MALAYAN UNITED INDUSTRIES BERHAD

Company No: 3809-W

(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT
FOURTH QUARTER ENDED 31 DECEMBER 2013

(The figures are unaudited)

CONDENSED CONSOLIDATED INCOME STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013

	FOURTH QUARTER		CUMULATIVE 12 MONTHS	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
	RM'000	RM'000	RM'000	RM'000
Continuing operations				
Revenue	181,756	184,087	663,564	656,418
Cost of sales	(133,670)	(124,612)	(446,385)	(425,000)
Gross profit	48,086	59,475	217,179	231,418
Other income	2,356	4,461	12,983	14,722
Distribution costs	(3,557)	(3,323)	(14,077)	(13,831)
Administrative expenses	(21,387)	(22,082)	(80,378)	(80,150)
Other operating expenses	(20,317)	(27,720)	(86,780)	(96,599)
Profit from operations	5,181	10,811	48,927	55,560
Exceptional items (refer Note A4)	(20,732)	15,592	5,462	(22,651)
Finance cost	(13,861)	(13,877)	(52,644)	(58,056)
Share of results of associates	7,460	(38,353)	17,652	(25,829)
(Loss)/Profit before taxation	(21,952)	(25,827)	19,397	(50,976)
Tax expense	(1,985)	(5,837)	(12,352)	(18,072)
(Loss)/Profit from continuing operations	(23,937)	(31,664)	7,045	(69,048)
Discontinued operation				
Profit before taxation	-	3,717	-	180,065
Tax expense	-	(483)	-	(2,446)
Profit from discontinued operation, net of tax	-	3,234	-	177,619
(Loss)/Profit for the financial period/year	(23,937)	(28,430)	7,045	108,571
Profit/(Loss) attributable to:-				
Equity holders of the Company	(15,833)	(17,824)	1,473	31,538
Non-controlling interests	(8,104)	(10,606)	5,572	77,033
(Loss)/Profit for the financial period/year	(23,937)	(28,430)	7,045	108,571
(Loss)/Earnings per share attributable to equity holders of the Company:-	**Sen**	**Sen**	**Sen**	**Sen**
Continuing operations				
Basic	(0.54)	(0.89)	0.05	(2.86)
Fully diluted	(0.54)	(0.89)	0.05	(2.86)
Discontinued operation				
Basic	-	0.08	-	4.35
Fully diluted	-	0.08	-	4.35

The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.

MALAYAN UNITED INDUSTRIES BERHAD

Company No: 3809-W

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013

	FOURTH QUARTER		CUMULATIVE 12 MONTHS	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
	RM'000	RM'000	RM'000	RM'000
(Loss)/Profit for the financial period/year	(23,937)	(28,430)	7,045	108,571
Other comprehensive income/(loss), net of tax:-				
Foreign currency translation differences for foreign subsidiaries	13,650	(170)	46,644	(9,232)
Fair value of available-for-sale investments				
- Loss on fair value changes	(109)	(197)	(1,451)	(1,688)
- Transfer to profit or loss upon disposal	(222)	(2,378)	(5,161)	(10,195)
Revaluation realised upon disposal of property, plant and equipment	885	-	885	-
Share of other comprehensive income of associates	-	3,963	-	3,963
Other comprehensive income/(loss) for the financial period/year	14,204	1,218	40,917	(17,152)
Total comprehensive income/(loss) for the financial period/year	(9,733)	(27,212)	47,962	91,419
Total comprehensive income/(loss) attributable to:-				
Equity holders of the Company	(4,388)	(14,294)	38,353	20,697
Non-controlling interests	(5,345)	(12,918)	9,609	70,722
Total comprehensive income/(loss) for the financial period/year	(9,733)	(27,212)	47,962	91,419

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.

