



MWE HOLDINGS BERHAD (5713-D)

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2013

	<u>31.12.2013</u> Unaudited RM'000	<u>31.12.2012</u> Audited RM'000
Assets		
<u>Non-Current Assets</u>		
Property, plant & equipment	69,261	72,713
Investment properties	58,168	55,856
Land held for property development	17,392	25,905
Other investments	285,821	251,371
Investment in associates	175,924	3,007
Other non-current assets	2,570	2,573
	<u>609,136</u>	<u>411,425</u>
<u>Current Assets</u>		
Inventories	40,761	37,419
Trade and other receivables	60,020	85,161
Current tax receivable	2,843	5,206
Cash and bank balances	83,624	216,418
Other current assets	2,335	2,259
	<u>189,583</u>	<u>346,463</u>
Disposal group classified as held for sale	35,057	36,535
	<u>224,640</u>	<u>382,998</u>
Total assets	<u><u>833,776</u></u>	<u><u>794,423</u></u>



MWE HOLDINGS BERHAD (5713-D)

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2013 (Cont'd)

	<u>31.12.2013</u> Unaudited RM'000	<u>31.12.2012</u> Audited RM'000
Equity and liabilities		
<u>Current Liabilities</u>		
Trade and other payables	39,176	45,188
Loans and borrowings	91,064	65,694
Current tax payable	1,445	1,964
	<u>131,685</u>	<u>112,846</u>
Disposal group classified as held for sale	251	580
	<u>131,936</u>	<u>113,426</u>
<u>Non-Current Liabilities</u>		
Loans and borrowings	47,087	55,858
Deferred tax liabilities	1,834	1,732
Deferred income	12,496	13,522
	<u>61,417</u>	<u>71,112</u>
Total liabilities	193,353	184,538
<u>Equity</u>		
Share capital	231,559	231,559
Reserves	399,484	367,824
Treasury shares	(1,931)	(1,931)
	<u>629,112</u>	<u>597,452</u>
Non-controlling interests	11,311	12,433
Total equity	<u>640,423</u>	<u>609,885</u>
Total equity and liabilities	<u>833,776</u>	<u>794,423</u>
Net assets per share (RM)	2.73	2.59

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



MWE HOLDINGS BERHAD (5713-D)

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

	Current quarter <u>31.12.2013</u> RM'000	Comparative quarter <u>31.12.2012</u> RM'000	Cumulative 12 months <u>31.12.2013</u> RM'000	Comparative 12 months <u>31.12.2012</u> RM'000
Continuing operations				
Revenue	74,902	116,395	300,415	455,590
Cost of sales	<u>(58,836)</u>	<u>(92,049)</u>	<u>(237,945)</u>	<u>(339,263)</u>
Gross profit	16,066	24,346	62,470	116,327
Interest income	401	103	3,399	2,736
Net gain/(loss) from investments	3,947	114,649	(15,880)	114,649
Other income	5,749	3,671	9,963	9,088
Other operating expenses	<u>(6,453)</u>	<u>(36,041)</u>	<u>(31,853)</u>	<u>(83,296)</u>
Operating profit	19,710	106,728	28,099	159,504
Finance costs	<u>(1,781)</u>	<u>(1,631)</u>	<u>(5,241)</u>	<u>(7,488)</u>
Share of results of associates	<u>(1,331)</u>	350	<u>(936)</u>	351
Profit before tax	16,598	105,447	21,922	152,367
Income tax expense	<u>(799)</u>	<u>(1,383)</u>	<u>(4,132)</u>	<u>(11,610)</u>
Profit from continuing operations	15,799	104,064	17,790	140,757
Discontinued operation				
Loss from discontinued operation	<u>(96)</u>	1,423	<u>(1,050)</u>	1,150
Profit for the period	<u>15,703</u>	<u>105,487</u>	<u>16,740</u>	<u>141,907</u>
Other comprehensive income:				
Fair value gain on available- for-sale financial assets	(1,383)	(581)	34,225	54,258
Foreign currency translation	1,041	(346)	3,266	(1,270)
Share of other comprehensive income of associate	721	-	721	-
	<u>379</u>	<u>(927)</u>	<u>38,212</u>	<u>52,988</u>
Total comprehensive income	<u>16,082</u>	<u>104,560</u>	<u>54,952</u>	<u>194,895</u>
Profit attributable to:				
Owners of the parent	14,714	104,970	15,309	139,724
Non-controlling interest	989	517	1,431	2,183
	<u>15,703</u>	<u>105,487</u>	<u>16,740</u>	<u>141,907</u>
Total comprehensive income attributable to:				
Owners of the parent	14,969	104,080	53,081	192,877
Non-controlling interest	1,113	480	1,871	2,018
	<u>16,082</u>	<u>104,560</u>	<u>54,952</u>	<u>194,895</u>
Basic earnings per share (sen)	6.39	45.59	6.65	60.69

