



INTERIM REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2015
(The figures have not been audited)
Condensed Consolidated Statement of Financial Position as at 30 June 2015

	Note	30 June 2015 RM'000	31 December 2014 RM'000
ASSETS			
Non-current Assets			
Property, plant and equipment	A1	1,122,821	1,143,530
Plantation development expenditure	A1	566,348	575,033
Land held for property development		46,549	40,390
Land use rights	A1	4,578	4,621
Investment in associate		8,774	8,203
Intangible assets		5,182	5,182
Deferred tax assets		55,552	49,057
		<u>1,809,804</u>	<u>1,826,016</u>
Current Assets			
Inventories		212,750	232,819
Trade and other receivables		300,536	173,163
Cash and bank balances		471,456	487,929
		<u>984,742</u>	<u>893,911</u>
TOTAL ASSETS		<u>2,794,546</u>	<u>2,719,927</u>
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital		439,947	439,498
Share premium		15,054	14,656
Other reserve		6,612	5,206
Hedging reserve		(142)	(130)
Retained earnings		888,467	871,494
		<u>1,349,938</u>	<u>1,330,724</u>
Non-controlling interest		<u>99,273</u>	<u>98,182</u>
Total equity		<u>1,449,211</u>	<u>1,428,906</u>

(The Condensed Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to this report)



Condensed Consolidated Statement of Financial Position as at 30 June 2015

	Note	30 June 2015 RM'000	31 December 2014 RM'000
Non-current liabilities			
Deferred tax liabilities		126,539	125,139
Loans and borrowings	B8	526,592	476,729
Deferred government grant		4,251	-
Derivative financial instruments	B9	83	148
		<u>657,465</u>	<u>602,016</u>
Current liabilities			
Loans and borrowings	B8	528,985	454,695
Trade and other payables		156,730	223,311
Derivative financial instruments	B9	2,155	10,999
		<u>687,870</u>	<u>689,005</u>
Total liabilities		<u>1,345,335</u>	<u>1,291,021</u>
TOTAL EQUITY AND LIABILITIES		<u>2,794,546</u>	<u>2,719,927</u>
Net assets per share attributable to owners of the Company (RM)		3.07	3.03

(The Condensed Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to this report)



**Condensed Consolidated Statement of Comprehensive Income
For the Six-Months Period Ended 30 June 2015**

	Note	INDIVIDUAL QUARTER 3 months ended 30 June		CUMULATIVE QUARTER 6 months ended 30 June	
		2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Continuing Operations					
Revenue		764,582	655,345	1,395,455	1,201,984
Operating expenses		(731,206)	(602,263)	(1,340,586)	(1,089,831)
Other operating income/(expenses)		5,385	6,050	3,408	8,382
Administrative expenses		(4,672)	(2,903)	(5,916)	(5,189)
Finance costs		(9,528)	(8,273)	(19,009)	(16,829)
Share of results of an associate		23	456	(779)	(1,149)
Profit/(Loss) before tax		24,584	48,412	32,573	97,368
Taxation	B6	(6,127)	(13,281)	(8,959)	(26,264)
Profit/(Loss) for the period		18,457	35,131	23,614	71,104
Other comprehensive income:					
Net changes in fair value of derivatives	B9	116	23	(12)	46
Foreign exchange translation		164	(5)	279	(5)
Other comprehensive income for the period, net of tax		280	18	267	41
Total comprehensive income for the period		18,737	35,149	23,881	71,145
Profit/(Loss) attributable to:					
Owners of the parent		17,073	32,901	22,523	66,585
Non-controlling interest		1,384	2,230	1,091	4,519
		<u>18,457</u>	<u>35,131</u>	<u>23,614</u>	<u>71,104</u>
Total comprehensive income attributable to:					
Owners of the parent		17,353	32,919	22,790	66,626
Non-controlling interest		1,384	2,230	1,091	4,519
		<u>18,737</u>	<u>35,149</u>	<u>23,881</u>	<u>71,145</u>
Earning per share attributable to Equity holders of the parent (Sen):					
Basic	B12	<u>3.88</u>	<u>7.50</u>	<u>5.12</u>	<u>15.18</u>
Diluted	B12	<u>3.85</u>	<u>7.40</u>	<u>5.09</u>	<u>14.99</u>

(The Condensed Consolidated Income Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to this report)