MALAYAN UNITED INDUSTRIES BERHAD

Company No: 3809-W

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2013

	31.12.2013 RM'000	31.12.2012 RM'000 (Audited)
ASSETS		
Non-Current Assets		
Property, plant and equipment	635,424	623,373
Investment properties	78,566	79,443
Investment in associates	411,825	401,387
Other investments	12,589	33,755
Land held for property development	35,263	35,263
Goodwill on consolidation	181,340	181,340
Deferred tax assets	2,250	1,879
	1,357,257	1,356,440
Current Assets		
Property development costs	81,313	84,763
Inventories	89,612	99,363
Trade and other receivables	215,692	229,371
Held-to-maturity investments	-	10,021
Other investments	155	4,038
Current tax assets	4,487	2,787
Deposits, bank balances and cash	389,876	417,753
	781,135	848,096
Non-current assets held for sale	-	4,500
	781,135	852,596
TOTAL ASSETS	2,138,392	2,209,036
EQUITY AND LIABILITIES		
Equity Attributable To Equity Holders Of The Company		
Share capital	2,932,561	2,932,561
Reserves	(2,155,826)	(2,207,825)
	776,735	724,736
Non-Controlling Interests	248,807	299,185
Total Equity	1,025,542	1,023,921
Non-Current Liabilities	643,674	681,763
Current Liabilities		
Trade and other payables	122,841	140,187
Borrowings	344,294	357,131
Current tax liabilities	2,041	6,034
	469,176	503,352
Total Liabilities	1,112,850	1,185,115
TOTAL EQUITY AND LIABILITIES	2,138,392	2,209,036
	RM	**RM**
Net assets per share attributable to equity holders of the Company	0.26	0.25

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.

MALAYAN UNITED INDUSTRIES BERHAD

Company No: 3809-W

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013

	Attributable to Equity Holders of the Company						Non-Controlling Interests	Total Equity
CUMULATIVE 12 MONTHS	**Share Capital RM'000**	**ICULS# RM'000**	**Non-Distributable Reserves RM'000**	**Distributable Reserves RM'000**	**Accumulated Losses RM'000**	**Total RM'000**	**RM'000**	**RM'000**
At 1 January 2013	2,932,561	-	274,565	25,257	(2,507,647)	724,736	299,185	1,023,921
Total comprehensive income for the financial year	-	-	35,995	-	2,358	38,353	9,609	47,962
Effect of change in equity in subsidiaries	-	-	-	-	13,646	13,646	(19,226)	(5,580)
Effect of capital reduction by a subsidiary	-	-	-	-	-	-	(48,260)	(48,260)
Disposal of ordinary shares by a subsidiary to non-controlling interests							14,668	14,668
Dividend paid to non-controlling interests							(7,169)	(7,169)
	-	-	-	-	13,646	13,646	(59,987)	(46,341)
At 31 December 2013	2,932,561	-	310,560	25,257	(2,491,643)	776,735	248,807	1,025,542
At 1 January 2012	2,029,773	850,927	285,407	25,257	(2,486,516)	704,848	308,732	1,013,580
Total comprehensive (loss)/income for the financial year	-	-	(10,841)	-	31,538	20,697	70,722	91,419
Conversion of ICULS to ordinary shares	902,788	(902,788)	-	-	-	-	-	-
Amortisation of discount on ICULS	-	16,959	-	-	(16,959)	-	-	-
Issuance of A3 ICULS, net of amortisation	-	34,902	-	-	(34,902)	-	-	-
Repurchase of shares by a subsidiary	-	-	-	-	50	50	(69)	(19)
Effect of dissolution of a subsidiary	-	-	(1)	-	22	21	(21)	-
Disposal of ordinary shares by a subsidiary to non-controlling interests	-	-	-	-	(880)	(880)	20,888	20,008
Dividend paid to non-controlling interests	-	-	-	-	-	-	(101,067)	(101,067)
	902,788	(850,927)	(1)	-	(52,669)	(809)	(80,269)	(81,078)
At 31 December 2012	2,932,561	-	274,565	25,257	(2,507,647)	724,736	299,185	1,023,921

ICULS refers to Class A1 and Class A2, 8-year Irredeemable Convertible Unsecured Loan Stocks stated net of discount and Class A3, 2 ½-year Irredeemable Convertible Unsecured Loan Stocks.

The Condensed Consolidated Statements of Changes In Equity should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.