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



MWE HOLDINGS BERHAD (5713-D)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2013

	< ----- Attributable to owners of the parent ----- >						Total Equity RM'000
	< - Non-distributable - >			Distributable		Non-controlling Interests RM'000	
	Share Capital RM'000	Treasury Shares RM'000	Reserves RM'000	Retained Earnings RM'000	Total RM'000		
At 1.1.2012	231,559	(235)	88,869	114,429	434,622	19,212	453,834
Total comprehensive income	-	-	53,153	139,724	192,877	2,018	194,895
Purchase of treasury shares	-	(1,696)	-	-	(1,696)	-	(1,696)
Disposal of subsidiary	-	-	(2,919)	-	(2,919)	(3,888)	(6,807)
Liquidation of subsidiary	-	-	-	-	-	(406)	(406)
Dividends paid	-	-	-	(25,432)	(25,432)	(4,503)	(29,935)
At 31.12.2012	<u>231,559</u>	<u>(1,931)</u>	<u>139,103</u>	<u>228,721</u>	<u>597,452</u>	<u>12,433</u>	<u>609,885</u>
At 1.1.2013	231,559	(1,931)	139,103	228,721	597,452	12,433	609,885
Total comprehensive income	-	-	37,772	15,309	53,081	1,871	54,952
Disposal of subsidiary	-	-	(700)	-	(700)	(2,495)	(3,195)
Dividends paid	-	-	-	(20,721)	(20,721)	(498)	(21,219)
At 31.12.2013	<u>231,559</u>	<u>(1,931)</u>	<u>176,175</u>	<u>223,309</u>	<u>629,112</u>	<u>11,311</u>	<u>640,423</u>

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



MWE HOLDINGS BERHAD (5713-D)

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2013

	<u>31.12.2013</u>	<u>31.12.2012</u>
	Unaudited	Audited
	RM'000	RM'000
Cash flows from operating activities		
Profit before tax from continuing operations	21,922	152,367
(Loss)/Profit before tax from discontinued operations	(942)	1,229
	<u>20,980</u>	<u>153,596</u>
Adjustment for :		
Amortisation of biological assets	614	614
Amortisation of land use rights	500	500
Bad debts written off	26	4,864
Depreciation of property, plant and equipment	4,278	7,276
Fair value adjustment on investment properties	(3,591)	671
Gain on disposal of property, plant and equipment	(151)	(7,469)
(Gain)/Loss on disposal of investment property	(91)	18
Impairment loss on receivables	561	2,619
Impairment of goodwill	-	13,286
Property, plant and equipment written off	7	29
Reversal of impairment loss on receivables	(951)	(725)
Net fair value gain on derivatives assets	-	6
Net unrealised foreign exchange loss	146	384
Net loss/(gain) from investments	15,880	(114,649)
Share of results of associates	936	(351)
Gross dividend income	(13,623)	(10,596)
Interest income	(3,414)	(2,761)
Interest expenses	5,270	7,541
Write down in inventories	-	737
Operating profit before working capital changes	<u>27,377</u>	<u>55,590</u>
Changes in inventories	(2,668)	2,683
Changes in property development costs	8,430	8,423
Changes in receivables	19,867	(35,430)
Changes in payables	(4,304)	(1,652)
Changes in trade line borrowings	(2,402)	(20)
Cash generated from operations	<u>46,300</u>	<u>29,594</u>
Interest received	3,414	2,761
Interest paid	(5,270)	(7,541)
Net income tax paid	(1,038)	(9,761)
Net cash from operating activities	<u>43,406</u>	<u>15,053</u>



