



**SAPURA RESOURCES BERHAD**

(Company No.: 3136-D)

**Interim Financial Statements for the 4<sup>th</sup> quarter ended 31 January 2014**

The Board of Directors is pleased to announce the  
unaudited financial results of the Group for the 4<sup>th</sup> quarter ended 31 January 2014

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## YEAR ENDED 31 JANUARY 2014

Sapura Resources Berhad (Company No.: 3136-D)

Unaudited Condensed Consolidated Statements of Comprehensive Income for the 4<sup>th</sup> Quarter ended 31 January 2014

	Note	Individual Quarter 3 Months Ended		Cumulative Quarter 12 Months Ended	
		31.01.2014 RM'000	31.01.2013 RM'000	31.01.2014 RM'000	31.01.2013 RM'000
Revenue		10,217	8,995	37,695	28,203
Operating expenses		(13,071)	(11,392)	(52,905)	(41,462)
Other income	3	370	36,522	2,863	39,612
<b>Operating (loss)/profit</b>		<b>(2,484)</b>	<b>34,125</b>	<b>(12,347)</b>	<b>26,353</b>
Finance costs		(111)	(230)	(830)	(509)
<b>(Loss)/profit before tax</b>		<b>(2,595)</b>	<b>33,895</b>	<b>(13,177)</b>	<b>25,844</b>
Share of result of associates		6,860	906	22,141	7,368
Share of result of joint ventures		271	(19)	35	(95)
<b>Profit before tax</b>		<b>4,536</b>	<b>34,782</b>	<b>8,999</b>	<b>33,117</b>
Taxation		599	284	502	184
<b>Profit net of tax</b>		<b>5,135</b>	<b>35,066</b>	<b>9,501</b>	<b>33,301</b>
Other comprehensive income		-	-	-	-
<b>Total comprehensive income for the year</b>		<b>5,135</b>	<b>35,066</b>	<b>9,501</b>	<b>33,301</b>
<b>Profit, represent total comprehensive income for the year attributable to :</b>					
Owners of the parent		5,135	35,066	9,501	33,301
Non-controlling interests		-	-	-	-
		<b>5,135</b>	<b>35,066</b>	<b>9,501</b>	<b>33,301</b>
<b>Earnings per share attributable to Owners of the parent :</b>		<b>Sen</b>	<b>Sen</b>	<b>Sen</b>	<b>Sen</b>
Basic, profit for the year	23	3.68	25.12	6.81	23.85

These unaudited Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 January 2013.

## YEAR ENDED 31 JANUARY 2014

Sapura Resources Berhad (Company No.: 3136-D)

Unaudited Condensed Consolidated Statements of Financial Position as at 31 January 2014

	Note	31.01.2014	31.01.2013
		RM'000	RM'000
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		46,274	48,872
Investment properties		131,236	134,957
Investments in associates		142,198	126,393
Investments in joint ventures		1,445	1,410
		<u>321,153</u>	<u>311,632</u>
<b>CURRENT ASSETS</b>			
Inventories		20	10
Trade and other receivables		7,519	5,855
Other current assets		88	92
Investment securities	18	36,451	70,136
Cash and bank balances		4,954	7,640
		<u>49,032</u>	<u>83,733</u>
<b>TOTAL ASSETS</b>		<u><b>370,185</b></u>	<u><b>395,365</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to owners of the parent</b>			
Share capital		139,600	139,600
Other reserves		2,581	2,581
Retained profits		203,821	210,350
<b>Total equity</b>		<u><b>346,002</b></u>	<u><b>352,531</b></u>
<b>NON-CURRENT LIABILITIES</b>			
Deferred tax liabilities		7,138	8,082
Loan and borrowings	20	1,600	1,653
		<u>8,738</u>	<u>9,735</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		14,996	14,467
Loan and borrowings	20	449	18,442
Tax payable		-	190
		<u>15,445</u>	<u>33,099</u>
<b>TOTAL LIABILITIES</b>		<u><b>24,183</b></u>	<u><b>42,834</b></u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>370,185</b></u>	<u><b>395,365</b></u>
<b>NET ASSETS PER SHARE (RM)</b>		<u><b>2.48</b></u>	<u><b>2.52</b></u>

These unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 January 2013.

