



**SARAWAK PLANTATION BERHAD**  
(Incorporated in Malaysia - 451377- P)

**INTERIM REPORT  
FOR 1ST QUARTER ENDED  
31 MARCH 2008**



**SARAWAK PLANTATION BERHAD**  
(Incorporated in Malaysia - 451377- P)

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**INTERIM REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2008**  
(The figures have not been audited)

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**Condensed Consolidated Balance Sheet**  
(The figures have not been audited)

	Notes	As At End Of Current Year - Period To Date 31/03/2008 (Unaudited) RM'000	As At End Of Preceding Financial Year 31/12/2007 (Audited) RM'000
<b>Non-current assets</b>			
Property, plant and equipment		210,907	205,569
Prepaid lease rental		7,657	7,707
Investment properties		6,283	6,324
Plantation development expenditure		213,982	213,215
Investment in associates		0	0
Other investments		1,765	1,740
Deferred tax assets		2,596	3,015
		443,190	437,570
<b>Current assets</b>			
Inventories		30,690	14,657
Trade and other receivables		22,670	26,524
Tax recoverable		508	1,043
Non current asset classified as asset held for sale		533	533
Short term deposits		127,246	130,626
Cash and bank balances		2,252	3,327
		183,899	176,710
<b>Current liabilities</b>			
Trade and other payables		50,436	50,005
Amount due to a corporate shareholder		1,344	1,876
Borrowings		50,000	50,000
Tax payable		6,524	5,353
Dividend payable		13,986	0
		122,290	107,724
<b>Net current assets</b>		61,609	69,486
		504,799	507,056
<b>Capital and reserves</b>			
<b>Equity attributable to equity holders of the Company</b>			
Share capital	A6	280,000	280,000
Share premium		60,969	60,969
Retained earnings		137,493	139,070
Other reserve		493	493
		478,955	480,532
<b>Minority interests</b>		3,392	2,836
<b>Total equity</b>		482,347	483,368
<b>Non-current liabilities</b>			
Deferred tax		22,452	23,688
		504,799	507,056
<b>Net assets per share</b>			
<b>attributable to equity holders of the Company (RM)</b>		1.71	1.72

(The Condensed Consolidated Balance Sheet should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to this report)



**Condensed Consolidated Income Statements**

(The figures have not been audited)

	Notes	Individual Quarter (Q1)		Cumulative Quarter (3 Months)	
		Current Year Quarter	Preceding Year Corresponding Quarter	Current Year - Period To Date	Preceding Year - Period To Date
		31/03/2008 (Unaudited) RM'000	31/03/2007 (Audited) RM'000	31/03/2008 (Unaudited) RM'000	31/03/2007 (Audited) RM'000
<b>Revenue</b>		51,919	32,937	51,919	32,937
Cost of sales		(26,871)	(19,312)	(26,871)	(19,312)
<b>Gross profit</b>		25,048	13,625	25,048	13,625
Other operating income		1,373	1,042	1,373	1,042
Distribution costs		(2,367)	(1,747)	(2,367)	(1,747)
Administrative expenses		(8,634)	(4,159)	(8,634)	(4,159)
Replanting expenditure		(749)	(1,465)	(749)	(1,465)
Finance costs		(404)	(314)	(404)	(314)
<b>Profit before tax</b>		14,267	6,982	14,267	6,982
Taxation	B5	(1,302)	(1,261)	(1,302)	(1,261)
<b>Profit for the period</b>		12,965	5,721	12,965	5,721
<b>Profit for the period attributable to:</b>					
<b>Equity holders of the     Company</b>		12,409	5,537	12,409	5,537
<b>Minority interest</b>		556	184	556	184
		12,965	5,721	12,965	5,721
<b>Earnings per share attributable to equity holders of the Company (sen):</b>					
<b>Basic</b>	B13	4.43	2.22	4.43	2.22
<b>Diluted</b>		N/A	N/A	N/A	N/A

(The Condensed Consolidated Income Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to this report)



**Condensed Consolidated Statement Of Changes In Equity**

(The figures have not been audited)

Attributable to equity holders of the Company									
Notes	Issued and paid up ordinary shares of RM1.00 each		Share premium RM'000	Other reserve RM'000	Retained earnings RM'000	Total RM'000	Minority interest RM'000	Total equity RM'000	
	Number of shares '000	Nominal value RM'000							
<b>At 1 January 2008</b>		280,000	280,000	60,969	493	139,070	480,532	2,836	483,368
Net profit for the financial period		-	-	-	-	12,409	12,409	556	12,965
Less: Interim dividend declared in respect of the financial year 31 December 2007	B12(a)	-	-	-	-	(13,986)	(13,986)	-	(13,986)
<b>At 31 March 2008</b>		280,000	280,000	60,969	493	137,493	478, 955	3,392	482,347