MWE HOLDINGS BERHAD (5713-D)

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2013 (Cont'd)

	<u>31.12.2013</u> Unaudited RM'000	<u>31.12.2012</u> Audited RM'000
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,589)	(4,546)
Purchase of investment properties	-	(520)
Purchase of other investments	(37,813)	(12,294)
Addition of biological assets		(99)
Purchase of associate	(187,641)	-
Proceeds from disposal of property, plant and equipment	169	16,369
Proceeds from disposal of investment properties	1,370	420
Redemption of preference shares	5,200	-
Capital return from other investment	32,220	-
Disposal of subsidiaries, net of cash	(734)	153,415
Dividends received from other investments	12,220	7,955
Net cash (used in)/generated from investing activities	<u>(176,598)</u>	<u>160,700</u>
Cash flows from financing activities		
Purchase of treasury shares	-	(1,696)
Refinance of property, plant and equipment	-	810
Repayment of bank borrowings	14,173	(43,565)
Repayment of hire purchase and finance lease instalments	(537)	(1,012)
Dividend paid to shareholders	(20,721)	(25,432)
Dividend paid to non-controlling interests	(498)	(4,503)
Net cash used in financing activities	<u>(7,583)</u>	<u>(75,398)</u>
Net changes in cash & bank balances	<u>(140,775)</u>	<u>100,355</u>
Effects of foreign exchange rate changes	217	71
	(140,558)	100,426
Cash & bank balances at beginning of year	<u>216,990</u>	<u>117,472</u>
Effects of foreign exchange rate changes	2,459	(908)
	219,449	116,564
Cash & bank balances at end of year	<u><u>78,891</u></u>	<u><u>216,990</u></u>



MWE HOLDINGS BERHAD (5713-D)

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2013 (Cont'd)

	<u>31.12.2013</u> Unaudited RM'000	<u>31.12.2012</u> Audited RM'000
<i>Represented by :</i>		
Cash & bank balances	84,133	217,119
Bank Overdrafts	(5,242)	(129)
	<u>78,891</u>	<u>216,990</u>
<i>Note:</i>		
Cash & bank balances as per Cash Flow	84,133	217,119
Less: Reclassified to disposal group classified as held for sale	(509)	(701)
	<u>83,624</u>	<u>216,418</u>
As per Balance Sheet	<u>83,624</u>	<u>216,418</u>

(The Condensed Consolidated Statements of Cash Flow should be read in conjunction
with the Annual Audited Accounts for the year ended 31 December 2012)



MWE HOLDINGS BERHAD (5713-D)

EXPLANATORY NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

1. CORPORATE INFORMATION

The Company is a public limited liability company incorporated and domiciled in Malaysia, and is listed on Bursa Malaysia Securities Berhad.

2. ACCOUNTING POLICIES

The unaudited interim financial report has been prepared in accordance with Financial Reporting Standard 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. The significant accounting policies and methods of computation applied to the financial statements are consistent with those applied to the annual audited accounts for the year ended 31 December 2012 except for the adoption of the following new and revised Financial Reporting Standards (“FRSs”) issued by the Malaysian Accounting Standards Board that are effective for the Group for the financial period beginning on or after 1 January 2013 :-

FRS 101 (Amendments to FRS 101)	Presentation of Items of Other Comprehensive Income
Amendments to FRS 101	Presentation of Financial Statements
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
FRS 127	Separate Financial Statements
FRS 128	Investment in Associate and Joint Ventures
Amendment to IC Interpretation 2	Members’ Shares in Co-operative Entities and Similar Instruments
IC Interpretation 20	Stripping Costs in the Production Phase of a Surface Mine
Amendments to FRS 7	Disclosures – Offsetting Financial Assets and Financial Liabilities
Amendments to FRS 1	First-time Adoption of Malaysian Financial Reporting Standards – Government Loans
Amendments to FRS 1	First-time Adoption of Malaysian Financial Reporting Standards
Amendments to FRS 116	Property, Plant and Equipment
Amendments to FRS 132	Financial Instrument: Presentation
Amendments to FRS 134	Interim Financial Reporting
Amendments to FRS 10	Consolidated Financial Statements
Amendments to FRS 11	Joint Arrangements
Amendments to FRS 12	Disclosure of Interests in Other Entities
Amendments to FRS 132	Offsetting Financial Assets and Financial Liabilities
Amendments to FRS 10, 12 and 127	Investment Entities
FRS 9	Financial Instruments



2. ACCOUNTING POLICIES (cont'd)

The adoption of the above standards and interpretations will have no material impact on the financial statements of the Group except as discussed below:

FRS 10 Consolidated Financial Statements

FRS 10 replaces part of FRS 127 Consolidated and Separate Financial Statements that deals with consolidated financial statements and IC Interpretation 112 Consolidation – Special Purpose Entities.

