



**SAPURA RESOURCES BERHAD**

(Company No.: 3136-D)

**Interim Financial Statements for the 1<sup>st</sup> quarter ended 30 April 2014**

The Board of Directors is pleased to announce the  
unaudited financial results of the Group for the 1<sup>st</sup> quarter ended 30 April 2014

**CONTENTS**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**

**EXPLANATORY NOTES**

SAPURA RESOURCES BERHAD - UNAUDITED FINANCIAL RESULTS Q1 FY2015

3 MONTHS PERIOD ENDED 30 APRIL 2014

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

Unaudited Condensed Consolidated Statements of Comprehensive Income for the 1<sup>st</sup> Quarter ended 30 April 2014

	Note	Individual Quarter 3 Months Ended		Cumulative Quarter 3 Months Ended	
		30.04.2014 RM'000	30.04.2013 RM'000	30.04.2014 RM'000	30.04.2013 RM'000
Revenue		9,495	9,960	9,495	9,960
Operating expenses		(12,336)	(13,052)	(12,336)	(13,052)
Other income	3	780	824	780	824
<b>Operating loss</b>		<b>(2,061)</b>	<b>(2,268)</b>	<b>(2,061)</b>	<b>(2,268)</b>
Finance costs		(35)	(229)	(35)	(229)
<b>Loss before tax before share of result</b>		<b>(2,096)</b>	<b>(2,497)</b>	<b>(2,096)</b>	<b>(2,497)</b>
Share of result of associates		4,032	4,233	4,032	4,233
Share of result of joint ventures		(202)	(134)	(202)	(134)
<b>Profit before tax</b>		<b>1,734</b>	<b>1,602</b>	<b>1,734</b>	<b>1,602</b>
Taxation		(104)	(123)	(104)	(123)
<b>Profit, net of tax</b>		<b>1,630</b>	<b>1,479</b>	<b>1,630</b>	<b>1,479</b>
Other comprehensive income		-	-	-	-
<b>Total comprehensive income for the period</b>		<b>1,630</b>	<b>1,479</b>	<b>1,630</b>	<b>1,479</b>
<b>Profit, represent total comprehensive income for the period attributable to :</b>					
Owners of the parent		1,630	1,479	1,630	1,479
Non-controlling interests		-	-	-	-
		<b>1,630</b>	<b>1,479</b>	<b>1,630</b>	<b>1,479</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 period	23	1.17	1.06	1.17	1.06

These unaudited Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 January 2014

SAPURA RESOURCES BERHAD - UNAUDITED FINANCIAL RESULTS Q1 FY2015

3 MONTHS PERIOD ENDED 30 APRIL 2014

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

Unaudited Condensed Consolidated Statements of Financial Position as at 30 April 2014

	Note	30.04.2014	31.01.2014
		RM'000	RM'000
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		45,974	46,303
Investment properties		130,235	131,179
Investments in associates		146,294	142,262
Investments in joint ventures		1,390	1,445
		<u>323,893</u>	<u>321,189</u>
<b>CURRENT ASSETS</b>			
Inventories		20	19
Trade and other receivables		8,496	7,540
Prepayments		69	91
Other current financial assets	18	703	36,451
Tax recoverable		97	97
Cash and bank balances		39,221	5,038
		<u>48,606</u>	<u>49,236</u>
<b>TOTAL ASSETS</b>		<u><b>372,499</b></u>	<u><b>370,425</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		205,427	203,797
<b>Total equity</b>		<u><b>347,608</b></u>	<u><b>345,978</b></u>
<b>NON-CURRENT LIABILITIES</b>			
Deferred tax liabilities		7,039	7,039
Loan and borrowings	20	1,438	1,559
		<u>8,477</u>	<u>8,598</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		15,805	15,359
Loan and borrowings	20	609	490
		<u>16,414</u>	<u>15,849</u>
<b>TOTAL LIABILITIES</b>		<u><b>24,891</b></u>	<u><b>24,447</b></u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>372,499</b></u>	<u><b>370,425</b></u>
<b>NET ASSETS PER SHARE (RM)</b>		<u><b>2.49</b></u>	<u><b>2.48</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 2014

SAPURA RESOURCES BERHAD - UNAUDITED FINANCIAL RESULTS Q1 FY2015

3 MONTHS PERIOD ENDED 30 APRIL 2014

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

Unaudited Condensed Consolidated Statement of Changes in Equity for the period ended 30 April 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	
At 1.2.2014	139,600	1,481	1,100	203,797	345,978	-	345,978
Profit for the period, being total comprehensive income for the period	-	-	-	1,630	1,630	-	1,630
At 30.04.2014	139,600	1,481	1,100	205,427	347,608	-	347,608
At 1.2.2013	139,600	1,481	1,100	210,350	352,531	-	352,531
Profit for the period, being total comprehensive income for the period	-	-	-	1,479	1,479	-	1,479
Dividend on ordinary shares	-	-	-	(6,994)	(6,994)	-	(6,994)
At 30.04.2013	139,600	1,481	1,100	204,835	347,016	-	347,016