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to this report)

**SARAWAK PLANTATION BERHAD**

(Incorporated in Malaysia - 451377- P)

**Condensed Consolidated Statement Of Changes In Equity**

(The figures have been audited)

	Attributable to equity holders of the Company							
	Issued and paid up ordinary shares of RM1.00 each		Share premium	Other reserve	Retained earnings	Total	Minority interest	Total equity
	Number of shares	Nominal value						
'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
<b>At 1 January 2007</b>	135,000	135,000	73,405	-	132,430	340,835	537	341,372
Net profit for the financial period	-	-	-	-	5,537	5,537	184	5,721
<b>At 31 March 2007</b>	135,000	135,000	73,405	-	137,967	346,372	721	347,093

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to this report)



## Condensed Consolidated Cash Flow Statements

(The figures have not been audited)

	Cumulative Quarter (12 Months)	
	Current Year - Period To Date 31/03/2008 (Unaudited) RM'000	Preceding Year - Period To Date 31/03/2007 (Audited) RM'000
Net cash outflow from operating activities	(3,285)	(1,606)
Net cash outflow from investing activities	(1,621)	(3,914)
Net cash outflow from financing activities	0	(3,564)
<b>Net decrease in cash and cash equivalents</b>	<b>(4,906)</b>	<b>(9,084)</b>
Cash and cash equivalents at beginning of financial period	132,668	104,357
<b>Cash and cash equivalents at end of financial period</b>	<b>127,762</b>	<b>95,273</b>
<b>Represented by:</b>		
Short term deposits	127,246	94,456
Cash and bank balances	2,252	2,102
	<b>129,498</b>	<b>96,558</b>
Less:		
Bank balance restricted*	(827)	(490)
Deposits pledged	(909)	(795)
<b>Cash and cash equivalents</b>	<b>127,762</b>	<b>95,273</b>

\* The bank balance is restricted as security for bank guarantees.

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to this report)



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## Part A – Explanatory Notes Pursuant to Financial Reporting Standards (“FRS”) 134 – Paragraph 16

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### A1. Basis of preparation

The interim financial statements of the Group are unaudited and have been prepared in accordance with the requirements of Financial Reporting Standard (“FRS”) 134 “Interim Financial Reporting” and Chapter 9, Part K of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial statements should be read in conjunction with the audited annual financial statements for the year ended 31 December 2007.

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 annual financial statements for the financial year ended 31 December 2007, except for the adoption of the following new and revised FRS:

#### **Standards that are applicable to the Group and that are effective**

The new standards and amendments to published standards that are effective for the Group’s current interim financial period and applicable to the Group are as follows:

- FRS 107: Cash Flow Statements  
The amendment to this standard provides for the option of voluntary disclosure for reconciliation of cash flows from operations with net profit or loss for the period for entity using direct method
- FRS 118: Revenue  
The amendments to this standard provides for additional guidance on the definition of “probable”
- FRS 134: Interim Financial Reporting  
The amendments to this standard provide additional disclosure on;
  - i. additional disclosure on the qualification and on current status of matters giving rise to the qualification and on current status of preceding financial statements was qualified; and
  - ii. additional disclosure on the fact that valuation of property, plant and equipment have been brought forward without any amendment from the previous annual financial statements.
- FRS 137: Provisions, Contingent Liabilities and Contingent Assets  
The amendments to this standard removed editorial differences with IAS 37
- IC Interpretation 8 Scope of FRS 2 Share-based Payment  
This interpretation clarifies that FRS 2 Share-based Payment applies even in the absence of specifically identifiable goods and services.

The adoption of the above standards and amendments to published standards does not have an impact on the Group’s financial statements.

#### **Standards and amendments to published standards that are applicable to the Group but not yet effective**

The new and revised accounting standards that are applicable to the Group for financial periods beginning on or after 1 July 2007 or later periods, but which the Group has not early adopted, are as follows:

- FRS 139: Financial Instruments: Recognition and Measurement (effective date yet to be determined by the Malaysian Accounting Standards Board).