Under FRS 10, an investor controls an investee when (a) the investor has power over an investee, (b) the investor has exposure, or rights, to variable returns from its involvement with the investee, and (c) the investor has ability to use its power over the investee to affect the amount of the investor's returns. Under FRS 127 Consolidated and Separate Financial Statements, control was defined as the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

FRS 10 includes detailed guidance to explain when an investor has control over the investee. FRS 10 requires the investor to take into account all relevant facts and circumstances.

FRS 11 Joint Arrangements

FRS 11 replaces FRS 131 Interests in Joint Ventures and IC Interpretation 113 Jointly-Controlled Entities – Non-monetary Contributions by Venturers.

The classification of joint arrangements under FRS 11 is determined based on the rights and obligations of the parties to the joint arrangements by considering the structure, the legal form, the contractual terms agreed by the parties to the arrangement and when relevant, other facts and circumstances. Under FRS 11, joint arrangements are classified as either joint operations or joint ventures.

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

FRS 11 removes the option to account for jointly controlled entities ("JCE") using proportionate consolidation. Instead, JCE that meet the definition of a joint venture must be accounted for using the equity method.

FRS 12 Disclosures of Interests in Other Entities

FRS 12 includes all disclosure requirements for interests in subsidiaries, joint arrangements, associates and structured entities. A number of new disclosures are required. This standard affects disclosures only and has no impact on the Group's financial position or performance.

FRS 127 Separate Financial Statements

As a consequence of the new FRS 10 and FRS 12, FRS 127 is limited to accounting for subsidiaries, jointly controlled entities and associates in separate financial statements.



2. ACCOUNTING POLICIES (cont'd)

FRS 128 Investments in Associates and Joint Ventures

As a consequence of the new FRS 11 and FRS 12, FRS 128 is renamed as FRS 128 Investments in Associates and Joint Ventures. This new standard describes the application of the equity method to investments in joint ventures in addition to associates.

FRS 13 Fair Value Measurement

FRS 13 establishes a single source of guidance under FRS for all fair value measurements. FRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under FRS when fair value is required or permitted.

Upon adoption of FRS 13, the Group will take into consideration the highest and best use of certain properties in measuring the fair value of such properties. The adoption of FRS 13 is expected to result in higher fair value of certain properties of the Group.

Amendments to FRS 101: Presentation of Financial Statements (Annual Improvements 2009-2011 Cycle)

The amendments to FRS 101 change the grouping of items presented in other comprehensive income. Items that could be reclassified (or recycled) to profit or loss at a future point in time (for example, exchange differences on translation of foreign operations and net loss or gain on available-for-sale financial assets) would be presented separately from items which will never be reclassified (for example, actuarial gains and losses on defined benefit plans and revaluation of land and buildings). The amendment affects presentation only and has no impact on the Group's financial position and performance.

FRS 9 Financial Instruments: Classification and Measurement

FRS 9 reflects the first phase of the work on the replacement of FRS 139 Financial Instruments: Recognition and Measurement and applies to classification and measurement of financial assets and financial liabilities as defined in FRS 139 Financial Instruments: Recognition and Measurement. The adoption of the first phase of FRS 9 will have an effect on the classification and measurement of the Group's financial assets. The Group will quantify the effect in conjunction with the other phases, when the final standard including all phases is issued.

Malaysian Financial Reporting Standards (MFRS Framework)

On 19 November 2011, the Malaysian Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (MFRS Framework).

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer (herein called 'Transitioning Entities').



2. ACCOUNTING POLICIES (cont'd)

Malaysian Financial Reporting Standards (MFRS Framework) (cont'd)

Transitioning Entities will be allowed to defer adoption of the new MFRS Framework for an additional two years. Consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2014.