MALAYAN UNITED INDUSTRIES BERHAD

Company No: 3809-W

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013

	CUMULATIVE 12 MONTHS	
	31.12.2013	31.12.2012
	RM'000	RM'000
Cash Flows From Operating Activities		
Profit/(Loss) before taxation		
- Continuing operations	19,397	(50,976)
- Discontinued operation	-	180,065
	19,397	129,089
Net adjustments	30,347	(56,230)
Operating profit before working capital changes	49,744	72,859
Net change in working capital	27,488	(11,986)
Cash generated from operations	77,232	60,873
Employee benefits paid	(181)	(636)
Interest paid	(1,402)	(3,042)
Interest received	865	9,211
Net tax paid	(19,732)	(23,277)
Net cash generated from operating activities	56,782	43,129
Cash Flows From Investing Activities		
Dividend received	31,404	28,791
Interest received	6,740	5,106
Proceeds from disposal of property, plant and equipment	38,483	153
Proceeds from disposal of development property	-	-
Proceeds from disposal of non-current assets held for sale	-	32,443
Proceeds from disposal of other investments	23,826	103,010
Proceeds from disposal of shares in a subsidiary	-	20,008
Proceeds from maturity of investments in government bonds and securities	10,134	19,989
Proceeds from disposal of insurances business	-	(83,910)
Purchase of additional interests in subsidiary	(5,580)	-
Purchase of additional interests in an associate	-	(2,916)
Purchase of investments	(18)	(5,885)
Purchase of property, plant and equipment	(14,651)	(18,033)
Net cash generated from investing activities	90,338	98,756
Cash Flows From Financing Activities		
Capital repayment to non-controlling interests of subsidiary	(48,260)	-
Dividend paid to non-controlling interests of a subsidiary	(7,169)	(101,067)
Interest paid	(50,597)	(55,014)
Net repayments of bank borrowings	(67,869)	(124,550)
Share repurchased by a subsidiary	-	(19)
Net cash used in financing activities	(173,895)	(280,650)
Effects of exchange rate changes	6,206	1,890
Net decrease in cash and cash equivalents	(20,569)	(136,875)
Cash and cash equivalents at 1 January		
As previously reported	369,871	507,897
Effects of exchange rate changes on cash and cash equivalents	808	(1,151)
As restated	370,679	506,746
Cash and cash equivalents at 31 December	350,110	369,871

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.

A. NOTES TO THE INTERIM FINANCIAL REPORT

A1 Basis of preparation

The interim financial statements, other than for financial instruments, have been prepared under the historical cost convention. Certain financial instruments have been carried at fair value in accordance to FRS 139 Financial Instrument : Recognition and Measurement.

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2012. 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 year ended 31 December 2012.

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2012 except for the adoption of the following new Financial Reporting Standards ("FRSs"), Amendments to FRSs and IC Interpretations which are applicable for the Group's financial period beginning 1 January 2013:-

FRS 3	*Business Combinations*
FRS 10	*Consolidated Financial Statements*
FRS 11	*Joint Arrangements*
FRS 12	*Disclosure of Interests in Other Entities*
FRS 13	*Fair Value Measurement*
FRS 119	*Employee Benefits (revised)*
FRS 127	*Separate Financial Statements (revised)*
FRS 128	*Investments in Associates and Joint Ventures*
Amendments to FRS 1	*Government Loans*
Amendments to FRS 7	*Financial Instruments: Disclosures - Offsetting Financial Assets and Financial Liabilities*
Amendments to FRS 10	*Consolidated Financial Statements: Transition Guidance*
Amendments to FRS 11	*Joint Arrangements: Transition Guidance*
Amendments to FRS 12	*Disclosure of Interests in Other Entities: Transition Guidance*
Amendments to FRS 101	*Presentation of Items of Other Comprehensive Income*
Annual Improvements to IC Interpretations and FRSs 2009 - 2011 Cycle	

The adoption of the above pronouncements did not have any impact on the financial statements of the Group.

Malaysian Financial Reporting Standards

On 19 November 2011, the Malaysian Accounting Standards Board ("MASB") issues 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 and IC Interpretation 15 Agreements for Construction of Real Estate, including its parent, significant investor and venturer (herein called "Transitioning Entities").

Transitioning Entities will be allowed to defer adoption of the new MFRS Framework for an additional one year. Consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2013. The MASB has on 7 August 2013 decided that Transitioning Entities will be given an option to continue with the existing FRS Framework. Consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2015.

