



INTERIM REPORT FOR THE FORTH QUARTER ENDED 31 DECEMBER 2015

(The figures have not been audited)

Condensed Consolidated Statement of Financial Position as at 31 December 2015

	Note	31 December 2015 RM'000	31 December 2014 RM'000
ASSETS			
Non-current Assets			
Property, plant and equipment	A1	1,164,369	1,143,530
Plantation development expenditure	A1	556,722	575,033
Land held for property development		56,176	40,390
Land use rights	A1	4,901	4,621
Investment in associate		10,409	8,203
Intangible assets		5,182	5,182
Deferred tax assets		62,835	49,057
		1,860,594	1,826,016
Current Assets			
Inventories		282,711	232,819
Trade and other receivables		373,566	173,163
Cash and bank balances		449,974	487,929
		1,106,251	893,911
TOTAL ASSETS		2,966,845	2,719,927
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital		441,307	439,498
Share premium		15,456	14,656
Other reserve		9,003	5,206
Hedging reserve		(116)	(130)
Retained earnings		928,884	871,494
		1,394,534	1,330,724
Non-controlling interest		101,561	98,182
Total equity		1,496,095	1,428,906

(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 31 December 2015

	Note	31 December 2015 RM'000	31 December 2014 RM'000
Non-current liabilities			
Deferred tax liabilities		124,245	125,139
Loans and borrowings	B8	466,539	476,729
Deferred government grant		5,014	-
Derivative financial instruments	B9	(125)	148
		<u>595,673</u>	<u>602,016</u>
Current liabilities			
Loans and borrowings	B8	634,442	454,695
Trade and other payables		240,111	223,311
Derivative financial instruments	B9	524	10,999
		<u>875,077</u>	<u>689,005</u>
Total liabilities		<u>1,470,750</u>	<u>1,291,021</u>
TOTAL EQUITY AND LIABILITIES		<u><u>2,966,845</u></u>	<u><u>2,719,927</u></u>
Net assets per share attributable to owners of the Company (RM)		3.16	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 Twelve-Months Period Ended 31 December 2015**

	Note	INDIVIDUAL QUARTER 3 months ended 31 December		CUMULATIVE QUARTER 12 months ended 31 December	
		2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Continuing Operations					
Revenue		1,360,624	863,734	3,642,385	2,874,718
Operating expenses		(1,293,820)	(826,349)	(3,443,974)	(2,682,170)
Other operating income/(expenses)		15,781	(9,926)	(14,441)	25,059
Administrative expenses		(6,950)	(6,046)	(16,270)	(19,930)
Finance costs		(16,602)	(8,924)	(47,675)	(36,230)
Share of results of an associate		642	(116)	756	(1,311)
Profit/(Loss) before tax		59,675	12,373	120,781	160,136
Taxation	B6	(14,988)	(2,413)	(32,464)	(36,737)
Profit/(Loss) for the period		44,687	9,960	88,317	123,399
Other comprehensive income:					
Net changes in fair value of derivatives	B9	9	11	14	217
Foreign exchange translation		352	21	1,544	29
Other comprehensive income for the period, net of tax		361	32	1,558	246
Total comprehensive income for the period		45,048	9,992	89,875	123,645
Profit/(Loss) attributable to:					
Owners of the parent		44,073	9,131	84,938	115,409
Non-controlling interest		614	829	3,379	7,990
		44,687	9,960	88,317	123,399
Total comprehensive income attributable to:					
Owners of the parent		44,434	9,073	86,496	115,655
Non-controlling interest		614	829	3,379	7,990
		45,048	9,902	89,875	123,645
Earning per share attributable to Equity holders of the parent (Sen):					
Basic	B12	10.00	2.08	19.31	26.29
Diluted	B12	9.95	2.06	19.22	26.05