The Group falls within the scope definition of Transitioning Entities and accordingly, will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 December 2014. 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 profits.

3. AUDIT OPINION ON THE PRECEDING FINANCIAL STATEMENTS

The preceding annual audited financial statements were not qualified by the Auditors.

4. EFFECT OF CHANGES IN COMPOSITION OF GROUP

In the first quarter, the Company announced the disposal of its 100% equity interest in Fauzi-Lim Plantation Sdn Bhd, Etika Gangsa Sdn Bhd and Taka Worldwide Trading Sdn Bhd for a total consideration of RM93,000,000. In the third quarter, the Company entered into a Rescission Agreement with the Purchaser to mutually terminate the Sale and Purchase Agreement for the disposal of 100% equity interest in Fauzi-Lim Plantation Sdn Bhd, Etika Gangsa Sdn Bhd and Taka Worldwide Trading Sdn Bhd.

In the third quarter, the Company acquired 141,400,000 ordinary shares of RM1.00 each in Kumpulan Europlus Berhad (KEB), representing 24.68% equity interest for a total consideration of RM185,430,000.

During the reporting quarter, the Company disposed its 68.70% shareholding in its subsidiary, representing 1,832,550 ordinary shares of RM1.00 each in Phili-Orient Lines (Penang) Sdn Bhd for a total cash consideration of RM3,573,473.

5. SEASONALITY OR CYCLICALITY OF INTERIM OPERATIONS

Textiles division is involved in manufacturing and sale of garments for export markets and thus mainly depends on US purchasing power and economy as a whole. As for Telecommunications segment which design and manufacture telecommunication products, faces a more volatile market that depends on global market conditions.

6. UNUSUAL ITEMS

There were no unusual items which affect assets, liabilities, equity, income or cash flows during the year.



7. MATERIAL CHANGES IN ESTIMATES OF AMOUNTS PREVIOUSLY REPORTED

There was no material changes in estimates of amounts previously reported.

8. DEBT AND EQUITY SECURITIES

There were no issuances, cancellations, resale or repayments of debt and equity securities undertaken by the Company during the year.

9. DIVIDENDS PAID

On 2 April 2013, the Company paid a second interim single tier dividend of 4% and a special single tier dividend of 5% which amounted to a total of RM20.72 million in respect of the financial year ended 31 December 2012.

10. VARIANCE IN PROFIT FORECAST

There was no profit forecast issued for the financial year.

11. STATUS OF CORPORATE PROPOSALS

On 12 July 2013, the Company had via RHB Investment Bank Berhad, the adviser of the Company, announced the following proposals:

- i) Proposed acquisition of 20.14% shareholding in Kumpulan Europlus Berhad (K-Euro), representing 115,400,000 ordinary shares of RM1.00 each for a total cash consideration of RM155,790,000; and
- ii) Proposed diversification of the existing businesses of MWE Holdings Berhad and its subsidiaries.

The Company had obtained approval from the shareholders for the above acquisition at the Extraordinary General Meeting held on 3 September 2013. The conditions precedent set out in the Circular have been satisfied by the Closing Date and the proposed acquisition was deemed completed on 30 September 2013.

There were no other corporate proposals announced or pending as at the date of making this report.

12. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

The values of property, plant and equipment of the Group have been brought forward without amendment from the previous annual audited accounts.

**13. GROUP BORROWINGS**

Particulars of Group borrowings at the end of the reporting quarter are as follows:

	<u>Secured</u>	<u>Unsecured</u>	<u>Total</u>
	RM '000	RM '000	RM '000
<u>31 DECEMBER 2013</u>			
Short term			
Obligations under finance lease	424	-	424
Bank overdrafts	5,242	-	5,242
Revolving credit	77,600	1,300	78,900
Term loans	6,498	-	6,498
	<u>89,764</u>	<u>1,300</u>	<u>91,064</u>
Long term			
Obligations under finance lease	1,056	-	1,056
Term loans	46,031	-	46,031
	<u>47,087</u>	<u>-</u>	<u>47,087</u>
	<u>136,851</u>	<u>1,300</u>	<u>138,151</u>
<u>31 DECEMBER 2012</u>			
Short term			
Obligations under finance lease	455	-	455
Bankers' acceptances and trust receipts	2,402	-	2,402
Bank overdrafts	129	-	129
Revolving credit	50,850	1,300	52,150
Term loans	10,558	-	10,558
	<u>64,394</u>	<u>1,300</u>	<u>65,694</u>
Long term			
Obligations under finance lease	1,311	-	1,311
Term loans	54,547	-	54,547
	<u>55,858</u>	<u>-</u>	<u>55,858</u>
	<u>120,252</u>	<u>1,300</u>	<u>121,552</u>

There were no foreign borrowings as at 31 December 2013 and 31 December 2012.