MUI Properties Berhad, a subsidiary of the Company falls within the scope of definition of Transitioning Entities and has opted to defer adoption of the new MFRS Framework. As a result, the Group also temporarily deferred the adoption of the new MFRS Framework. Accordingly, the Group will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 December 2015. 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.

At the date of these financial statements, the Group has not completed its quantification 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 for the year ended 31 December 2013 could be different if prepared under the MFRS Framework.

The Group expects to be in a position to fully comply with the requirement of the MFRS Framework for the financial year ending 31 December 2015.

A2 Seasonal or Cyclical Factors

The Group's businesses where seasonal or cyclical factors, other than economic factors, would have some effects on operations are as follows:-

(a) The retailing operations in United Kingdom normally record better sales in the fourth quarter of the financial year due to the Christmas season. Similarly, the retailing operations in Malaysia have seasonal peaks in tandem with the various festive seasons and during sales promotions;

(b) The hotel operations in United Kingdom normally will experience low trading after Christmas, New Year and Easter due to the after effects of the holiday seasons. Additionally, winter periods will also experience a decline in trading; and

(c) The food and confectionery operations in Malaysia, Singapore and Hong Kong normally record better sales during the various festive seasons.

A3 Changes in estimates

There were no significant changes in estimates of the amounts reported in prior financial years which have a material effect in the current financial year.

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

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence in the financial period/year ended 31 December 2013 other than the exceptional items as follows:-

Exceptional items	**FOURTH QUARTER**		**CUMULATIVE 12 MONTHS**	
	31.12.2013	**31.12.2012**	**31.12.2013**	**31.12.2012**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Continuing operations				
Bad debts recovered	(275)	-	(275)	-
Gain on deconsolidation of a subsidiary	-	29	-	29
Gain on disposal of a leasehold property	133	-	21,660	-
Impairment on goodwill	-	-	-	(39,068)
Impairment on investments	(15)	(1,929)	(15)	(1,951)
Impairment on property, plant & equipment	-	(2,765)	-	(2,765)
Impairment on receivables	(15,503)	(1,769)	(15,672)	(1,214)
(Loss)/Gain on disposal of investments (non-current)	(425)	22,693	4,577	20,091
(Loss)/Gain on foreign exchange	(3,635)	(667)	(3,801)	2,227
Loss on legal suit with Management Corporation of Paradise Lagoon Apartment	(1,012)	-	(1,012)	-
	(20,732)	15,592	5,462	(22,651)
Discontinued operation				
Gain on disposal of discontinued operation	-	12,639	-	180,228
Gain on foreign exchange	-	27	-	-
Bad debts written off	-	(50)	-	(50)
Impairment on receivables	-	-	-	(2,839)
	-	12,616	-	177,339
	(20,732)	28,208	5,462	154,688

A5 Issuances, Repurchases and Repayments of Debts and Equity Securities

There were no issuances or repayments of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares by the Company for the financial year ended 31 December 2013.

A6 Dividend Paid

No dividend was paid by the Company during the financial year ended 31 December 2013 (31 December 2012 : Nil).

A7 Operating Segments

The analysis of the Group's operations for the financial year ended 31 December 2013 is as follows:-

(a) Revenue

	External Customers RM'000	Inter-segment RM'000	Total Revenue RM'000	Share of Associates' Revenue RM'000	Net Revenue RM'000
Continuing Operations:-					
Retailing	875,804 *	-	875,804	(507,599) *	368,205
Hotels	169,482	(86)	169,396	-	169,396
Foods & Confectionery	78,495	-	78,495	-	78,495
Financial Services	7,532	-	7,532	(7,532)	-
Property	47,449	-	47,449	-	47,449
Others	18,621	(6,860)	11,761	(11,742)	19
Total	1,197,383	(6,946)	1,190,437	(526,873)	663,564

(b) Results

	Profit from Operations RM'000	Exceptional Items RM'000	Finance Costs RM'000	Share of Associates' Results RM'000	Profit/(Loss) Before Taxation RM'000
Continuing Operations:-					
Retailing	18,773	(7,693)	(2,904)	21,595 *	29,771
Hotels	29,868	(31)	(1,207)	-	28,630
Foods & Confectionery	3,203	20,910	(28)	-	24,085
Financial Services	-	-	-	(6,769)	(6,769)
Property	14,036	-	(124)	-	13,912
Others	(16,953)	(7,724)	(48,381)	2,826	(70,232)
Total	48,927	5,462	(52,644)	17,652	19,397

