

ORNAPAPER BERHAD
 (Company No.: 573695 W)
 (Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
 FOR THE 12-MONTH PERIOD ENDED 31 DEC 2013**

	Note	Current quarter 3 months ended		Cumulative quarter 12 months ended	
		31-Dec-2013	31-Dec-2012	31-Dec-2013	31-Dec-2012
		RM'000	RM'000	RM'000	RM'000
Continuing operations					
Revenue		67,808	58,972	245,625	229,336
Cost of sales		(55,459)	(48,637)	(200,246)	(187,779)
Gross profit	18%	12,349	10,335	45,379	41,557
Other items of income					
- Interest income		35	43	157	70
- Other income		798	81	2,008	586
Other items of expense					
- Administrative and other expenses		(8,714)	(8,769)	(33,440)	(30,205)
- Interest expense		(879)	(812)	(3,430)	(3,402)
Profit from continuing operations, before tax	8	3,589	878	10,674	8,606
Income tax expense	9	(1,430)	(488)	(2,243)	(1,161)
Profit from continuing operations, net of tax		2,159	390	8,431	7,445
Other comprehensive income, net of tax		-	-	-	-
Total comprehensive income for the period		2,159	390	8,431	7,445
Profit from continuing operation, net of tax, attributable to:					
Owners of the parent		2,102	356	8,277	7,285
Non-controlling interests		57	34	154	160
		2,159	390	8,431	7,445
Earnings per share attributable to owners of the parent (sen per share):					
- Basic	10	2.83	0.48	11.16	9.81
- Diluted	10	2.83	0.48	11.16	9.81

These condensed consolidated statements of comprehensive Income should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DEC 2013**

	Note	As At 31-Dec-2013 RM'000	As At 31-Dec-2012 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		102,030	101,837
Land use rights		4,292	4,422
Investment securities		-	-
Goodwill		1,633	1,633
Deferred tax assets		1,672	1,170
		<u>109,627</u>	<u>109,062</u>
Current assets			
Inventories		33,531	22,594
Trade receivables		59,568	52,461
Other receivables		1,267	2,168
Cash and bank balances		10,045	19,111
Tax recoverable		431	647
Other current assets		4,887	1,639
Derivatives asset		-	-
		<u>109,729</u>	<u>98,620</u>
Assets held for sale		-	-
		<u>109,729</u>	<u>98,620</u>
TOTAL ASSETS		<u>219,356</u>	<u>207,682</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	16	75,251	75,251
Share premium	16	11,156	11,156
Treasury shares	16	(541)	(489)
Retained earnings		36,719	28,442
		<u>122,585</u>	<u>114,360</u>
Non-controlling interests		<u>911</u>	<u>757</u>
TOTAL EQUITY		<u>123,496</u>	<u>115,117</u>
Non-current liabilities			
Loans and borrowings	17	7,736	9,106
Defferred tax liabilities		6,643	4,899
		<u>14,379</u>	<u>14,005</u>
Current liabilities			
Loans and borrowings	17	52,362	55,260
Trade payables		22,115	16,673
Other payables		6,887	6,448
Income tax payable		117	179
Derivatives liabilities		-	-
		<u>81,481</u>	<u>78,560</u>
TOTAL LIABILITIES		<u>95,860</u>	<u>92,565</u>
TOTAL EQUITY AND LIABILITIES		<u>219,356</u>	<u>207,682</u>
NET ASSETS PER SHARE			
Attributable to owners of the parent (RM)		<u>1.63</u>	<u>1.52</u>

These condensed consolidated statements of financial position should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

ORNAPAPER BERHAD
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**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
 FOR THE 12-MONTH PERIOD ENDED 31 DEC 2013**