14. DERIVATIVE FINANCIAL INSTRUMENTS

There were no outstanding forward contracts at the end of the reporting quarter.

**15. SEGMENT INFORMATION**

The Group is organised into business units based on their products and services, and has five reportable operating segments as follows:

	Textile RM'000	Lighting & Tele- communication RM'000	Properties RM'000	Plantation RM'000	Trading & Others RM'000	Total RM'000
31 DECEMBER 2013						
Revenue						
External sales	166,738	66,885	15,147	7,505	44,140	300,415
Inter-segment sales	-	-	359	-	2,463	2,822
Total revenue	<u>166,738</u>	<u>66,885</u>	<u>15,506</u>	<u>7,505</u>	<u>46,603</u>	<u>303,237</u>
Results						
Segment profit	<u>14,984</u>	<u>3,469</u>	<u>6,020</u>	<u>2,450</u>	<u>1,176</u>	28,099
Finance costs						(5,241)
Share of results of associates	<u>-</u>	<u>-</u>	<u>406</u>	<u>-</u>	<u>(1,342)</u>	(936)
Profit before tax						21,922
Income tax expense						(4,132)
Profit from continuing operations						<u>17,790</u>
31 DECEMBER 2012						
Revenue						
External sales	164,525	223,407	20,413	8,705	38,540	455,590
Inter-segment sales	-	-	357	-	49,886	50,243
Total revenue	<u>164,525</u>	<u>223,407</u>	<u>20,770</u>	<u>8,705</u>	<u>88,426</u>	<u>505,833</u>
Results						
Segment profit/(loss)	<u>14,343</u>	<u>33,393</u>	<u>5,819</u>	<u>(772)</u>	<u>106,721</u>	159,504
Finance costs						(7,488)
Share of results of associates	<u>13</u>	<u>-</u>	<u>338</u>	<u>-</u>	<u>-</u>	351
Profit before tax						152,367
Income tax expense						(11,610)
Profit from continuing operations						<u>140,757</u>

**16. PERFORMANCE REVIEW****Group performance**

	31.12.2013	31.12.2012	Variance	
	RM'000	RM'000	RM'000	%
Revenue	300,415	455,590	(155,175)	(34.1)
Profit before tax	21,922	152,367	(130,445)	(85.6)

During the financial year, the Group posted total revenue of RM300.4 million, RM155.2 million lower as compared to RM455.6 million in previous financial year, mainly due to disposal of Lighting division which contributed RM163.1 million revenue in 2012. Profit before tax also reported lower at RM21.9 million as compared to RM152.4 million in 2012, mainly attributed to the disposal gain of Lighting division in 2012 as well as impairment loss in investments provided during the year.

Textile division

	31.12.2013	31.12.2012	Variance	
	RM'000	RM'000	RM'000	%
Revenue	166,738	164,525	2,213	1.3
Profit before tax	13,838	13,435	403	3.0

Textile division registered RM166.7 million in revenue during the financial year, contributing 55.5% of the revenue of the Group.

Revenue increased slightly by 1.3% to RM166.7 million for current financial year. In line with the increase in revenue, pre-tax profit also reported higher at RM13.8 million as compared to 2012.

Lighting and telecommunications division

	31.12.2013	31.12.2012	Variance	
	RM'000	RM'000	RM'000	%
Revenue	66,885	223,407	(156,522)	(70.1)
Profit before tax	3,219	33,081	(29,862)	(90.3)

The Group completed the disposal of its Lighting division in the last quarter of 2012, as a result, the division revenue dropped from RM223.4 million in 2012 to RM66.9 million in 2013.