(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 Twelve-Months Period Ended 31 December 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	89,875	86,496	-	-	-	14	1,544	84,938	3,379
Transactions with owners									
Issuance of ordinary shares:									
Pursuant to exercise of ESOS	2,609	2,609	1,809	800	-	-	-	-	-
Share option granted under ESOS:									
Recognized in profit or loss	2,253	2,253	-	-	2,253	-	-	-	-
Dividends paid to non-controlling interest	(27,548)	(27,548)	-	-	-	-	-	(27,548)	-
At 30 September 2015	<u>1,496,095</u>	<u>1,394,534</u>	<u>441,307</u>	<u>15,456</u>	<u>7,459</u>	<u>(116)</u>	<u>1,544</u>	<u>928,884</u>	<u>101,561</u>

(The Condensed Consolidated Statement of Changes in Equity 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 Twelve-Months Period Ended 31 December 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 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 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 Twelve-Months Period Ended 31 December 2015

	Note	31 December 2015 RM'000	31 December 2014 RM'000
Operating activities			
Profit before tax		120,781	160,136
Adjustments for non-cash flow items:			
Depreciation and amortization of property, plant and equipment		107,053	94,045
Employee expenses under ESOS		2,104	2,231
(Gain)/Loss on disposal of property, plant and equipment		(522)	(1,034)
Property, plant and equipment written off		344	86
Inventory written off		-	20
Interest income		(11,443)	(14,129)
Interest expenses		47,675	36,230
Unrealized (gain)/loss on foreign exchange		2,484	(2,285)
Unrealized (gain)/loss on futures		(422)	-
Fair value changes on derivative financial instruments		(10,614)	8,182
Share of results of an associate		756	1,311
Operating profit before working capital changes		258,196	284,793
(Increase)/decrease in inventories		(49,892)	(64,818)
Decrease/(Increase) in trade and other receivables		(200,402)	(69,783)
(Decrease)/ Increase in trade and other payables		9,540	35,603
Cash generated from operations		17,442	185,795
Tax (paid) / refunded		(56,164)	(52,665)
Net cash flows from/(used in) operating activities		(38,722)	133,130
Investing activities			
Acquisition of property, plant and equipment		(95,590)	(145,109)
Additions of plantation development expenditure		(9,357)	(17,574)
Increase in land held for property development		(15,785)	(17,188)

(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 Twelve-Months Period Ended 31 December 2015**

	Note	31 December 2015 RM'000	31 December 2014 RM'000
Investing activities			
Proceeds from disposal of property, plant and equipment		855	2,258
Proceeds from refund on overpaid land premium		1,174	-
Investment of shares in subsidiaries/associate		(1,450)	-
Cash outflow on disposal of a subsidiary		-	(49)
Interest received		11,443	14,129
Net cash used in investing activities		<u>(108,710)</u>	<u>(163,533)</u>
Financing activities			
Net changes in trade facilities		226,949	102,554
Proceeds from loans and borrowings		52,741	138,556
Proceeds from issuance of share capital		2,608	3,182
Dividend paid		(27,548)	(26,303)
Government grant received		5,014	-
Repayment of hire purchase		(10,538)	(13,243)
Repayment of loans and borrowings		(92,988)	(134,500)
Interest paid		(49,805)	(39,845)
Net cash from financing activities		<u>106,433</u>	<u>30,401</u>
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS		(40,999)	(2)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		487,929	482,671
Effect of exchange rate changes on cash and cash equivalents		3,044	5,260
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD		<u><u>449,974</u></u>	<u><u>487,929</u></u>
Cash and cash equivalents at the end of the financial period comprised the following:			
Short term deposits with licensed banks		319,675	316,795
Cash in hand and at bank		130,299	171,134
Cash and bank balances		<u>449,974</u>	<u>487,929</u>

(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 – 31 December 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 – 31 December 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 1,277,900 shares exercised under the Employees' Share Options Scheme.
- A7. Dividends paid**
In respect for financial year ended 31 December 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 – 31 December 2015

A8. Segment Information

Segment information is presented in respect of the Group's reportable segments which are based on the Group's management and internal reporting structure.