**Condensed Consolidated Statement of Changes in Equity
For the Six-Months Period Ended 30 June 2015**

Attributable to Equity Holders of the Parent

	Equity, total RM'000	Equity attributable to owners of the parent, total RM'000	Share capital RM'000	Share premium RM'000	Non- Distributable Employee share option reserve RM'000	Hedge reserve RM'000	Foreign currency translation reserve RM'000	Distributable Retained earnings RM'000	Minority interest RM'000
At 1 January 2015	1,428,906	1,330,724	439,498	14,656	5,206	(130)	-	871,494	98,182
Total comprehensive income	23,881	22,790	-	-	-	(12)	279	22,523	1,091
Transactions with owners									
Issuance of ordinary shares:									
Pursuant to exercise of ESOS	847	847	449	398	-	-	-	-	-
Share option granted under ESOS:									
Recognized in profit or loss	1,127	1,127	-	-	1,127	-	-	-	-
Dividends paid to non-controlling interest	(5,550)	(5,550)	-	-	-	-	-	(5,550)	-
At 30 June 2015	<u>1,449,211</u>	<u>1,349,938</u>	<u>439,947</u>	<u>15,054</u>	<u>6,333</u>	<u>(142)</u>	<u>279</u>	<u>888,467</u>	<u>99,273</u>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunctions with the Audited Financial Statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to this report)



**Condensed Consolidated Statement of Changes in Equity
For the Six-Months Period Ended 30 June 2015**

Attributable to Equity Holders of the Parent

	Equity, total	Equity attributable to owners of the parent, total	Share capital	Share premium	Non- Distributable Employee share option reserve	Hedge reserve	Foreign currency translation reserve	Distributable Retained earnings	Minority interest
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2014	1,326,188	1,231,619	438,253	11,423	4,271	(376)	-	778,048	94,569
Total comprehensive income	123,645	115,655	-	-	-	246	-	115,409	7,990
Transactions with owners									
Issuance of ordinary shares:									
Pursuant to exercise of ESOS	3,182	3,182	1,245	1,937	-	-	-	-	-
Share option granted under ESOS:									
Recognized in profit or loss	2,231	2,231	-	-	2,231	-	-	-	-
Exercise of ESOS	-	-	-	1,296	(1,296)	-	-	-	-
Disposal of a subsidiary	(37)	-	-	-	-	-	-	-	(37)
Dividends paid to non-controlling interest	(26,303)	(21,963)	-	-	-	-	-	(21,963)	(4,340)
At 31 December 2014	<u>1,428,906</u>	<u>1,330,724</u>	<u>439,498</u>	<u>14,656</u>	<u>5,206</u>	<u>(130)</u>	<u>-</u>	<u>871,494</u>	<u>98,182</u>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunctions with the Audited Financial Statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to this report)



**Condensed Consolidated Cash Flow Statement
For the Six-Months Period Ended 30 June 2015**

	Note	30 June 2015 RM'000	30 June 2014 RM'000
Operating activities			
Profit before tax		32,573	97,368
Adjustments for non-cash flow items:			
Depreciation and amortization of property, plant and equipment		51,562	40,572
Employee expenses under ESOS		1,052	936
(Gain)/Loss on disposal of property, plant and equipment		(26)	(623)
Property, plant and equipment written off		81	100
Interest income		(5,624)	(6,448)
Interest expenses		19,009	16,829
Unrealized (gain)/loss on foreign exchange		(4,367)	-
Fair value changes on derivative financial instruments		(6,663)	-
Share of results of an associate		(779)	(1,149)
Operating profit before working capital changes		86,818	147,585
(Increase)/decrease in inventories		20,505	(17,050)
Decrease/(Increase) in trade and other receivables		(96,186)	(36,841)
(Decrease) / Increase in trade and other payables		(82,518)	(32,875)
Cash generated from operations		(71,381)	60,819
Tax (paid) / refunded		(29,637)	(21,246)
Net cash flows from/(used in) operating activities		(101,018)	39,573
Investing activities			
Acquisition of property, plant and equipment		(15,606)	(63,857)
Additions of plantation development expenditure		(3,039)	(7,962)
Increase in land held for property development		(6,160)	(2,446)
Proceeds from disposal of property, plant and equipment		8	224
Subscription of shares in associate company		(1,350)	-
Interest received		5,624	6,448
Net cash used in investing activities		(20,523)	(67,593)

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to this report)