(c) Assets

	Segment Assets RM'000	Investment In Associates RM'000	Total RM'000
Retailing	341,346	166,254	507,600
Hotels	461,897	-	461,897
Foods & Confectionery	208,924	-	208,924
Financial Services	-	-	-
Property	217,605	-	217,605
Others	490,058	245,571	735,629
	1,719,830	411,825	2,131,655
Unallocated Corporate Assets			6,737
Total Assets			2,138,392

** Includes estimated results of an associate*

A8 Events Subsequent to the End of the Interim Reporting Period

There are no material events subsequent to the end of the financial year ended 31 December 2013 that have not been reflected in the financial statements for the said period as at the date of this report.

A9 Changes in the Composition of the Group

There were no changes in the composition of the Group during the financial year ended 31 December 2013.

A10 Contingent Liabilities

There are no material contingent liabilities as at the date of this report.

A11 Capital Commitments

There are no material commitments as at the date of this report.

A12 Discontinued Operation

On 10 April 2012, MUI Continental Berhad (formerly known as MUI Continental Insurance Berhad) ("MCI"), a subsidiary, made an application to Bank Negara Malaysia ("BNM") for its approval in respect of the disposal of MCI's insurance assets and liabilities to Tokio Marine Insurans (Malaysia) Berhad ("TMIM"), for a premium of RM180,228,000 in accordance with the terms and conditions set out in the agreement for the sale and purchase ("the disposal"). The value of the insurance assets to be transferred to TMIM shall be equal to the value of the insurance liabilities assumed by TMIM at the transfer date. The disposal was approved by BNM vide its letter dated 8 May 2012. On 22 May 2012, the Company announced that MCI entered into an agreement for the sale and purchase of assets and liabilities with TMIM. The disposal was approved by the shareholders of MUI at the extraordinary general meeting held on 27 June 2012. On 17 August 2012, MCI extracted the sealed Court Order obtained on 14 August 2012 confirming the disposal. In accordance with the said Court Order, the transfer date of the disposal was 1 September 2012.

In view of the disposal for the financial year ended 31 December 2012, the operation of the insurance business was reclassified as discontinued operation as follows:

	CUMULATIVE 12 MONTHS	
	31.12.2013 RM'000	31.12.2012 RM'000
Revenue	-	161,479
Other income	-	2,319
Expenses	-	(161,072)
Profit from operations	-	2,726
Exceptional items (Refer note A4)	-	177,339
Profit before taxation	-	180,065
Tax expense	-	(2,446)
Profit for the financial period	-	177,619

B. NOTES PER BURSA SECURITIES MAIN MARKET LISTING REQUIREMENTS

B1 Review of Performance of the Company and its Principal Subsidiaries

For the financial year ended 31 December 2013, the Group recorded higher revenue of RM663.6 million and higher profit before tax ("PBT") of RM19.4 million from continuing operations compared with revenue of RM656.4 million and loss before tax ("LBT") of RM50.9 million from continuing operations for the same period last financial year.

The PBT for the current financial year under review was mainly due to the share of lower impairment of assets in associates and the exceptional gain on disposal of a leasehold land & building in Woodlands, Singapore.

In retailing division, Laura Ashley Holdings plc ("Laura Ashley") reported that total retail sales for the first 19 weeks of the second half to 7 December 2013 decreased by 2.0% year on year, with like for like sales decreased by 0.7%. In the same reporting period, e-Commerce recorded sales growth of 1.0%. Metrojaya recorded higher revenue but lower PBT in the current financial year compared with the same period last financial year. The higher revenue in the current financial year was mainly due to the newly opened department store in Kuching. The lower PBT was mainly due to the lower performance in certain specialty stores.

The Group’s hotel operations in Malaysia recorded marginal increase in revenue but lower PBT in the current financial year compared with the same period last year. This is due to the market repositioning after the completion of refurbishment on it's Corus hotel, Jalan Ampang. In the UK, hotel operations also recorded marginal increase in revenue and higher PBT in the current financial year compared with the same period last financial year. The higher PBT is mainly due to the absence of impairment loss in the current financial year.