	12 months ended	
	31-Dec-2013	31-Dec-2012
	RM'000	RM'000
Operating activities		
Profit before taxation	10,674	8,606
Adjustments for:		
Depreciation and amortisation :		
- Property, plant & equipment	9,821	8,500
- Land use right	131	131
Property, plant and equipment written off	1,531	1,092
Allowance for impairment loss on receivable	-	147
Reversal of impairment loss on trade receivable	(1,096)	(31)
Net (gain) / loss on disposal of property, plant and equipment	(233)	791
Bad debts written off	668	276
(Gain) / loss on fair value changes of derivatives	-	-
Interest expense	3,430	3,402
Interest income	(157)	(70)
Operating cash flows before changes in working capital	<u>24,769</u>	<u>22,844</u>
(Increase)/decrease in inventories	(10,937)	(568)
(Increase)/decrease in trade and other receivable	(9,027)	3,500
Increase/(decrease) in trade and other payable	5,879	4,159
Cash generated from operation	<u>10,684</u>	<u>29,935</u>
Interest paid	(3,430)	(3,402)
Interest income	157	70
Taxes (paid) / refund	(848)	(660)
Net cash flow from/(used in) operating activities	<u>6,563</u>	<u>25,943</u>
Investing activities		
Purchase of property, plant and equipment	(11,594)	(10,879)
Proceeds from disposal of property, plant and equipment	285	734
Net cash flows used in investing activities	<u>(11,309)</u>	<u>(10,145)</u>
Financing activities		
Drawdown of hire purchase	1,483	-
Drawdown / (repayment) of term loan	(1,280)	2,907
Repayment of hire purchase	(1,240)	(2,865)
Short term borrowings	(6,187)	(1,630)
Dividend paid	-	-
Purchase of treasury shares	(52)	(489)
Net cash flows used in financing activities	<u>(7,276)</u>	<u>(2,077)</u>
Net increase/(decrease) in cash and cash equivalents	(12,022)	13,721
Cash and cash equivalents at 1 January	14 <u>17,217</u>	<u>3,496</u>
Cash and cash equivalents at 31 December	14 <u>5,195</u>	<u>17,217</u>

These condensed consolidated statements of cash flows should be read in conjunction with the accompanying explanatory notes attached to these interim financial reports.

ORNAPAPER BERHAD
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**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
 FOR THE 12-MONTH PERIOD ENDED 31 DEC 2013**

<----- Attributable to owners of the parent ----->

	< ----- Non Distributable ----- >			Distributable		Non-	Total
	Share	Share	Treasury	Retained	Total	controlling	Equity
	capital	premium	shares	earnings	RM'000	interests	RM'000
	RM'000	RM'000	RM'000	RM'000		RM'000	RM'000
Period ended 31 December 2013							
As at 1 Jan 2013	75,251	11,156	(489)	28,442	114,360	757	115,117
Purchase of treasury shares	-	-	(52)	-	(52)	-	(52)
Total comprehensive income for the period	-	-	-	8,277	8,277	154	8,431
As at 31 December 2013	<u>75,251</u>	<u>11,156</u>	<u>(541)</u>	<u>36,719</u>	<u>122,585</u>	<u>911</u>	<u>123,496</u>
Period ended 31 December 2012							
As at 1 Jan 2012	75,251	11,156	-	21,157	107,564	597	108,161
Purchase of treasury shares	-	-	(489)	-	(489)	-	(489)
Total comprehensive income for the period	-	-	-	7,285	7,285	160	7,445
As at 31 December 2012	<u>75,251</u>	<u>11,156</u>	<u>(489)</u>	<u>28,442</u>	<u>114,360</u>	<u>757</u>	<u>115,117</u>

These condensed consolidated statements of changes in equity should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

**EXPLANATORY NOTES PURSUANT TO MFRS 134 AND BURSA MALAYSIA LISTING REQUIREMENTS CHAPTER 9, APPENDIX 9B,
PART A**

1 CORPORATE INFORMATION

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

These condensed consolidated interim financial statements were approved by the Board of Directors on 27 Feb 2014.

2 BASIS OF PREPARATION

These condensed consolidated interim financial statements, for the period ended 31 Dec 2013, have been prepared in accordance with MFRS 134 Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad and also comply with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board.

These condensed consolidated interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2012 and the explanatory notes that follow 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.

3 SIGNIFICANT ACCOUNTING POLICIES AND APPLICATION OF MFRS 1

The significant accounting policies adopted in the preparation of these condensed consolidated interim financial statements are consistent with those of the audited financial statements of the Group for the year ended 31 December 2012 except for the adoption of the following new/revised Malaysian Financial Reporting Standards ("MFRS") which became effective during the current financial period:

MFRS 1	Amendments to MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards (Government Loans)
MFRS 1	Amendments to MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements 2009 - 2011 Cycle)
MFRS 3	MFRS 3 Business Combinations (IFRS 3 issued by IASB in March 2004)
MFRS 7	Amendments to MFRS 7 Financial Instruments: Disclosures (Offsetting Financial Assets and Financial Liabilities)
MFRS 10	Consolidated Financial Statements
MFRS 10	Amendments to MFRS 10 Consolidated Financial Statements (Transition Guidance)
MFRS 11	Joint Arrangements
MFRS 11	Amendments to MFRS 11 Joint Arrangements (Transition Guidance)
MFRS 12	Disclosure of Interests in Other Entities
MFRS 12	Amendments to MFRS 12 Disclosure of Interests in Other Entities (Transition Guidance)
MFRS 13	Fair Value Measurement
MFRS 101	Amendments to MFRS 101 Presentation of Financial Statements (Presentation of Items of Other Comprehensive Income)
MFRS 101	Amendments to MFRS 101 Presentation of Financial Statements (Annual Improvements 2009 - 2011 Cycle)
MFRS 116	Amendments to MFRS 116 Property, Plant and Equipment (Annual Improvements 2009 - 2011 Cycle)
MFRS 119	Employee Benefits
MFRS 127	Consolidated and Separate Financial Statements (IAS 27 as revised by IASB in December 2003)
MFRS 127	Separate Financial Statements
MFRS 128	Investments in Associates and Joint Ventures
MFRS 132	Amendments to MFRS 132 Financial Instruments: Presentation (Annual Improvements 2009 - 2011 Cycle)
MFRS 134	Amendments to MFRS 134 Interim Financial Reporting (Annual Improvements 2009 - 2011 Cycle)
IC Int. 2	Amendments to IC Int. 2 Members' Shares in Co-operative Entities and Similar Instruments (Annual Improvements 2009 - 2011 Cycle)
IC Int. 20	Stripping Costs in the Production Phase of a Surface Mine

The adoption of the new/revised standards and interpretations has no material impact on these condensed consolidated interim financial statements, the main changes of which are discussed below:

(a) MFRS 3 Business Combinations (IFRS 3 Business Combinations issued by IASB in March 2004) and MFRS 127 Consolidated and Separate Financial Statements (IAS 27 as revised by IASB in December 2003)

An entity shall apply these earlier versions of MFRS 3 and MFRS 127 only if the entity has elected to do so as allowed in MFRS 10 Consolidated Financial Statements.

(b) MFRS 9 Financial Instruments

MFRS 9 reflects the first phase of the work on the replacement of MFRS 139 Financial Instruments: Recognition and Measurement and applies to classification and measurement of financial assets and financial liabilities as defined in MFRS 139 Financial Instruments: Recognition and Measurement. The adoption of the first phase of MFRS 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.

(c) MFRS 10 Consolidated Financial Statements

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

Under MFRS 10, an investor controls an investee when:

- (i) the investor has power over an investee,
- (ii) the investor has exposure, or rights, to variable returns from its involvement with the investee, and
- (iii) the investor has ability to use its power over the investee to affect the amount of the investor's returns.

Under MFRS 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.

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

(d) MFRS 13 Fair Value Measurement

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

(e) Amendments to MFRS 101 Presentation of Financial Statements (Annual Improvements 2009 - 2011 Cycle)

The amendments to MFRS 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.

(f) MFRS 127 Separate Financial Statements

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

4 CHANGES IN ESTIMATES

There were no changes in estimates that have had a material effect in the current interim period.

5 CHANGES IN COMPOSITION OF GROUP

There were no changes in the composition of the Group for the current financial period to-date.

6 SEGMENT INFORMATION

There is no segmental information to be disclosed as the Group principally manufactures one product line, that is corrugated board, carton boxes and other paper related products. It operates solely in Malaysia.

7 SEASONALITY OF OPERATIONS

The business operations for the financial period to-date were not affected by seasonal or cyclical factors.

8 PROFIT BEFORE TAX

	Current quarter		Cumulative quarter	
	3 Months Ended 31 Dec		12 Months Ended 31 Dec	
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
Depreciation of property, plant & equipment	2,442	2,063	9,821	8,500
Amortisation of prepaid lease payments	25	25	131	131
Impairment loss on trade & other receivables	-	-	-	-
Reversal of impairment loss on trade receivable	(640)	(10)	(1,096)	(31)
Bad debts written off	518	-	668	-
Inventories written off	-	-	-	-
Loss / (gain) on disposal of quoted and unquoted investments	-	-	-	-
Loss / (gain) on disposal of property, plant and equipment	(88)	683	(233)	791
Net fair value loss / (gain) on held for trading investment securities	-	-	-	-
Loss on disposal of available for sale investment securities	-	-	-	-
Provisions	-	-	-	-
Impairment of goodwill	-	-	-	-
Impairment of other assets	-	-	-	-
Property, plant & equipment written off	2	1	1,531	1,092
Write-down of inventories	-	-	-	-
Loss / (gain) on foreign exchange - realised	18	(5)	(42)	(18)
Loss / (gain) on foreign exchange - unrealised	-	-	-	-
Loss / (gain) on fair value changes of derivatives	2	(15)	-	-
Exceptional items	-	-	-	-

9 INCOME TAX EXPENSE

	3 Months Ended 31 Dec		12 Months Ended 31 Dec	
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
Current tax	(190)	(64)	(1,003)	(737)
Deferred tax	(1,240)	(424)	(1,240)	(424)
	<u>(1,430)</u>	<u>(488)</u>	<u>(2,243)</u>	<u>(1,161)</u>

Income tax expense is recognised in each interim period based on the best estimate of the weighted average annual income tax rate expected for the full financial year. The effective tax rate for the current financial year was lower than the statutory tax rate principally due to the utilisation of reinvestment allowance.