SAPURA RESOURCES BERHAD - UNAUDITED FINANCIAL RESULTS Q4 FY2014

YEAR ENDED 31 JANUARY 2014

Sapura Resources Berhad (Company No.: 3136-D)

Unaudited Condensed Consolidated Statement of Changes in Equity for the year ended 31 January 2014

	Attributable to owners of the parent						Non-Controlling Interests	Total Equity
	<-- Non-distributable -->		<--- Distributable --->					
	Share Capital	Capital Reserve	General Reserve	Retained Profits	Subtotal			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
<b>At 1.2.2013</b>	139,600	1,481	1,100	210,350	352,531	-	352,531	
Profit for the year, being total comprehensive income for the year	-	-	-	9,501	9,501	-	9,501	
Dividend on ordinary shares	-	-	-	(16,030)	(16,030)	-	(16,030)	
<b>At 31.01.2014</b>	<b>139,600</b>	<b>1,481</b>	<b>1,100</b>	<b>203,821</b>	<b>346,002</b>	<b>-</b>	<b>346,002</b>	
<b>At 1.2.2012</b>	139,600	1,481	1,100	177,049	319,230	-	319,230	
Profit for the year, being total comprehensive income for the year	-	-	-	33,301	33,301	-	33,301	
<b>At 31.01.2013</b>	<b>139,600</b>	<b>1,481</b>	<b>1,100</b>	<b>210,350</b>	<b>352,531</b>	<b>-</b>	<b>352,531</b>	

These unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 January 2013.

## YEAR ENDED 31 JANUARY 2014

Sapura Resources Berhad (Company No.: 3136-D)

## Unaudited Condensed Consolidated Statements of Cash Flows for the year ended 31 January 2014

	For the 12 months year ended 31.01.2014	For the 12 months year ended 31.01.2013
	RM'000	RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	8,999	33,117
Adjustment for non-cash items:	(12,289)	(35,032)
Cash flows before working capital changes	(3,290)	(1,915)
Net changes in current assets	(3,270)	(232)
Net changes in current liabilities	1,335	1,112
Net cash used in operating activities	(5,225)	(1,035)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(3,490)	(1,893)
Proceeds from disposal of property, plant and equipment	140	-
Proceeds from redemption of investment account	33,236	12,605
Interest received	1,697	2,519
Dividend received	6,336	5,610
Net cash outflow on acquisition of new subsidiaries	-	(28,000)
Subscription of shares in jointly controlled entity	-	(1,505)
Net cash used in investing activities	37,919	(10,664)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net repayment/drawdown of borrowings	(18,000)	18,000
Repayment of obligation under finance lease	(520)	(166)
Interest paid	(830)	(509)
Dividend paid	(16,030)	-
Net cash used in financing activities	(35,380)	17,325
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(2,686)</b>	<b>5,626</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>7,640</b>	<b>2,014</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>4,954</b>	<b>7,640</b>

These unaudited Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 January 2013.

## YEAR ENDED 31 JANUARY 2014

Sapura Resources Berhad (Company No.: 3136-D)

## Explanatory Notes

**1 BASIS OF PREPARATION**

The interim financial statements have been prepared under the historical cost convention. The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("MFRS") 134: Interim Financial Reporting and Chapter 9.22, part K of Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"). The interim financial report is in compliance with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board.

The interim financial statements should be read in conjunction with the explanatory notes attached to the interim financial statements which 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.

**2 CHANGES IN ACCOUNTING POLICIES**

On 1 February 2013, the Group adopted the following new and amended MFRSs for annual financial period beginning on or after 1 February 2013.

Description	Effective for annual periods beginning on or after
MFRS 101: Presentation of Items of Other Comprehensive Income (Amendments to MFRS 101)	1 July 2012
Amendments to MFRS 101: Presentation of Financial Statements (Annual Improvements 2009-2011 Cycle)	1 January 2013
MFRS 3 Business Combinations (IFRS 3 Business Combinations issued by IASB in March 2004)	1 January 2013
MFRS 10: Consolidated Financial Statements	1 January 2013
MFRS 11: Joint Arrangements	1 January 2013
MFRS 12: Disclosure of interests in Other Entities	1 January 2013
MFRS 13: Fair Value Measurement	1 January 2013
MFRS 127: Separate Financial Statements	1 January 2013
MFRS 128: Investment in Associate and Joint Ventures	1 January 2013
MFRS 127: Consolidated and Separate Financial Statements (IAS 27 as revised by IASB in December 2003)	1 January 2013
Amendments to MFRS 7: Disclosures – Offsetting Financial Assets and Financial Liabilities	1 January 2013
Amendments to MFRS 1: First-time Adoption of Malaysian Financial Reporting Standards – Annual Improvements 2009-2011 Cycle)	1 January 2013
Amendments to MFRS 116: Property, Plant and Equipment (Annual Improvements 2009-2011 Cycle)	1 January 2013
Amendments to MFRS 132: Financial Instruments: Presentation (Annual Improvements 2009-2011 Cycle)	1 January 2013
Amendments to MFRS 134: Interim Financial Reporting (Annual Improvements 2009-2011 Cycle)	1 January 2013
Amendments to MFRS 10: Consolidated Financial Statements: Transition Guidance	1 January 2013
Amendments to MFRS 11: Joint Arrangements: Transition Guidance	1 January 2013
Amendments to MFRS 12: Disclosure of Interests in Other Entities: Transition Guidance	1 January 2013