This new standard establishes principles for recognising and measuring financial assets, financial liabilities and some contracts to buy and sell non-financial items. Hedge accounting is permitted only under strict circumstances. The Group will apply this standard when effective.

The Group has applied the transitional provision in FRS 139 which exempts entities from disclosing the possible impact arising from the initial application of this standard on the financial statements of the Group.





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**Part A – Explanatory Notes Pursuant to Financial Reporting Standards (“FRS”) 134 – Paragraph 16**

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**A2. Disclosure of Audit Report Qualification**

There was no qualification in the audit report on the preceding audited annual financial statements.

**A3. Seasonality or Cyclicity of Interim Operations**

The Group's performance is affected by the cropping pattern of fresh fruit bunches (“FFB”) which normally reaches its peak in the second half of the year, that will be reflected accordingly in the crude palm oil (“CPO”) and palm kernel (“PK”) production of the Group and also by the prices of the CPO and PK which are determined by global supply and demand situation for edible oils and fats.

**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 which were unusual in nature, size or incidence during the current interim financial period.

**A5. Material Changes in Estimates**

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

**A6. Issuances, Cancellations, Repurchases, Resale and Repayments of Debt and Equity Securities**

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

**A7. Dividends Paid**

There was no dividend paid during the current interim quarter under review.

**A8. Segment Information**

No segment analysis was prepared as the Group is primarily engaged in the cultivation of oil palm and milling operations carried out in Malaysia which are within a single business segment.

**A9. Valuation of Property, Plant and Equipment**

There were no revalued property, plant and equipment at the end of the current interim financial period.

**A10. Impairment of Assets**

There was neither impairment loss nor reversal of such impairment loss recognised during the current interim financial period.

**A11. Material Events Subsequent to the End of the Interim Period**

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

**A12. 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.

**A13. Changes in Contingent Liabilities and Contingent Assets**

As at 31 March 2008, there were no material contingent liabilities or contingent assets, which upon being enforceable might have material impact on the financial position or business of the Group except as disclosed below:

**At 31/03/2008**

**RM'000**

Company

Corporate guarantees to a bank for revolving credit granted to a subsidiary

50,000

## Part A – Explanatory Notes Pursuant to FRS 134

### A14. Capital Commitments

As at 31 March 2008, there were no material capital commitments for capital expenditure, contracted for or known to be contracted for by the Group which might have a material impact on the financial position or business of the Group except as disclosed below:

	<b>At 31/03/2008</b>
	<b>RM'000</b>
<b>Capital Expenditure</b>	
Authorised and contracted for	33,426
Authorised and not contracted for	50,989
	<u>84,415</u>
<b>Analysed as follows:</b>	
Property, plant and equipment	13,512
Prepaid lease rental	32,483
Plantation development expenditure	29,100
Investments	9,320
	<u>84,415</u>

### A15. Significant Related Party Transactions

The significant related party transactions during the interim financial period as set out below arise mainly by virtue of common directorship (i.e. certain directors also hold directorship in these companies).

	<b>Cumulative Quarter (3 Months)</b>	
	<b>Current Year - Period To Date 31/03/2008 RM'000</b>	<b>Preceding Year - Period To Date 31/03/2007 RM'000</b>
a. SGOS Assets Holdings Sdn Bhd ("SGOS")		
- Proceeds from sales of FFB in relation to the management of the plantation of SGOS	591	269
- Payment of expenses on behalf of SGOS	(274)	(148)
b. ASSAR Assets Management Sdn Bhd		
- Fund management services income/(expenses)	(58)	81
c. Sarawak Land Development Board ("SLDB")		
- Proceeds from sales of FFB in relation to the management of the plantation of SLDB	158	189
- Payment of expenses on behalf of SLDB	(41)	(52)
	<u>(41)</u>	<u>(52)</u>

The Directors are of the opinion that all the transactions above have been entered into in the normal course of business and they are not materially different from those obtainable in transactions with unrelated parties.

**Part B – Explanatory Notes Pursuant to Part A of Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad**

**B1. Review of Performance**

The Group recorded revenue of RM51.9 million for the three months ended 31 March 2008 compared with RM32.9 million reported in the preceding year corresponding period. The increase of RM19.0 million or 57.8% was mainly due to higher average prices of crude palm oil (“CPO”) and palm kernel (“PK”) realised during the current interim financial period. Following the increase in revenue, the Group’s profit before tax for three months ended 31 March 2008 was higher by RM7.3 million (104.3%) as compared to the preceding year corresponding period.