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 2014

SAPURA RESOURCES BERHAD - UNAUDITED FINANCIAL RESULTS Q1 FY2015

3 MONTHS PERIOD ENDED 30 APRIL 2014

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

Unaudited Condensed Consolidated Statements of Cash Flows for the period ended 30 April 2014

	For the 3 months period ended 30.04.2014	For the 3 months period ended 30.04.2013
	RM'000	RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	1,734	1,602
Adjustment for non-cash items:	(1,420)	(2,044)
Cash flows before working capital changes	314	(442)
Net changes in current assets	(927)	(1,720)
Net changes in current liabilities	290	(485)
Net cash used in operating activities	(323)	(2,647)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(1,169)	(1,340)
Proceeds from redemption of unit trust	35,721	-
Acquisition of jointly controlled entity	(147)	-
Interest received	260	563
Net cash used in investing activities	34,665	(777)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of obligation under finance lease	(124)	(116)
Interest paid	(35)	(229)
Net cash used in financing activities	(159)	(345)
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>34,183</b>	<b>(3,769)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<b>5,038</b>	<b>7,640</b>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>39,221</b>	<b>3,871</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 2014

## 3 MONTHS PERIOD ENDED 30 APRIL 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
Amendments to MFRS 132 : Offsetting Financial Assets and Financial Liabilities	1 January 2014
Amendments to MFRS 10, MFRS 12 and MFRS 127: Investment Entities	1 January 2014
Amendments to MFRS 136 : Recoverable Amount Disclosures for Non-Financial Assets	1 January 2014
Amendments to MFRS 139 : Novation of Derivatives and Continuation of Hedge Accounting	1 January 2014
IC Interpretation 21 Levies	1 January 2014
MFRS 9 Financial Instruments	1 January 2015

The directors expect that the adoption of the above standards and interpretations will have no material impact on the financial statements of the Group and of the Company in the period of initial application.

**3 OTHER INCOME**

	Individual Quarter 3 Months Ended		Cumulative Quarter 3 Months Ended	
	30.04.2014	30.04.2013	30.04.2014	30.04.2013
	RM'000	RM'000	RM'000	RM'000
Interest income	260	563	260	563
Miscellaneous income	520	261	520	261
	<u>780</u>	<u>824</u>	<u>780</u>	<u>824</u>

3 MONTHS PERIOD ENDED 30 APRIL 2014

Sapura Resources Berhad (Company No.: 3136-D)  
Explanatory Notes (cont'd)

4 AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the financial statements for the year ended 31 January 2014 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.

9 SEGMENTAL REPORTING

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

	Individual Quarter 3 Months Ended		Cumulative Quarter 3 Months Ended	
	30.04.2014 RM'000	30.04.2013 RM'000	30.04.2014 RM'000	30.04.2013 RM'000
<b>Revenue:</b>				
Property investment	5,563	4,956	5,563	4,956
Aviation	3,932	5,004	3,932	5,004
	<u>9,495</u>	<u>9,960</u>	<u>9,495</u>	<u>9,960</u>
<b>Profit before tax:</b>				
Investment holdings	115	508	115	508
Property investment	1,770	1,280	1,770	1,280
Aviation	12	195	12	195
Corporate Services	(3,993)	(4,480)	(3,993)	(4,480)
	<u>(2,096)</u>	<u>(2,497)</u>	<u>(2,096)</u>	<u>(2,497)</u>
Share of result of associates	4,032	4,233	4,032	4,233
Share of result of joint ventures	(202)	(134)	(202)	(134)
	<u>1,734</u>	<u>1,602</u>	<u>1,734</u>	<u>1,602</u>

10 MATERIAL EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

There were no material events subsequent to end of the reporting period other than note 19.

3 MONTHS PERIOD ENDED 30 APRIL 2014

Sapura Resources Berhad (Company No.: 3136-D)  
Explanatory Notes (cont'd)

11 CHANGES IN COMPOSITION OF THE GROUP

There were no changes in the composition of the Group for the current financial period except for the following :

- i) On 24 February 2014, the Company announced that Sapura Aero Sdn Bhd ("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 consideration of RM2.00. The intended principal activity of ASSB shall be in the aviation business.
- ii) On 4 March 2014, the Company announced that SASB, a wholly-owned subsidiary of the Company, had on 4 March 2014 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 4 April 2014, the Company announced that all Conditions Precedent in relation to the JVSA have been unconditionally fulfilled and fully satisfied as of 4 April 2014 and, subsequently, the subscription of 147,000 shares and 153,000 shares by SASB and ISY respectively in ISY Aerina have been effected accordingly.