The adoption of the above MFRS and amendments to MFRS that came into effect on 1 February 2013, as disclosed in the audited consolidated financial statements for the financial year ended 31 January 2013, did not have significant impact on the unaudited condensed financial statements upon the initial application on 1 February 2013.

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**2 CHANGES IN ACCOUNTING POLICIES (Cont'd.)****Standards and interpretations issued but not yet effective**

The Group has not adopted the following standards that have been issued but not yet effective.

Description	Effective for annual periods beginning on or after
Amendments to MFRS 132: Offsetting Financial Asset and Financial Liabilities	1 January 2014
Amendments to MFRS 10, MFRS 12 and MFRS 127: Investment Entities	1 January 2014
MFRS 9 Financial Instruments	1 January 2015

The Group has not completed its assessment of the financial effects of standards and interpretations issued but not yet effective.

**3 OTHER INCOME**

	Individual Quarter 3 Months Ended		Cumulative Quarter 12 Months Ended	
	31.01.2014	31.01.2013	31.01.2014	31.01.2013
	RM'000	RM'000	RM'000	RM'000
Gain on disposal of property, plant and equipment	-	32,043	-	32,043
Bargain purchase gain	-	3,287	-	3,287
Interest income	200	655	1,697	2,593
Miscellaneous income	170	537	1,166	1,689
	<u>370</u>	<u>36,522</u>	<u>2,863</u>	<u>39,612</u>

**4 AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS**

The auditors' report on the financial statements for the year ended 31 January 2013 was not qualified.

**5 SEASONAL OR CYCLICAL FACTORS**

The Group's performance is not significantly affected by any seasonal or cyclical fluctuations.

**6 UNUSUAL ITEMS**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group.

**7 CHANGES IN ACCOUNTING ESTIMATES**

There were no material changes in accounting estimates of the amounts reported in the previous financial year that have a material effect on the results of the current reporting period.

**8 DEBT AND EQUITY SECURITIES**

There were no issuances, cancellations, repurchases, resale or repayment of debt and equity securities.

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## 9 SEGMENTAL REPORTING

Analysis of the Group's revenue and results by segments are as follows:-

	Individual Quarter		Cumulative Quarter	
	3 Months Ended		12 Months Ended	
	31.01.2014	31.01.2013	31.01.2014	31.01.2013
	RM'000	RM'000	RM'000	RM'000
<b>Revenue:</b>				
Investment holdings	6,125	5,290	6,335	5,610
Property investment	5,500	5,073	20,606	21,503
Aviation	4,717	3,922	17,089	6,700
Eliminations	(6,125)	(5,290)	(6,335)	(5,610)
	<u>10,217</u>	<u>8,995</u>	<u>37,695</u>	<u>28,203</u>
<b>Profit/(loss) before tax:</b>				
Investment holdings	5,253	38,437	7,173	40,549
Property investment	338	2,007	4,320	7,394
Aviation	(3,307)	(2,664)	(6,568)	(5,185)
Corporate Services	3	(1,223)	(13,010)	(13,938)
Eliminations	(4,882)	(2,662)	(5,092)	(2,976)
	<u>(2,595)</u>	<u>33,895</u>	<u>(13,177)</u>	<u>25,844</u>
Share of result of associates	6,860	906	22,141	7,368
Share of result of joint ventures	271	(19)	35	(95)
	<u>4,536</u>	<u>34,782</u>	<u>8,999</u>	<u>33,117</u>

## 10 MATERIAL EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

There were no material events subsequent to end of the reporting year other than note 19 (c).

