accordance with the requirements of Section 67A of the Companies Act, 1965.

7. **Dividend Paid**

On 19 August 2013, the Board of Directors proposed for an interim dividend of 6.0 sen per share (less tax at 25%) for the financial year ended 31 December 2013. The dividend was paid on 18 September 2013 to shareholders whose names appear in the Record of Depositors of the Company at the close of business on 3 September 2013.

8. **Segmental Reporting**

Analysis by activity	Manufacture of Printed Circuit Boards RM '000	Property Development RM '000	Sale of Electrical Appliances RM '000	Cultivation of Oil Palm RM '000	Water and Waste Water Treatment RM '000	Unallocated Non-Operating Segments RM '000	Group RM '000
Revenue							
Total revenue	208,747	44,167	7,031	1,634	23,262	11,080	295,921
Intersegment revenue	-	-	(4)	-	-	(9,348)	(9,352)
External revenue	208,747	44,167	7,027	1,634	23,262	1,732	286,569
Results							
Segment results	10,012	11,998	296	682	2,516	1,312	26,816
Interest income	2,913	487	22	-	132	1,295	4,849
Interest expense	-	-	-	-	(7)	-	(7)
Share of profit of associate	-	-	-	-	-	6,948	6,948
Profit before tax	12,925	12,485	318	682	2,641	9,555	38,606
Tax expense	(3,421)	(3,332)	(56)	(173)	(691)	(350)	(8,023)
Profit for the financial year	9,504	9,153	262	509	1,950	9,205	30,583
Assets							
Segment assets	322,524	114,585	4,671	866	19,022	89,416	551,084
Associate	-	-	-	-	-	11,791	11,791
Income tax assets	246	130	1	11	-	435	823
Total assets	322,770	114,715	4,672	877	19,022	101,642	563,698

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

9. **Subsequent Material Events**

There were no material events subsequent to the end of the reporting period that have not been reflected in the financial statements.

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

There were no changes in the composition of the Group during the year ended 31 December 2013 other than:

On 27 December 2013, the Company announced that its wholly-owned subsidiary, namely GUH Water Holdings Sdn. Bhd. ("GUH Water") has completed the acquisition of 300,000 ordinary shares of RM 1.00 each in Teknoserv Engineering Sdn Bhd ("Teknoserv"), representing the remaining 30% equity interest not already owned by GUH Water in Teknoserv for a purchase consideration of RM 4,461,787 satisfied by the issuance of ordinary shares of RM 1.00 each in the Company. As such, Teknoserv is now a wholly-owned subsidiary of GUH Water.

11. **Contingent Liabilities or Contingent Assets**

The Group has no contingent liabilities and contingent assets as at the end of the current year quarter or last annual reporting date.

12. **Review of the Performance**

Operating Segment	Current Year Quarter 31/12/2013 RM '000	Preceding Year Corresponding Quarter 31/12/2012 RM '000	Current Year To Date 31/12/2013 RM '000	Preceding Year Corresponding Period 31/12/2012 RM '000
Revenue				
Manufacture of printed circuit boards	53,556	46,109	208,747	222,927
Property development	7,279	12,239	44,167	33,782
Sale of electrical appliances	1,671	1,958	7,027	7,574
Cultivation of oil palm	397	345	1,634	2,176
Water and waste water treatment	6,891	2,002	23,262	2,002
Unallocated non-operating segments	369	486	1,732	11,925
Total	70,163	63,139	286,569	280,386
Profit before tax				
Manufacture of printed circuit boards	3,056	2,234	12,925	13,906
Property development	2,068	4,596	12,485	11,815
Sale of electrical appliances	104	(11)	318	283
Cultivation of oil palm	119	65	682	1,180
Water and waste water treatment	670	323	2,641	170
Unallocated non-operating segments	3,898	4,543	9,555	19,543
Total	9,915	11,750	38,606	46,897

a) **Current Year Quarter vs Previous Year Corresponding Quarter**

The Group's profit before tax of RM 9.9 million for the current year quarter ended 31 December 2013 was RM 1.9 million lower than the profit before tax of RM 11.8 million for the previous year corresponding quarter mainly due to lower contribution from Property Division.