**Condensed Consolidated Cash Flow Statement
For the Six-Months Period Ended 30 June 2015**

	Note	30 June 2015 RM'000	30 June 2014 RM'000
Financing activities			
Net changes in trade facilities		144,023	87,635
Proceeds from loans and borrowings		44,194	62,117
Proceeds from issuance of share capital		846	2,411
Dividend paid		(5,550)	(4,340)
Government grant received		4,251	-
Repayment of hire purchase		(6,526)	(8,586)
Repayment of loans and borrowings		(61,938)	(70,417)
Interest paid		(19,166)	(10,959)
Net cash from financing activities		100,134	57,861
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS		(21,407)	29,841
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		487,929	482,671
Effect of exchange rate changes on cash and cash equivalents		4,935	-
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD		471,456	512,512
Cash and cash equivalents at the end of the financial period comprised the following:			
Short term deposits with licensed banks		278,216	300,161
Cash in hand and at bank		193,240	212,351
Cash and bank balances		471,456	512,512

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to this report)



Explanatory Notes To The Interim Report – 30 June 2015

A. FRS (Financial Reporting Standards) 134 – Paragraph 16

A1. Accounting policies

The interim financial statements have been prepared under the historical cost convention except for the revaluation of leasehold land.

The interim financial statements of the Group are unaudited and have been prepared in accordance with the requirements of FRS 134 – Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“BMSB”).

The accounting policies and methods of computation used in the preparation of the interim financial statements are consistent with those used in the preparation of the last audited financial statements for the financial year ended 31 December 2014.

The Company has applied the following accounting standards, amendments and interpretations that have been issued by the Malaysian Accounting Standards Board effective for annual periods beginning on 1 January 2015:-

- Amendments to FRS 2: Share-based Payment (Improvements 2012 Cycle)
- FRS 3: Business Combinations
- Amendments to FRS 3: Business Combinations (Improvements 2010-2012 Cycle)
- Amendments to FRS 3: Business Combinations (Improvements 2011-2013 Cycle)
- Amendments to FRS 8: Operating Segments (Improvements 2010-2012)
- Amendments to FRS 10: Investment Entities
- Amendments to FRS 12: Investment Entities
- Amendments to FRS 13: Fair Value Measurement (Improvements 2011-2013)
- Amendments to FRS 116: Property, Plant and Equipment (Improvements 2010-2012 Cycle)
- Amendments to FRS 119: Defined Benefit Plans: Employee Contributions
- Amendments to FRS 124: Related Party Disclosure (Improvements 2010-2012)
- Amendments to FRS 127: Separate Financial Statements: Investment Entities
- Amendments to FRS 132: Financial Instruments: Presentation: Offsetting Financial Assets and Financial Liabilities
- Amendments to FRS 136: Impairment of Assets: Recoverable Amount Disclosure for Non-Financial Assets
- Amendments to FRS 138: Intangible Assets (Improvements 2010-2012)
- Amendments to FRS 139: Financial Instruments: Recognition and Measurement: Novation of Derivatives and continuation of Hedge Accounting
- Amendments to FRS 140: Investment Property (Improvements 2011-2013)
- IC Interpretation 21, Levies



Explanatory Notes To The Interim Report – 30 June 2015

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 financial year 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 venture (herein called ‘Transitioning Entities’).

Transitioning Entities will be allowed to defer adoption of the new MFRS Framework for an additional two year. Consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for financial year beginning on or after 1 January 2017.

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 financial year ended 31 December 2017. 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. Majority of the adjustments required on transition will be made, retrospectively, against opening retained profits.

The Group expects to be in a position to fully comply with the requirements of the MFRS Framework for the financial year ended 31 December 2017.

A2. Disclosure of audit report qualification and status of matters raised

There were no qualifications in the audit report on the preceding annual financial statements.

A3. Seasonality or cyclicity of interim operations

The Group's performance is subjected to the cropping pattern of the palms.

A4. Unusual Items affecting assets, liabilities, equity, net income, or cash flow

There were no items affecting assets, liabilities, equity, net income, or cash flows that were unusual in nature, size, or incidence during the interim period under review.

A5. Material changes in estimates

There were no changes in estimates of amounts reported in prior interim periods or changes in estimates of amounts reported in prior financial years, which have a material effect in the current interim period.

A6. Debt and Equity Securities

There were no issuance, cancellations, repurchases, resale or repayment of debt and equity securities during the current quarter other than the listing and quotation of 329,950 shares exercised under the Employees' Share Options Scheme.

A7. Dividends paid

In respect for financial period ended 30 June 2015, the Company has paid RM21,997,345 on 23 July 2015, being the first and final single tier dividend of 5% declared for the financial year ended 31 December 2014 and duly approved during Annual General Meeting held on 25 June 2015.