## 11 CHANGES IN COMPOSITION OF THE GROUP

There were no changes in the composition of the Group from the current financial year until the date of this announcement except for the followings:

- i) On 19 February 2013, the company acquired the entire issued shares of a shelf private limited company incorporated in Malaysia, known as Sajjan Seribayu Sdn Bhd at a total cash consideration of RM2.00.
- ii) On 28 March 2013, the company acquired the entire issued shares of a shelf private limited company incorporated in Malaysia, AeroHandlers Sdn Bhd (formerly known as Top Superlink Sdn Bhd) at a total cash consideration of RM2.00 (hereinafter referred to as "ASB"). The principle activities of ASB shall be ground handling and other Aviation related activities.
- iii) On 29 March 2013, the Company's wholly-owned subsidiary, DASB has acquired the remaining 15% equity in AeroDome Sdn Bhd (formerly known as Dnest Aviation Services Sdn Bhd) from Captain Earnest Kunasingh a/l Koipillai, making AeroDome Sdn Bhd a wholly-owned subsidiary of DASB
- iv) On 30 January 2014, the Company announced that Sapura Aero Sdn Bhd ("SASB"), a wholly-owned subsidiary of the Company had acquired the entire shares of a shelf private limited company incorporated in Malaysia known as AeroCharter Sdn Bhd ("AeroCharter") at a total cash consideration of RM2.00. The intended principal activity of AeroCharter shall be in the aviation business.
- v) On 24 February 2014, the Company announced that SASB, a wholly-owned subsidiary of the Company had acquired a shelf private limited company incorporated in Malaysia known as AeroDome Senai Sdn Bhd ("ASSB") for a cash



YEAR ENDED 31 JANUARY 2014

consideration of RM2.00. The intended principal activity of ASSB shall be in the aviation business.

**12 CONTINGENT LIABILITIES**

There were no material changes in contingent liabilities of the Group since the last annual reporting date.

**13 CAPITAL COMMITMENTS**

	As at 31.01.2014	As at 31.01.2013
	RM'000	RM'000
Approved and contracted for:		
Property, plant and equipment	-	1,073
Approved but not contracted for:		
Property, plant and equipment	706	11,435
	<u>706</u>	<u>12,508</u>

**14 REVIEW OF PERFORMANCE**

**(a) Three (3) months results – Q4FY2014 vs. Q4FY2013**

Revenue for the three (3) months period under review increased to RM10.2 million from RM9.0 million (an increase of RM1.2 million or 13%) mainly due to revenue generated from aviation.

Profit attributable to owners of the parent for the three (3) months decreased to RM5.1 million from profit of RM35.1 million mainly due to one off gain in disposal of Subang Land in Q4 FY13.

**(b) Twelve (12) months results – FY2014 vs. FY2013**

Revenue for the twelve (12) months period under review increased to RM37.7 million from RM28.2 million (an increase of RM9.5 million or 34%) mainly due to revenue generated from aviation.

Profit attributable to owners of the parent for the twelve (12) months decrease to RM9.5 million from profit of RM33.3 million mainly due to one off gain in disposal of Subang Land in Q4 FY13.

**15 MATERIAL CHANGES IN THE QUARTERLY RESULTS COMPARED TO THE PRECEDING QUARTER**

The Group recorded a profit attributable to owners of the parent of RM5.1 million in the period under review, compared to a profit RM1.6 million in the immediate preceding quarter mainly due to increase in results of associates.

**16 PROSPECTS**

The Group is currently in investing mode, the Board of Directors expects challenging environment going forward.

**17 TAXATION**

	12 months ended 31.01.2014	12 months ended 31.01.2013
	RM'000	RM'000
Malaysian taxation	502	184
	<u>502</u>	<u>184</u>

YEAR ENDED 31 JANUARY 2014

18 INVESTMENT SECURITIES

	As at 31.01.2014	As at 31.01.2013
	RM'000	RM'000
Investments in quoted securities as at the reporting period:		
At market value	36,451	70,136

19 CORPORATE PROPOSALS

(a) On 19 July 2011, the Company announced that it had entered into a joint venture agreement ("JVA") with KLCC (Holdings) Sdn Bhd ("KLCCH") whereby both the Company and KLCCH ("Parties") have agreed to collaborate with each other, via a joint venture vehicle known as Impian Bebas Sdn Bhd for the following:

- (i) to construct a premier Grade A office tower ("Office Tower") together with a convention centre or exhibition hall ("Convention Centre") and a retail podium ("Retail Podium") (collectively referred to as "Commercial Buildings") on the Land; and
- (ii) Leasing of the Commercial Buildings upon the completion thereof.