Detailed analysis of the performance of the Group's operating segments for the current year quarter ended 31 December 2013 compared to the previous year corresponding quarter is as follows:

i) **Manufacture of printed circuit boards**

Profit before tax increased to RM 3.1 million from RM 2.2 million mainly driven by higher revenue achieved by China operation.

ii) **Property development**

Profit before tax decreased to RM 2.1 million from RM 4.6 million in line with the drop in revenue for commercial properties since there were no commercial properties launched in 2013.

iii) **Sale of electrical appliances**

Positive variance of RM 0.1 million was mainly due to the reversal of provision for employee compensation.

iv) **Cultivation of oil palm**

Profit before tax increased to RM 0.1 million from RM 0.07 million mainly attributed to higher average selling price.

v) **Water and waste water treatment**

Profit before tax increased to RM 0.7 million from RM 0.3 million mainly on higher contribution from water projects in Malaysia.

vi) **Unallocated non-operating segments**

Profit before tax decreased to RM 3.9 million from RM 4.5 million mainly because of lower gain on fair value adjustment of investment properties.

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

12. **Review of the Performance (cont'd)**

b) Current Year-to-date vs Previous Year-to-date

For the year ended 31 December 2013, the Group recorded a lower profit before tax of RM 38.6 million compared to RM 46.9 million for the previous year mainly resulting from lower dividend income from available-for-sale financial assets following the disposal of Leader shares in 2012.

Detailed analysis of the performance of the Group's operating segments for the period ended 31 December 2013 compared to the previous year is as follows:

i) Manufacture of printed circuit boards

Profit before tax decreased to RM 12.9 million from RM 13.9 million mainly due to the plunge in revenue amidst weak market demand for audio and video electronic products as well as stiff price competition.

ii) Property development

Profit before tax increased to RM 12.5 million from RM 11.8 million in line with higher residential properties sold.

iii) Sale of electrical appliances

Profit before tax was about the same at RM 0.03 million compared to 2012.

iv) Cultivation of oil palm

Profit before tax dropped to RM 0.7 million from RM 1.2 million on lower FFB production and average selling price.

v) Water and waste water treatment

Profit before tax increased to RM 2.6 million from RM 0.2 million mainly attributed to higher contribution from water projects in Malaysia.

vi) Unallocated non-operating segments

Profit before tax decreased to RM 9.6 million from RM 19.5 million mainly due to substantial drop in dividend income from available-for-sale financial assets following the disposal of Leader shares in 2012.

13. **Material Changes in the Quarterly Results Compared to the Results of the Preceding Quarter**

As compared to the preceding quarter, the Group's profit before tax improved to RM 9.9 million (Q3'13: RM 8.7 million) despite a lower revenue of RM 70.2 million (Q3'13: RM 75.9 million) mainly due to gain on fair value adjustment of investment properties.

14. **Prospects for 2014**

Electronic Division expects a growth in revenue mainly from improvements in sales of double-sided and multi-layer PCBs.

Property Division expects a slower growth in revenue in view of the tightening on credit with stricter lending criteria and lower margin of financing.

Electrical Division also anticipates a marginal hike in revenue and higher operating expenses for 2014.

Plantation Division predicts a positive outlook for 2014 on improvement in FFB production.

Water and Waste Water Treatment Division expects better performance in line with the increase in order books in 2014.

Overall, the Group foresees quite a positive year for 2014 amidst intensified market competition and rising operating costs.

15. **Variance from Profit Forecast and Profit Guarantee**

The Group has not provided any profit forecast or profit guarantee in a public document.