Explanatory Notes To The Interim Report – 30 June 2015

A8. Segment Information

No segment analysis is prepared as the Company is primarily engaged in the oil palm industry in Malaysia.

A9. Valuation of property, plant and equipment

There were no amendments in the valuations of property, plant and equipment brought forward from previous annual financial statements.

A10. Material events subsequent to the end of the interim period

There were no material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period.

A11. Changes in the composition of the Group

There were no changes in the composition of the Group arising from business combinations, acquisition or disposal of subsidiary companies and long-term investments, restructurings, and discontinued operations for the current interim period.

A12. Changes in contingent liabilities and contingent assets

There were no contingent liabilities or contingent assets as at 30 June 2015 except the corporate guarantee favouring the banks for the banking facilities given to the subsidiary companies as follows:-

	Value of Guarantee	Balance Unutilized 30 June 2015
Subsidiary # 1	RM 59.0 million	RM 19.9 million
Subsidiary # 2	RM 533.8 million	RM 256.5 million
Subsidiary # 3	RM 85.8 million	RM 31.7 million
Subsidiary # 4	RM 115.3 million	RM 115.3 million

A13. Capital Commitments

The amount of commitments for the purchase of property, plant and equipment and for plantation development expenditure not provided for in the financial statements as at 30 June 2015 is as follows:-

	30 June 2015
	RM'000
Property, plant and equipment	
Authorized but not contracted	127,040
Contracted but not provided in the financial statements	87,545
	<u>214,585</u>
Plantation Development Expenditure	
Authorized but not contracted	8,256
Contracted but not provided in the financial statements	-
	<u>8,256</u>



Explanatory Notes To The Interim Report – 30 June 2015

B. BMSB Listing Requirements (Part A of Appendix 9B)

B1. Review of Performance

2nd Quarter FY2015 (“Q2FY2015”) vs 2nd Quarter FY2014 (“Q2FY2014”)

The Group registered a total revenue of RM764.6 million for Q2FY2015 compared with RM655.3 million reported in Q2FY2014, representing an increase of RM109.3 million or 16.7%. The increase in revenue was mainly attributed to higher trading volume of palm oil products transacted by the Group.

Profit before tax for the quarter was RM24.6 million against RM48.4 million for corresponding quarter last year. This was attributed principally to the lower palm products average realized prices.

Current Year To Date (“2QFY2015”) vs Preceding Year To Date (“2QFY2014”)

The Group registered a total revenue of RM1,395.5 million for the six months ended 30 June 2015 against RM1,202.0 million reported in the corresponding period year 2014, representing an increase of 16.1%.

Group profit before tax for the period ended 30 June 2015 was RM32.6 million against RM97.4 million achieved during the corresponding period year 2014. The decrease in profit before tax was mainly due to the lower palm products average realized prices.

B2. Variation of Results to Preceding quarter

2nd Quarter FY2015 (“Q2FY2015”) vs 1st Quarter FY2015 (“Q1FY2015”)

The Group posted total revenue of RM764.6 million in Q2FY2015 compared with RM630.9 million reported in Q1FY2015.

The Group reported a profit before tax of RM24.6 million compared with RM8.0 million reported in Q1FY2015. The profit improvement was mainly attributed to higher volume of palm products sold as a result of higher FFB production in tandem with the seasonal cropping pattern. For the quarter under review, simple average palm products realized prices against last quarter were as below:-

	Q2FY 2015	Q1FY 2015
Palm Oil Products (RM/mt)	2,168	2,252
Palm Kernel Products (RM/mt)	1,761	2,118

B3. Prospect

The performance of the Group would continue to be driven by the palm products price movement which is dependent on the world edible oil market, movement of Ringgit Malaysia and economic situation.

B4. Variance of actual profit from forecast profit

The disclosure requirement for explanatory notes for the variance of actual profit after tax and non-controlling interest and forecast profit after tax and non-controlling interest and for the shortfall in profit guarantee are not applicable.



Explanatory Notes To The Interim Report – 30 June 2015

B5. Profit before tax

Profit before tax is arrived at after charging/(crediting):-

	Individual quarter		Cumulative quarter	
	3 months ended		6 months ended	
	30 June		30 June	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Depreciation and amortization	26,070	20,004	51,562	40,572
Property, plant and equipment written off	-	93	81	100
(Gain)/Loss on disposal of property, plant and equipment	(26)	(470)	(26)	(623)
Interest income	(2,379)	(3,579)	(5,624)	(6,448)
Interest expenses	9,528	8,273	19,009	16,829

B6. Taxation

Current tax expenses	7,095	15,652	14,054	32,063
Deferred tax	(968)	(2,371)	(5,095)	(5,799)
	6,127	13,281	8,959	26,264
Deferred tax related to other comprehensive income:-				
Derivative financial instruments	37	7	(4)	15

The Group's effective tax rate is higher than the prevailing corporate tax rate of 24% due to certain expenditures which are non tax deductible.