10 EARNINGS PER SHARE

Earnings per share amounts are calculated by dividing profit for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares in issue during the period:

	Current quarter		Cumulative quarter	
	3 Months Ended 31 Dec		12 Months Ended 31 Dec	
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
Issued ordinary sharers at the beginning and end of period	<u>75,251</u>	<u>75,251</u>	<u>75,251</u>	<u>75,251</u>
Weighted average number of shares ('000)	<u>74,153</u>	<u>74,224</u>	<u>74,153</u>	<u>74,224</u>
Net profit attributable to ordinary equity holders of the parent (RM'000)	<u>2,102</u>	<u>356</u>	<u>8,277</u>	<u>7,285</u>
Basic earnings per share (Sen)	<u>2.83</u>	<u>0.48</u>	<u>11.16</u>	<u>9.81</u>
Diluted earnings per share (Sen)	<u>2.83</u>	<u>0.48</u>	<u>11.16</u>	<u>9.81</u>

11 PROPERTY, PLANT AND EQUIPMENT

During the period ended 31 Dec 2013, assets with a carrying amount of RM45,986 (2012:RM1.16 million) were disposed off by the Group resulting in a net gain on disposal of RM233,111 (2012:loss of RM0.79 million), recognised and included in the statement of comprehensive income.

12 INTANGIBLE ASSETS - GOODWILL

Goodwill is tested for impairment annually (31 December) and when circumstances indicate that the carrying value may be impaired. The group's impairment test for goodwill is based on value-in-use calculations using cash flow projections from financial budgets approved by management covering a five-year period. The key assumptions used to determine the recoverable amount for the different cash generating units were discussed in the annual financial statements for the year ended 31 December 2012.

Management did not identify any impairment for the cash generating unit to which goodwill is allocated.

13 INVENTORIES

During the nine months ended 31 Dec 2013, there were no write-down of inventories.

14 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprised the following amounts:

	31 Dec	31 Dec
	2013	2012
	RM'000	RM'000
Cash at bank and in hand	7,479	18,256
Short term deposits with licensed bank	2,566	855
Bank overdrafts	(4,850)	(1,894)
Total cash and cash equivalents	<u>5,195</u>	<u>17,217</u>

15 FAIR VALUE HIERARCHY

As at the reporting date, there were no financial instruments carried at fair value.

16 SHARE CAPITAL, SHARE PREMIUM AND TREASURY SHARES

There were no issuance or re-purchase of ordinary shares during the financial period ended 31 December 2013 except for the following:

Treasury shares

71,400 ordinary shares of RM1.00 each were bought back and held as treasury shares.

17 INTEREST-BEARING LOANS AND BORROWINGS

The borrowings of the Company as at the end of the current financial quarter were as follows:-

Type of Borrowing	31 Dec	31 Dec
	2013	2012
	RM'000	RM'000
Short term borrowing (secured)		
Bank overdrafts	4,850	1,894
Trade bills	43,941	50,129
Hire purchase payables	1,085	1,033
Term loan	2,486	2,204
	<u>52,362</u>	<u>55,260</u>
Long term borrowing (secured)		
Hire purchase payables	2,690	2,499
Term loan	5,046	6,607
	<u>7,736</u>	<u>9,106</u>
Total borrowing	<u>60,098</u>	<u>64,366</u>

None of the above borrowings are dominated in foreign currencies.

18 PROVISIONS FOR COST OF RESTRUCTURING

There were no provision for, or reversal of, costs of restructuring during the reporting period.

19 DIVIDENDS

No dividends were paid during the current financial period to-date.

20 CAPITAL COMMITMENTS

	As At	
	31-Dec	31-Dec
	2013	2012
	RM'000	RM'000
Contracted but not provided for:		
Purchase of property, plant & equipment	838	2,373

21 CONTINGENCIES

There were no contingent assets or liabilities existing at end of the reporting period.