Telecommunications division reported higher revenue of RM66.9 million as compared to RM60.3 million in 2012, mainly derived from the sales of emergency healthcare products and GPRS tracking devices. With the increase in revenue, the division managed to increase its pre-tax profit from RM1.9 million to RM3.2 million in 2013.

**16. PERFORMANCE REVIEW (cont'd)****Properties division**

	31.12.2013	31.12.2012	Variance	
	RM'000	RM'000	RM'000	%
Revenue	15,147	20,413	(5,266)	(25.8)
Profit before tax	6,272	5,448	824	15.1

Properties division reported RM15.1 million in revenue, RM5.3 million lower as compared to RM20.4 million in 2012. Higher revenue recorded in 2012 mainly derived from the sales of development lands. However, pre-tax profit reported higher at RM6.3 million as compared to RM5.4 million in 2012, mainly attributed to fair value gain from investment properties during the financial year.

Plantation division

	31.12.2013	31.12.2012	Variance	
	RM'000	RM'000	RM'000	%
Revenue	7,505	8,705	(1,200)	(13.8)
Profit before tax	2,423	(1,075)	3,498	(325.4)

Plantation division crop yields improved as compared to 2012. However, the division's revenue dropped by 13.8% mainly attributed to lower FFB price which dropped from RM549 to RM467 per metric ton. Despite the reduction in revenue, the division managed to report RM2.4 million pre-tax profit mainly due to lower operating costs.

Trading and others division

	31.12.2013	31.12.2012	Variance	
	RM'000	RM'000	RM'000	%
Revenue	44,140	38,540	5,600	14.5
Profit before tax	(3,830)	101,478	(105,308)	(103.8)

Revenue of the division increase by RM5.6 million to RM44.1 million for current financial year. Despite the increase in revenue, the division reported RM3.8 million in pre-tax loss. Higher pre-tax profit in 2012 mainly derived from RM117.5 million disposal gain of Lighting division.

Industrial division reported RM22.8 million in revenue, 15.4% higher as compared to RM19.7 million in 2012, mainly attributed to higher sales from the Dongfeng heavy commercial vehicle.

17. COMMENT ON MATERIAL CHANGE IN PROFIT BEFORE TAX

For current quarter, the Group registered RM74.9 million in revenue, slightly reduced by 3.1% as compared to RM77.5 million reported in the preceding Q3 of 2013. However, the Group reported RM15.7 million profit for current reporting quarter as compared to RM13.2 million loss reported in preceding third quarter, mainly attributed to impairment loss write back for quoted investments, dividend income received from quoted investments as well as fair value gain from investment properties during the reporting quarter.

**18. PROSPECTS FOR FINANCIAL YEAR 2014**

In year 2013, the Group acquired approximately 25% shareholdings in KEB and the Group diversified into other businesses of property and infrastructure development. This acquisition is only expected to contribute positively to the Group's future earnings. However, the management is confident that the existing operating businesses of the Group are expected to maintain their performances.

19. PROFIT BEFORE TAX

Included in the profit before tax are the following items:

	2013 Current Quarter <u>31.12.2013</u> RM'000	2012 Comparative Quarter <u>31.12.2012</u> RM'000	2013 Cumulative 12 months <u>31.12.2013</u> RM'000	2012 Comparative 12 months <u>31.12.2012</u> RM'000
Amortisation of biological assets	614	153	614	614
Amortisation of land use rights	500	136	500	500
Bad debts written off	26	4,800	26	4,864
Depreciation				
- continuing operations	887	1,674	4,002	6,917
- discontinued operation	70	74	276	359
Fair value adjustment on investment properties	(3,591)	671	(3,591)	671
Impairment of goodwill	-	13,286	-	13,286
Impairment loss				
- other investment	167	-	167	-
- investment in associates	13,791	-	13,791	-
Impairment loss on receivables				
- continuing operations	561	2,163	561	2,591
- discontinued operation	-	28	-	28
Interest expenses				
- continuing operations	1,781	1,631	5,241	7,488
- discontinued operation	19	10	29	53
Interest income				
- continuing operations	(401)	(103)	(3,399)	(2,736)
- discontinued operation	-	(12)	(15)	(25)
(Gain)/Loss on disposal of investment properties	(91)	-	(91)	18
Gain on disposal of PPE				
- continuing operations	-	(5,369)	(33)	(5,623)
- discontinued operation	-	(2,105)	(118)	(2,026)
Fair value loss on derivatives	-	36	-	6
Unrealised foreign exchange loss				
- continuing operations	146	663	146	417
- discontinued operation	-	16	-	(33)
PPE written off	-	18	7	29
Reversal of impairment loss on receivables				
- continuing operations	-	855	(74)	(720)
- discontinued operation	-	(5)	-	(5)
Write-down of inventories	-	737	-	737