Under the financial services division, the Group have disposed of the insurance business in the 3rd quarter of the financial year 2012. The Group’s share of the lower loss from the universal stock broking business is mainly due to the lower impairment of intangible assets made in the current financial year.

In the food & confectionery division, lower revenue and higher PBT were recorded for the current financial year compared to the same period last financial year. The lower revenue in the current financial year was due to the lower sales to OEM and export customers. PBT for the current financial year increased mainly due to an exceptional gain of RM21.7million arising from the disposal of a leasehold land and building in Woodlands, Singapore.

The property development division recorded higher revenue and PBT for the current financial year compared to the same period last financial year. Improvement in revenue and PBT for the current financial year was mainly due to the sale of a development land in Port Dickson.

B2 Material Changes in the Quarterly Results Compared to the Results of the Preceding Quarter

The Group recorded higher revenue of RM181.8 million and LBT of RM21.9 million from continuing operations for the current quarter compared with revenue of RM162.9 million and PBT of RM29 million from continuing operations in the preceding quarter. The higher revenue recorded for the current quarter is in tandem with the cyclical factors of the Group operations. The LBT in the current quarter was mainly due to higher impairment on receivables and share of higher loss from associate arising from the impairment of intangible assets.

B3 Prospects for the year 2014

According to the Malaysia Institute of Economic Research, the Malaysia economy is expected to grow between 5% and 5.5% in 2014 in terms of real GDP.

The Group is cautiously optimistic of its performance in 2014 and will continue to explore corporate opportunities that will strengthen its financial position.

B4 Variance of Actual Profit from Forecast Profit

Not applicable.

B5 Profit before tax

Included in the profit before tax are the followings items:-

	FOURTH QUARTER		CUMULATIVE 12 MONTHS	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
	RM'000	RM'000	RM'000	RM'000
Continuing operations				
Depreciation	(7,968)	(10,540)	(24,819)	(28,154)
Fair value gain/(loss) on investments (current)	452	6,611	17	(825)
Gross dividends received	2	409	24	2,332
Gain on disposal of property, plant and equipment	1	20	44	126
Gain on disposal of other investments (current)	13	-	13	1
Interest income	1,523	2,282	7,605	7,959
Inventories written back/(written down)	296	932	(800)	(265)
Property, plant and equipment written off	(488)	(1,083)	(507)	(1,247)
Discontinued operation				
Depreciation	-	-	-	(330)
Gross dividends received	-	-	-	1,784
Gain on disposal of other investments (current)	-	3	-	8,231
Interest income	-	-	-	6,358

B6 Tax Expense

Tax expense comprises:-

	FOURTH QUARTER		CUMULATIVE 12 MONTHS	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
	RM'000	RM'000	RM'000	RM'000
Continuing operations				
Current tax expense - Malaysia	3,013	5,113	13,271	15,715
- Foreign	1,121	658	2,874	3,257
Deferred tax	(1,569)	963	(1,653)	946
	2,565	6,734	14,492	19,918
Over provision in respect of prior years	(580)	(897)	(2,140)	(1,846)
	1,985	5,837	12,352	18,072
Discontinued operation				
Current tax expense - Malaysia	-	1,900	-	4,181
Deferred tax	-	(1,417)	-	(1,735)
	-	483	-	2,446
	1,985	6,320	12,352	20,518

The tax provision of the Group for the financial period/year ended 31 December 2013 is higher than the statutory rate of tax applicable mainly due to losses by certain subsidiaries where no group relief on losses are available.

B7 Status of Corporate Proposals

On 04 February 2013 Pan Malaysia Corporation Berhad announced that its indirect wholly-owned subsidiary, Network Foods International Ltd ("NFIL"), a company incorporated in the Republic of Singapore, had on 1 February 2013 granted an option to purchase ("Option") to Sing Long Foodstuff Trading Co. Pte Ltd ("Sing Long"), a company incorporated in the Republic of Singapore, for Sing Long to acquire the leasehold land together with a warehouse and office erected thereon known as 12 Woodlands Link, Singapore ("Properties") for a total cash consideration of S$15.4 million (equivalent to approximates RM38.18 million) ("Purchase Consideration"). The Purchase Consideration payable by Sing Long is exclusive of Goods and Services Tax. Sing Long had on 15 February 2013 accepted the option to purchase ("Disposal").