22 RELATED PARTY TRANSACTIONS

The following table shows the transactions which had been entered into with related parties during the 12-month period ended 31 December 2013 and 31 December 2012 as well as the balances with the related parties as at 31 December 2013 and 31 December 2012:

	Transactions with related parties		Amounts owed by related parties		Amounts due to related parties	
	12 months ended		As At		As At	
	31 Dec 2013	31 Dec 2012	31-Dec 2013	31-Dec 2012	31-Dec 2013	31-Dec 2012
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Sales of carton boxes #						
Perfect Food Manufacturing (M) Sdn. Bhd. *	4,992	4,099	483	419		
Greatbrand Food Industries Sdn. Bhd. *	1,318	1,312	180	154		
STH Wire Industry (M) Sdn. Bhd. @	66	-	2	-		-
Purchase of raw material						
STH Wire Industry (M) Sdn. Bhd. @	360	-	-	-	41	-

* Companies in which Sai Chin Hock, a director and substantial shareholder, has interest

@ Company in which Sai Chin Hock and his son, Sai Seak Chyuan, are directors

The transactions above were based on negotiated and mutually agreed terms and has been approved by the shareholders in the previous Annual General Meeting.

23 EVENTS AFTER THE REPORTING PERIOD

There were no material events subsequent to the end of interim financial period.

24 PERFORMANCE REVIEW

The group sales revenue increased by 14.98% and profit before tax increased by 308.8% as compared to the corresponding quarter. The significant increase in profit before tax was mainly due to higher sales volume resulted from strong demand of the products.

25 COMMENT ON MATERIAL CHANGE IN PROFIT BEFORE TAXATION

The Group sales revenue increased by 12.2% as compared to the preceeding quarter. In line with the increase in turnover, the Group recorded a higher profit before taxation of RM3.589 million as compared to the profit before taxation of RM3.092 million in the preceeding quarter.

26 COMMENTARY ON PROSPECTS

The operating environment continue to be challenging due to competitive business environment in the corrugated paper industry. The Group shall continue to focus on operating efficiency and is thus expected to remain profitable in the coming year.

27 COMMENTARY ON PROGRESS TO ACHIEVE REVENUE OR PROFIT ESTIMATE, FORECAST, PROJECTION OR INTERNAL TARGETS

Not applicable

28 STATEMENT BY DIRECTORS ON ACHIEVABILITY OF REVENUE OR PROFIT ESTIMATE, FORECAST, PROJECTION OR INTERNAL TARGET

Not applicable

29 VARIANCE FROM PROFIT FORECAST OR PROFIT GUARANTEE

Not applicable

30 CORPORATE PROPOSALS

As of the date of this report, there were no corporate proposals announced but not completed at the latest practicable date (not earlier than 7 days from the date of issue of this Quarterly Report).

31 CHANGES IN MATERIAL LITIGATION

There was no material litigation against the Group as at the date of this report, except that the Court has ordered one of the subsidiary company namely Ornaper Industry (M) Sdn Bhd to recognise the Union.

32 DIVIDEND PAYABLE

Refer to note 19 for details.

33 DISCLOSURE OF NATURE OF OUTSTANDING DERIVATIVES

Type of Derivatives	Contract Value	Fair Value
	USD'000	RM'000
NONE		

34 RATIONALE FOR ENTERING INTO DERIVATIVES

There was no outstanding foreign exchange contract for the period ended 31 Dec 2013.

35 RISKS AND POLICIES OF DERIVATIVES

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group is exposed to transactional currency risk primarily respective through sales and purchases that are detominated in a currency other than the respective functional currencies of the Group entities. The currencies giving rise to this risk are primarily United States Dollars ("USD") and Singapore Dollars ("SGD") and Euro. Such transactions are kept to an acceptable level and the Group only enters into foreign exchange contracts when necessary. The Group policy is not to speculate on such contracts.

36 DISCLOSURE OF GAINS/LOSSES ARISING FROM FAIR VALUE CHANGES OF FINANCIAL LIABILITIES

There was no gain/loss arising from fair value changes of financial liabilities.

37 BREAKDOWN OF REALISED AND UNREALISED PROFITS OR LOSSES

Total retained profits/(accumulated losses) of Ornapaper Berhad and it's subsidiaries:

	As At	
	30-Dec-13	31-Dec-12
	RM'000	RM'000
- Realised	87,406	77,465
- Unrealised	(6,643)	(3,729)
	<u>80,763</u>	<u>73,736</u>
Less : Consolidation adjustments	(44,044)	(45,294)
Total Group retained profits / (accumulated losses) as per consolidated accounts	<u>36,719</u>	<u>28,442</u>

38 AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENT

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

39 AUTHORITY FOR ISSUE

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 27 February 2014.