**20. INCOME TAX EXPENSE**

The income tax expense consists of:

	Current quarter <u>31.12.2013</u> RM'000	Comparative quarter <u>31.12.2012</u> RM'000	Cumulative 12 months <u>31.12.2013</u> RM'000	Comparative 12 months <u>31.12.2012</u> RM'000
Current income tax				
- current period	729	1,932	4,408	13,268
- underprovision in prior years	(58)	(292)	(377)	(1,449)
Deferred tax				
- current period	128	(254)	76	(216)
- (over)/underprovision in prior years	-	(3)	25	7
	<u>799</u>	<u>1,383</u>	<u>4,132</u>	<u>11,610</u>

A reconciliation of income tax expense applicable to profit before tax at the statutory income tax rate to income tax expense at the effective income tax rate of the Group is as follows:

	Current quarter <u>31.12.2013</u> RM'000	Comparative quarter <u>31.12.2012</u> RM'000	Cumulative 12 months <u>31.12.2013</u> RM'000	Comparative 12 months <u>31.12.2012</u> RM'000
Profit before tax (excluding share of results of associates)	<u>17,929</u>	<u>105,097</u>	<u>22,858</u>	<u>152,016</u>
Taxation at 25%	4,482	26,274	5,715	38,004
Expenses not deductible	(1,307)	6,921	5,756	9,213
Deferred tax assets not recognised	(402)	(567)	2	236
Income not subject to tax	(1,775)	(29,840)	(3,788)	(31,406)
Utilisation of previously unrecognised deductible temporary differences	(241)	292	(1,081)	(693)
Tax effect of differences in tax rate	100	(2,302)	(2,120)	(2,302)
Over / (Under) provision of tax in prior years	(58)	(295)	(352)	(1,442)
	<u>799</u>	<u>1,383</u>	<u>4,132</u>	<u>11,610</u>



21. SUBSEQUENT EVENTS

There are no material subsequent events at the date of this report.

22. CHANGES IN MATERIAL LITIGATION

There was no material litigation against the Group in the year.

23. EARNINGS PER SHARE (“EPS”)

Computation of the EPS is as follows:

	Current Quarter <u>31.12.2013</u> RM'000	Comparative Quarter <u>31.12.2012</u> RM'000	Cumulative 12 months <u>31.12.2013</u> RM'000	Comparative 12 months <u>31.12.2012</u> RM'000
Profit for the period	<u>14,714</u>	<u>104,970</u>	<u>15,309</u>	<u>139,724</u>
No. of ordinary shares after deducting treasury shares	<u>230,235</u>	<u>230,235</u>	<u>230,235</u>	<u>230,235</u>
Basic EPS (sen)	<u>6.39</u>	<u>45.59</u>	<u>6.65</u>	<u>60.69</u>

24. BREAKDOWN OF RETAINED PROFITS INTO REALISED AND UNREALISED

	<u>31.12.2013</u> RM'000	<u>31.12.2012</u> RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised profit	207,417	217,209
- Unrealised loss	<u>2,498</u>	<u>(1,006)</u>
	209,915	216,203
Total share of retained profits from associates:		
- Realised loss	(17,511)	(17,190)
Less: Consol adjustments	30,905	29,708
Retained profits as per financial statements	<u>223,309</u>	<u>228,721</u>



25. DIVIDEND

The Board proposes a final dividend of 2% single tier which amounted to RM4.60 million for the financial year ended 31 December 2013 which is subject to approval of the shareholders at the forthcoming Annual General Meeting.

The second interim dividend and special dividend declared and paid for the previous year's corresponding period was 4 sen tax exempt and 5 sen tax exempt respectively per ordinary share of RM1 each.

**By Order of the Board
LIM KONG YOW
Company Secretary
25 February 2014**