(RM'000)

Year to date ended 31 December 2015

	Palm oil Segment	Property Segment	Consolidated Elimination	Consolidated
Total segment revenue	6,134,294	7,951	(2,499,860)	3,642,385
Less: Inter-segment revenue	(2,499,860)	-	2,499,860	-
Revenue from external customers	<u>3,634,434</u>	<u>7,951</u>	<u>-</u>	<u>3,642,385</u>
Finance income	12,099	59	(715)	11,443
Finance costs	(60,006)	(61)	12,392	(47,675)
Depreciation and amortization	103,999	338	2,715	107,052
Share of results of associates	-	-	(756)	(756)
Profit/(loss) before taxation for financial year	<u>152,675</u>	<u>(170)</u>	<u>(31,724)</u>	<u>120,781</u>

(RM'000)

Year to date ended 31 December 2014

	Palm oil Segment	Property Segment	Consolidated Elimination	Consolidated
Total segment revenue	4,305,213	2,935	(1,433,430)	2,874,718
Less: Inter-segment revenue	(1,433,430)	-	1,433,430	-
Revenue from external customers	<u>2,871,783</u>	<u>2,935</u>	<u>-</u>	<u>2,874,718</u>
Finance income	31,387	43	(17,301)	14,129
Finance costs	(51,668)	(313)	15,751	(36,230)
Depreciation and amortization	91,251	126	2,670	94,047
Share of results of associates	-	-	(1,311)	(1,311)
Profit/(loss) before taxation for financial year	<u>173,050</u>	<u>(378)</u>	<u>(12,536)</u>	<u>160,136</u>



Explanatory Notes To The Interim Report – 31 December 2015

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 year except for the incorporation of SOP Nutraceuticals Sdn Bhd on 25 November 2015 with a paid up share capital of RM2 held under SOP Industries Sdn Bhd, a wholly owned subsidiary.

A12. Changes in contingent liabilities and contingent assets

There were no contingent liabilities or contingent assets as at 31 December 2015 except the corporate guarantee favouring the banks for the banking facilities given to the subsidiary companies as follows:-

	Value of Guarantee	Balance Unutilized 31 December 2015
Subsidiary # 1	RM 59.0 million	RM 21.0 million
Subsidiary # 2	RM 409.0 million	RM 155.2 million
Subsidiary # 3	RM 85.8 million	RM 26.2 million
Subsidiary # 4	RM 129.0 million	RM 67.0 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 31 December 2015 is as follows:-

	31 December 2015
	RM'000
Property, plant and equipment	
Authorized but not contracted	106,941
Contracted but not provided in the financial statements	37,311
	<hr style="border-top: 1px dashed black;"/>
	144,252
	<hr style="border-top: 3px double black;"/>
Plantation Development Expenditure	
Authorized but not contracted	5,665
Contracted but not provided in the financial statements	-
	<hr style="border-top: 1px dashed black;"/>
	5,665
	<hr style="border-top: 3px double black;"/>



Explanatory Notes To The Interim Report – 31 December 2015

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

B1. Review of Performance

4th Quarter FY2015 (“Q4FY2015”) vs 4th Quarter FY2014 (“Q4FY2014”)

The Group registered a total revenue of RM1,360.6 million for Q4FY2015 compared with RM863.7 million reported in Q4FY2014. 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 RM59.7 million against RM12.4 million for corresponding quarter last year. Increase in profit before tax was attributed principally to the high sales volume of palm oil products transacted by the Group.

Current Year To Date (“4QFY2015”) vs Preceding Year To Date (“4QFY2014”)

The Group registered a total revenue of RM3,642.4 million for the twelve months ended 31 December 2015 against RM2,874.7 million reported in year 2014. The increase in revenue was mainly attributed to higher sales volume of palm oil products transacted by the Group.

Group profit before tax for the year ended 31 December 2015 nevertheless was RM120.8 million against RM160.1 million achieved in 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

4th Quarter FY2015 (“Q4FY2015”) vs 3rd Quarter FY2015 (“Q3FY2015”)

The Group posted total revenue of RM1,360.6 million in Q4FY2015 compared with RM886.3 million reported in Q3FY2015.