On 18 December 2013, the Company announced that both Parties have mutually agreed to an extension of six (6) months commencing from 19 December 2013 for the Parties to fulfil the conditions precedent in accordance with the terms of the JVA.

On 31 December 2013, the Company announced that it had entered into the Supplemental JVA with KLCCH to vary certain terms of the JVA which includes, among others, the equity interest and consideration to be paid for the Proposed Acquisition would be reduced from 51% to 50% and from RM110,678,118 to RM108,507,960, respectively.

(b) On 14 June 2013, the company announced that it had signed an Memorandum Of Understanding (MOU) with Majlis Amanah Rakyat for the parties to develop land in Subang, Selangor ("the Development").

The MOU shall be effective from 14 June 2013 and shall remain in force for 36 months or until it is replaced by other legally binding agreements detailing specific terms of the joint-venture and the Development, whichever is earlier.

The Board of Directors of the Company had approved the MOU on 27 June 2013.

(c) On 4 March 2014, the Company announced that SASB, a wholly-owned subsidiary of the Company, had entered into a Joint Venture and Shareholders Agreement ("JVSA") with ISY Holdings Sdn Bhd ("ISY") for the purpose of participating in a joint-venture company called ISY Aerina Sdn Bhd ("the JV Co").

The purpose of the JV Co is to develop an aircraft hangar building on a piece of land measuring 38,750 sq.ft. at Plot C, Bay 14, Sultan Abdul Aziz Shah Airport Subang, Selangor which comprises compartments of aircraft hangars for housing aircraft and units of offices (collectively referred as "the Aircraft Hangar").

On Completion Date of the JVSA, each party shall subscribe for new ordinary shares in the JV Co of up to RM300,000 in cash. The new shareholding structure in the JV Co will subsequently be as follows:-

- (i) Sapura Aero Sdn Bhd ("SASB") - 49% equity comprising 147,000 ordinary shares of RM1.00 each
- (ii) ISY Holdings Sdn Bhd ("ISY") - 51% equity comprising 153,000 ordinary shares of RM1.00 each

In addition, SASB to subscribe Redeemable Cumulative Preference Shares ("RCPS") in JV Co with a face value of RM1.00 each, up to a maximum amount of RM3.9 million.

SASB's total investment in the JV Co will be approximately RM4.05million, which will be financed by internally generated funds.

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20 LOAN AND BORROWINGS

(a) Details of Group's borrowings are as follows:

	As at 31.01.2014	As at 31.01.2013
	RM'000	RM'000
Short term:-		
Secured	449	442
Unsecured	-	18,000
	449	18,442
Long term - secured	1,600	1,653
<b>Total borrowings</b>	<b>2,049</b>	<b>20,095</b>

(b) Currency denominations

All the loan and borrowings are denominated in Ringgit Malaysia.

21 MATERIAL LITIGATION

The Company and its subsidiaries have no outstanding material litigation as at the date of this announcement.

22 DIVIDEND

The Board of Directors does not recommend any dividend for the quarter under review.

23 EARNINGS PER SHARE

The earnings per share has been calculated based on the profit attributable to Owners of the Parent of RM9,501,000 divided by the number of ordinary shares in issue during the period of 139,600,000.

24 ADDITIONAL INFORMATION

The following items are included in the statement of comprehensive income:-

	Individual Quarter		Cumulative Quarter	
	3 Months Ended		12 Months Ended	
	31.01.2014	31.01.2013	31.01.2014	31.01.2013
	RM'000	RM'000	RM'000	RM'000
Interest expense	111	230	830	509
Depreciation and amortisation	1,774	1,768	10,245	9,150
Net fair value gain on held for trading investment securities	(273)	(169)	(449)	(71)

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25 BREAKDOWN OF RETAINED PROFITS INTO REALISED AND UNREALISED

	As at 31.01.2014 RM'000	As at 31.01.2013 RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	112,420	139,271
- Unrealised	(6,297)	(5,840)
	<u>106,123</u>	<u>133,431</u>
Total share of retained profits from associated companies:		
- Realised	32,349	15,113
- Unrealised	(1,442)	(5,420)
	<u>30,907</u>	<u>9,693</u>
Consolidation adjustments	66,791	67,226
Retained profits as per financial statements	<u>203,821</u>	<u>210,350</u>

26 APPROVAL OF INTERIM FINANCIAL STATEMENT

The interim financial statements have been approved for issue in accordance with a resolution of The Board of Directors on 20 March 2014.

Hajar Binti Sheikh Ali (MAICSA 7017229)  
Company Secretary