The Disposal was completed on 31 July 2013.

Other than the above, the Group has not announced any corporate proposals which have not been completed as at the date of this report.

B8 Group Borrowings

(a) Total Group borrowings as at 31 December 2013 are as follows:-

	RM'000
Long Term Borrowings	
- Secured	548,881
- Unsecured	77,148
	626,029
Short Term Borrowings	
- Secured	182,132
- Unsecured	162,162
	344,294

(b) Foreign borrowings in Ringgit equivalent as at 31 December 2013 included in (a) above are as follows:-

Currency	RM'000
Sterling Pounds	327,216

The foreign borrowings above are taken by the foreign subsidiaries of the Group.

B9 Derivative Financial Instruments

There were no derivative financial instruments as at the date of this report.

B10 Fair Value Changes Of Financial Liabilities

As at 31 December 2013, the Group does not have any financial liabilities measured at fair value through profit or loss.

B11 Realised and Unrealised Losses

The accumulated losses of the Group may be analysed as follows:-

	At 31.12.2013 RM'000	At 31.12.2012 RM'000 (Audited)
Total accumulated losses of the Group:-		
- Realised losses	(2,494,300)	(2,483,210)
- Unrealised losses	8,904	(577)
	(2,485,396)	(2,483,787)
Total share of accumulated losses from associates:-		
- Realised losses	(6,248)	(23,860)
Total accumulated losses	(2,491,644)	(2,507,647)

B12 Material Litigation

MUI Carolina Corporation, a wholly-owned subsidiary of MUI Properties Berhad ("the subsidiary") has been named as defendant in a lawsuits arising from alleged deficiencies and deferred maintenance issues at the Kensington Place condominium complex ("condominium"). The plaintiffs, comprising individual condominium owners are suing the subsidiary to recover maintenance and repair costs, which are disputed. The subsidiary is defending the case. Due to the uncertainties in the litigation process it is not possible for management and its counsel to calculate a reliable estimate of the outcome of this matter.

Other than the above, there was no material litigation involving the Group as at the date of this report.

B13 Dividend

No dividend has been declared by the Board for the financial year ended 31 December 2013 (31 December 2012: Nil).

B14 Basic earnings/(loss) Per Share

	FOURTH QUARTER		CUMULATIVE 12 MONTHS	
	31.12.2013	**31.12.2012**	**31.12.2013**	**31.12.2012**
Weighted average number of ordinary shares in issue ('000)	2,932,561	2,200,743	2,932,561	2,117,617
Effect of dilution :- Irredeemable convertible unsecured loan stocks	-	-	-	-
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	2,932,561	2,200,743	2,932,561	2,117,617
(a) Continuing Operations				
Profit/(Loss) for the financial period/year attributable to equity holders of the Company (RM'000)	(15,833)	(19,512)	1,473	(60,603)
Basic earnings/(loss) per share (sen)	(0.54)	(0.89)	0.05	(2.86)
Diluted earnings/(loss) per share (sen)	(0.54)	(0.89)	0.05	(2.86)
(a) Discontinued Operation				
Profit for the financial period/year attributable to equity holders of the Company (RM'000)	-	1,688	-	92,141
Basic earnings per share (sen)	-	0.08	-	4.35
Diluted earnings per share (sen)	-	0.08	-	4.35

For current financial period/year under review, diluted earnings per ordinary share is the same as basic earnings per ordinary share as there were no dilutive potential ordinary shares.

For the previous financial period/year under review, diluted (loss)/earnings per ordinary share is the same as basic (loss)/earnings per ordinary share as there were no dilutive potential ordinary shares.

B15 Auditors' Report

The auditors' report on the financial statements for the financial year ended 31 December 2012 was not qualified.

On behalf of the Board
MALAYAN UNITED INDUSTRIES BERHAD

Soo-Hoo Siew Hoon
Lee Chik Siong
Joint Company Secretaries

Date: 25 February 2014