- iii) On 8 April 2014, the Company announced that its dormant subsidiary, Kudos Asia Pacific Sdn Bhd, have been struck-off from the Register of the Suruhanjaya Syarikat Malaysia ("SSM") in accordance with Section 308(4) of the Companies Act, 1965 with effect from 30 October 2013, of which the Notice of Striking-Off was received from SSM on 9 April 2014.
- iv) On 30 April 2014, the Company announced that its dormant subsidiary, Inter-Flex Assets Sdn Bhd, have been struck-off from the Register of the Suruhanjaya Syarikat Malaysia ("SSM") in accordance with Section 308(4) of the Companies Act, 1965 with effect from 13 September 2013, of which the Notice of Striking-Off was received from SSM on 29 April 2014.

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 30.04.2014	As at 31.01.2014
	RM'000	RM'000
Approved and contracted for:		
Property, plant and equipment	-	-
Approved but not contracted for:		
Property, plant and equipment	168	706
	<u>168</u>	<u>706</u>

14 REVIEW OF PERFORMANCE

Three (3) months results – Q1FY2015 vs. Q1FY2014

Revenue for the three (3) months period under review decreased from RM9.96 million to RM9.5 million (decrease of RM0.5 million or 5%) mainly due to drop in revenue from aviation.

Profit attributable to owners of the parent for the three (3) months increased to RM1.6 million from profit of RM1.5 million mainly due to lower Group operating expenses.



3 MONTHS PERIOD ENDED 30 APRIL 2014

Sapura Resources Berhad (Company No.: 3136-D)  
Explanatory Notes (cont'd)

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

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

16 PROSPECTS

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

17 TAXATION

	3 months ended 30.04.2014	3 months ended 30.04.2013
	RM'000	RM'000
Malaysian taxation	104	123
	<u>104</u>	<u>123</u>

18 OTHER CURRENT FINANCIAL ASSETS

	As at 30.04.2014	As at 31.01.2014
	RM'000	RM'000
Investment securities held for trading:		
Quoted equity shares	703	716
Quoted investment in units	-	35,735
Total financial assets at fair value through profit or loss	<u>703</u>	<u>36,451</u>

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 3 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.

On 21 April 2014, the Company announced that the Board has approved the Proposed Joint Venture.

On 19 June 2014, the Company announced that the shareholders of the Company have approved the Proposed Joint Venture.

3 MONTHS PERIOD ENDED 30 APRIL 2014

Sapura Resources Berhad (Company No.: 3136-D)  
Explanatory Notes (cont'd)

19 CORPORATE PROPOSALS ( Cont'd)

- (b) 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.

20 LOAN AND BORROWINGS

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

	As at 30.04.2014	As at 31.01.2014
	RM'000	RM'000
Short term - secured	609	490
Long term - secured	1,438	1,559
<b>Total borrowings</b>	<b>2,047</b>	<b>2,049</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.

## 3 MONTHS PERIOD ENDED 30 APRIL 2014

Sapura Resources Berhad (Company No.: 3136-D)  
Explanatory Notes (cont'd)

## 23 EARNINGS PER SHARE

The earnings per share has been calculated based on the profit attributable to Owners of the Parent of RM1,630,000 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 3 Months Ended		Cumulative Quarter 3 Months Ended	
	30.04.2014	30.04.2013	30.04.2014	30.04.2013
	RM'000	RM'000	RM'000	RM'000
Interest expense	35	229	35	229
Depreciation and amortisation	2,608	2,565	2,608	2,565
Net fair value loss/(gain) on Investment securities held for trading	27	(42)	27	(42)

## 25 BREAKDOWN OF RETAINED PROFITS INTO REALISED AND UNREALISED

	As at 30.04.2014	As at 31.01.2014
	RM'000	RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	110,132	112,795
- Unrealised	(6,197)	(6,297)
	103,935	106,498
Total share of retained profits from associated companies:		
- Realised	36,745	32,413
- Unrealised	(1,441)	(1,441)
	35,304	30,972
Consolidation adjustments	66,188	66,327
Retained profits as per financial statements	205,427	203,797

## 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 30 June 2014.

Tai Yit Chan (MAICSA 7009143)  
Hajar Binti Sheikh Ali (MAICSA 7017229)

Company Secretaries