The Group reported a profit before tax of RM59.7 million compared with RM28.5 million reported in Q3FY2015. The profit improvement was mainly attributed to higher volume of palm products sold despite lower palm oil products prices realised. For the quarter under review, simple average palm products realized prices against last quarter were as below:-

	Q4FY 2015	Q3FY 2015
Palm Oil Products (RM/mt)	2,006	2,127
Palm Kernel Products (RM/mt)	1,885	1,614

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 – 31 December 2015

B5. Profit before tax

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

	Individual quarter		Cumulative quarter	
	3 months ended		12 months ended	
	31 December		31 December	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Depreciation and amortization	31,361	28,133	107,053	94,045
Property, plant and equipment written off	236	(26)	344	86
(Gain)/Loss on disposal of property, plant and equipment	(535)	(403)	(522)	(1,034)
Interest income	(3,261)	(3,724)	(11,443)	(14,129)
Interest expenses	16,602	8,924	47,675	36,230

B6. Taxation

Current tax expenses	13,298	9,347	42,122	51,949
Deferred tax	1,690	(6,934)	(9,658)	(15,212)
	14,988	2,413	32,464	36,737
Deferred tax related to other comprehensive income:-				
Derivative financial instruments	3	51	5	72

The Group's effective tax rate is higher than the prevailing corporate tax rate of 25% due to certain expenditures which are non tax deductible.



Explanatory Notes To The Interim Report – 31 December 2015

B7. Status of corporate proposal announced

There is no corporate proposal announced.

B8. Borrowing and debt securities

	Denominated in RM RM'000	Denominated in USD RM'000	31 December 2015 RM'000
Current			
Secured	248,263	270,816	519,079
Unsecured	115,363	-	115,363
Non-current			
Secured	384,636	-	384,636
Unsecured	81,903	-	81,904
Total	830,165	270,816	1,100,981

*USD 63.09 million equivalent

B9. Derivatives financial instruments

(a) The outstanding interest rate swap (IRS) contracts as at 31 December 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	9	36	-	45	(24)	(95)	-	(119)

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.



Explanatory Notes To The Interim Report – 31 December 2015

B9. Derivatives financial instruments (Continued)

(b) The outstanding forward currency contracts as at 31 December 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	33	-	-	33	(280)	-	-	(280)

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.

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 judgment 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 Judgment of the High Court on 8 August 2014 and similarly, the Company had filed a cross appeal against the same Judgment on 6 November 2014.

The Court of Appeal has fixed 20 April 2016 to hear the NCR claimants' appeal as well as the Company's cross-appeal.

B11. Dividends

No interim dividend has been declared for the financial year ended 31 December 2015 (31 December 2015 : Nil).



Explanatory Notes To The Interim Report – 31 December 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		12 months ended	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
	RM'000	RM'000	RM'000	RM'000
Profit attributable to ordinary equity holders of the parent	44,073	9,131	84,938	115,409
	Individual Quarter		Cumulative Quarter	
	3 months ended		12 months ended	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
	RM'000	RM'000	RM'000	RM'000
Weighted average number of Ordinary shares in issue	440,816	439,500	439,894	439,030
	Individual Quarter		Cumulative Quarter	
	3 months ended		12 months ended	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
	Sen	Sen	Sen	Sen
Basic earning per share	10.00	2.08	19.31	26.29

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		12 months ended	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
	RM'000	RM'000	RM'000	RM'000
Profit attributable to ordinary equity holders of the parent	44,073	9,131	84,938	115,409
	Individual Quarter		Cumulative Quarter	
	3 months ended		12 months ended	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
	RM'000	RM'000	RM'000	RM'000
Weighted average number of Ordinary shares in issue	442,791	443,600	441,869	443,021
	Individual Quarter		Cumulative Quarter	
	3 months ended		12 months ended	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
	Sen	Sen	Sen	Sen
Diluted earning per share	9.95	2.06	19.22	26.05



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

Explanatory Notes To The Interim Report – 31 December 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 26 February 2016.

By Order of the Board
Eric Kiu Kwong Seng
Company Secretary

Miri
26 February 2016