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

16. **Profit Before Tax**

	Current Year Quarter 31/12/2013 RM'000	Current Year To Date 31/12/2013 RM'000
Profit before tax is arrived at after charging:		
- Interest expense	2	7
- Depreciation	3,423	13,453
- Impairment loss on loans and receivables	-	8
- Allowance for slow moving inventories	71	154
- Inventories written down	105	105
- Inventories written off	-	-
- Loss on foreign exchange - realised	(77)	-
- Loss on foreign exchange - unrealised	-	-
- Loss on financial instruments at fair value through profit or loss	-	2
- Impairment loss on available-for-sale financial assets	-	-
- Property, plant and equipment written off	-	15
- Exceptional items	-	-
and crediting:		
- Interest income	1,242	4,849
- Dividend income	-	385
- Gain on disposal of property, plant and equipment	(7)	181
- Gain on disposal of investment properties	297	297
- Gain on derecognition of available-for-sale financial assets	-	720
- Gain on fair value adjustment of investment properties	1,636	1,636
- Revaluation increase of properties	477	477
- Gain on foreign exchange - realised	507	507
- Gain on foreign exchange - unrealised	269	321
- Gain on derivatives	-	-

17. **Taxation**

Taxation comprises:

	Current Year Quarter 31/12/2013 RM '000	Current Year To Date 31/12/2013 RM '000
Income tax	(2,050)	(9,280)
Deferred tax	430	1,257
	<u>(1,620)</u>	<u>(8,023)</u>

The Group's effective tax rates differ from the statutory tax rate mainly because:

- (i) certain income and expenses which are not taxable and allowable; and
- (ii) utilisation of unabsorbed capital allowances by certain subsidiaries.

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

18. Status of Corporate Proposals

There were no corporate proposals announced but not completed as at the date of this announcement.

19. Group Borrowings and Debt Securities

Group borrowings and debt securities as at 31 December 2013

	RM '000
Secured	136
Unsecured	-
(a) Total	136
Short term	66
Long term	70
(b) Total	136
Ringgit Malaysia	136
Foreign currency	-
(c) Total	136

20. Financial Instruments

a) Derivatives

There were no outstanding derivatives as at 31 December 2013.

b) Gains/(Losses) Arising from Fair Value Changes of Financial Liabilities

There were no gains/(losses) arising from fair value changes of financial liabilities for the current year quarter and year ended 31 December 2013.

21. Breakdown of Realised and Unrealised Profits or Losses of the Group

The breakdown of the retained profits of the Group as at 31 December 2013, into realised and unrealised profits, pursuant to the directive of Bursa Malaysia Securities Berhad, is as follows:

	As at 31/12/2013 RM'000	As at 31/12/2012 RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	243,668	235,114
- Unrealised	3,889	2,253
	247,557	237,367
Total share of retained profits of associate:		
- Realised	10,961	16,391
- Unrealised	-	-
	258,518	253,758
Consolidation adjustments and eliminations	(89,659)	(82,549)
Total retained profits as per statement of financial position	168,859	171,209

The segregation of realised and unrealised profits or losses is based on Guidance on Special Matter No.1 "Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements", issued by the Malaysian Institute of Accountants on 20 December 2010.

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

22. **Material Litigation**

There was no material litigation against the Group as at 31 December 2013.

23. **Proposed Dividend**

No dividend has been proposed or declared for the current year quarter ended 31 December 2013.

24. **Earnings Per Share**

	Current Year Quarter 31/12/2013	Current Year To Date 31/12/2013
Profit attributable to owners of the Company (RM '000)	8,150	29,987
Number of ordinary shares in issue at the beginning of the period ('000)	176,233	176,293
Effect of shares purchased ('000)	-	(45)
Effect of bonus issue ('000)	88,116	88,124
Effect of shares issue ('000)	285	72
Weighted average number of ordinary shares in issue ('000)	264,634	264,444
Basic earnings per share (sen)	3.08	11.34

Diluted earnings per share are not presented as there are no dilutive potential ordinary shares in the current year quarter and year ended 31 December 2013.

25. **Authorisation for Issue**

The Board of Directors authorised the issue of this unaudited interim financial report on 11 February 2014.