Explanatory Notes To The Interim Report – 30 June 2015

B7. Status of corporate proposal announced

There is no corporate proposal announced but not completed as at the date of issuance of this report except for the followings:-

- (i) Proposed acquisition of 60% equity interest in both DD Pelita Sebungan Plantation Sdn Bhd and Mutiara Pelita Genaan Plantation Sdn Bhd; and 34.9 hectares of land located at Bintulu, Sarawak for construction of palm oil mill.

The Company had on 19th March 2014 entered into the Conditional Share Sales Agreement ('CSSA') to acquire 60% equity interest in DD Pelita Sebungan Plantation Sdn Bhd and Mutiara Pelita Genaan Plantation Sdn Bhd from Double Dynasty Sdn Bhd and Hartabumi Sdn Bhd ("the Vendors") respectively for an aggregate purchase consideration of RM134.9 million, together with the proposed procurement of the rights to develop an additional up to 8,000 hectares of land into oil palm plantations for a procurement consideration of up to RM28.0 million.

The Company also on even date entered into another Conditional Sales and Purchase Agreement ("CSPA") to acquire 34.9 hectares of land, earmarked for a palm oil mill, located at Bintulu, Sarawak from DD Palm Oil Mills Sdn Bhd, Ting Chek Ing and Lee Ka Ming for a purchase consideration of approximately RM4.3 million.

Both CSSA and CSPA have set out conditions precedent to be fulfilled within six months from the stop date as stipulated in the CSSA and CSPA.

On 1st December 2014, the Company received a letter from vendors' advocates informing that the vendors were unable to obtain consent from the Ministry of Land Development Sarawak for the sale and transfer of their sale shares, which is one of the CSSA condition precedent and that the vendors were giving notice to rescind the CSSA. As the CSPA is conditional upon the completion of the CSSA, the CSPA would also be rescinded. On 21st April 2015, the company and the vendors has entered into the deed of rescission to rescind both CSSA and CSPA.

As at to date, vendors' solicitor has refunded part of deposit pertaining to the above mentioned proposed acquisition amounting to RM5,816,707. The balance of RM1,133,293 deposit which has been remitted to Inland Revenue Board (IRB) as provisional real property gain tax will be refunded to the company upon receipt of the same by the vendors who are in the midst of applying for refund from IRB.



Explanatory Notes To The Interim Report – 30 June 2015

B8. Borrowing and debt securities

	30 June 2015 RM'000
Current	
Secured	428,195
Unsecured	100,790
Non-current	
Secured	437,636
Unsecured	88,956
Total	1,055,577

The above borrowings are denominated in Ringgit Malaysia.

B9. Derivatives financial instruments

(a) The outstanding interest rate swap (IRS) contracts as at 30 June 2015 are as follows:-

	Contract/Notional Value (Million)					Fair Value (RM'000)			
	Base Currency	<1 year	1 year to 3 years	More than 3 years	Total	<1 year	1 year to 3 years	More than 3 years	Total
Interest rate swap	RM	8	42	5	55	14	74	9	97

The Group uses IRS to manage part of its exposure to interest rate movements on its bank borrowings by swapping a proportion of its borrowings from floating rates to fixed rates and is designated as cash flow hedges. The fair value of IRS is measured at the present value of future cash flows estimated and discounted based on quoted interest rates. The IRS would reduce the group's cash flow exposure resulting from interest rate fluctuation. It satisfies the criteria for cash flow hedges and accordingly hedge accounting is applied.

(b) The outstanding forward currency contracts as at 30 June 2015 are as follows:-

	Contract/Notional Value (Million)					Fair Value (RM'000) Net gains/(losses)			
	Base Currency	<1 year	1 year to 3 years	More than 3 years	Total	<1 year	1 year to 3 years	More than 3 years	Total
Forward currency contracts	USD	63	-	-	63	(2,141)	-	-	(2,141)

The Company uses forward currency contracts to manage some of the transaction exposure. These contracts are not designated as cash flow or fair value hedges and are entered into for periods consistent with currency transaction exposure and fair value changes exposure. Such derivative do not qualify for hedge accounting.

Forward currency contracts are used to hedge the Company sales and purchases denominated in foreign currency for which firm commitments existed at the reporting date.



Explanatory Notes To The Interim Report – 30 June 2015

B10. Changes in material litigation

On 30th September 2010, SOP Plantations (Borneo) Sdn Bhd, a subsidiary of the Company had been served with a Writ of Summons (“**the Writ**”) in the High Court of Sabah and Sarawak at Bintulu under Suit No.21-06-2010(BTU) (“**Douglas Ding Suit**”) wherein it was named as the Fifth (5th) defendant along with other defendants which include Government of Sarawak, Director of Forests, Superintendent of Land & Surveys, Kapit and Pusaka KTS Forests Plantation Sdn Bhd. The Douglas Ding Suit was instituted by Douglas Ding Jangan and 4 others, suing on behalf of themselves and also as representatives of all the residents of Uma Long Bangan claiming a declaration that they have acquired and/or created NCR over all that parcel of land described as Lot 10 Punan Land district and other related reliefs.

The High Court has made a judgement on 8 August 2014, and the area affected is insignificant and has no significant impact to the Company.

On 3 September 2014, the plaintiff appealed against the Judgement of the High Court on 8 August 2014 and similarly, the Company had filed a cross appeal against the same Judgement on 6 November 2014.

On 15 December 2014, the plaintiff has served their Record of Appeal, and the Company has filed and served the Notice of Cross Appeal. The Court of Appeal has fixed the week of 19 to 24 October 2015 to hear the appeals.

B11. Dividends

First and final single tier dividend in respect of the financial year ended 31 December 2014, of 5% on 439,946,909 ordinary shares, amounting to a dividend payable of RM21,997,345 (5 sen per ordinary share) has been approved by shareholders during Annual General Meeting held on 25 June 2015.



Explanatory Notes To The Interim Report – 30 June 2015

B12. Earnings per share

Basic earnings per share

The calculation of basic earnings per share is based on the profit/(loss) attributable to equity holders of the parent divided by the weighted average number of ordinary shares of RM1 each in issue during the period.

	Individual Quarter		Cumulative Quarter	
	3 months ended		6 months ended	
	30.06.2015	30.06.2014	30.06.2015	30.06.2014
	RM'000	RM'000	RM'000	RM'000
Profit attributable to ordinary equity holders of the parent	17,073	32,901	22,523	66,585
	Individual Quarter		Cumulative Quarter	
	3 months ended		6 months ended	
	30.06.2015	30.06.2014	30.06.2015	30.06.2014
	RM'000	RM'000	RM'000	RM'000
Weighted average number of Ordinary shares in issue	439,798	438,896	439,673	438,611
	Individual Quarter		Cumulative Quarter	
	3 months ended		6 months ended	
	30.06.2015	30.06.2014	30.06.2015	30.06.2014
	Sen	Sen	Sen	Sen
Basic earning per share	3.88	7.50	5.12	15.18

Diluted earnings per share

The diluted earning per share is based on the profit/loss attributable to equity holders of the parent divided by the weighted average number of ordinary shares of RM1 each in issue during the period.

	Individual Quarter		Cumulative Quarter	
	3 months ended		6 months ended	
	30.06.2015	30.06.2014	30.06.2015	30.06.2014
	RM'000	RM'000	RM'000	RM'000
Profit attributable to ordinary equity holders of the parent	17,073	32,901	22,523	66,585
	Individual Quarter		Cumulative Quarter	
	3 months ended		6 months ended	
	30.06.2015	30.06.2014	30.06.2015	30.06.2014
	RM'000	RM'000	RM'000	RM'000
Weighted average number of Ordinary shares in issue	443,042	444,337	442,917	444,052
	Individual Quarter		Cumulative Quarter	
	3 months ended		6 months ended	
	30.06.2015	30.06.2014	30.06.2015	30.06.2014
	Sen	Sen	Sen	Sen
Diluted earning per share	3.85	7.40	5.09	14.99



SARAWAK OIL PALMS BERHAD
(Incorporated in Malaysia – 7949-M)

Explanatory Notes To The Interim Report – 30 June 2015

B13. Authorised for Issue

The interim financial statements were authorized for issue by the Board of Directors in accordance with a resolution of the Directors on 27 August 2015.

By Order of the Board
Eric Kiu Kwong Seng
Company Secretary

Miri
27 August 2015