The increase was primarily in tandem with substantial improved performance of the prevailing oil palm market during the current interim financial period.

**B2. Material Changes in Profit Before Taxation for the Current Quarter as Compared with the Immediate Preceding Quarter**

For the quarter under review, the Group recorded profit before tax of RM14.3 million as compared to RM28.7 million in the preceding quarter. This is mainly due to higher closing stocks at the end of current quarter in anticipation of higher CPO prices in the forthcoming quarters.

**B3. Prospects for the Current Financial Year**

The performance of the Group is largely dependent on the demand for oil palm products in world edible oil market and their corresponding prices, the development of bio-diesel market and movements of Ringgit Malaysia and the corresponding effects on CPO prices.

Barring any unforeseen circumstances, the performance of the Group for the current financial year is expected to remain stable in line with the firmness of prevailing CPO prices.

**B4. Profit Forecast or Profit Guarantee**

The disclosure requirement for explanatory notes for the variance of actual profit after tax and minority interest and forecast profit after tax and minority interest is not applicable as the Group did not issue any profit forecast or profit guarantee for the financial year.

**B5. Taxation**

	Individual Quarter (Q1)		Cumulative Quarter (3 Months)	
	Current Year Quarter 31/03/2008 RM'000	Preceding Year Corresponding Quarter 31/03/2007 RM'000	Current Year - Period To Date 31/03/2008 RM'000	Preceding Year - Period To Date 31/03/2007 RM'000
Malaysian income tax	2,384	933	2,384	933
Deferred tax:				
Deferred tax expenses	(1,082)	328	(1,082)	328
	<u>1,302</u>	<u>1,261</u>	<u>1,302</u>	<u>1,261</u>

The Group’s effective tax rate is lower than the statutory tax rate due principally to the utilisation of tax allowances available for offset against the taxable profit in the financial period ended 31 March 2008.



**Part B – Explanatory Notes Pursuant to Part A of Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad**

**B6. Unquoted Investments**

There was no material purchase or disposal of unquoted investments for current interim financial period.

**B7. Quoted Investments**

There was no material purchase or disposal of quoted securities for the current interim financial period.

The investments in quoted securities as at 31 March 2008 are as follows:

Quoted in Malaysia

	<b>At 31/03/2008</b>
	<b>RM'000</b>
At cost	2,429
Allowance for diminution in value	(793)
At carrying value	1,636
At market value	1,636

**B8. Borrowing**

	<b>At 31/03/2008</b>
	<b>RM'000</b>
<u>Current</u>	
Secured revolving credit	50,000

The above borrowing is denominated in Ringgit Malaysia.

The revolving credit of RM50 million and term loan facility of RM75 million of a subsidiary are secured by way of the Company's corporate guarantee and a charge over certain of the subsidiary's properties. The Bank Facility Agreement and the Memorandum of Charge were executed on 16 July 2007.

Effective interest rate of the revolving credit facility is 5.25% per annum.

The term loan has not been drawn as at 31 March 2008.

**B9. Corporate Proposals**

**(A) Status of Corporate Proposals Announced**

The corporate proposals announced but not completed as at 18 April 2008 (*being the latest practicable date which is not earlier than 7 days from the date of the issue of this quarterly report*), are set out as below:

- (i) On 28 November 2007, a subsidiary of the Group, Sarawak Plantation Agriculture Development Sdn. Bhd. ("SPAD") entered into three conditional Sale and Purchase Agreements ("SPA") with Lembaga Amanah Kebajikan Masjid Negeri Sarawak ("LAKMNS") to purchase four parcels of plantation land of a approximately 7,620 hectares, for a total purchase price of RM19,050,000. The provision of the SPA are conditional upon LAKMNS obtaining the consent of the Director of Lands and Survey for the transfer of the four parcels of plantation land within 6 months from the date of the SPA or such extended period as SPAD and LAKMNS may mutually agree upon in writing.

As at 18 April 2008, the SPA remains conditional.

As at 18 April 2008, RM1,900,000 has been paid as deposits for this land acquisition and the balance of RM17,145,000 has been included as future capital expenditure as disclosed in Note A14.

**Part B – Explanatory Notes Pursuant to Part A of Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad**

**B9. Corporate Proposals**

**(A) Status of Corporate Proposals Announced (continued)**

- (ii) As disclosed in the Prospectus dated 7 August 2007, in the course of the privatisation exercise of Sarawak Land Development Board (“SLDB”), an agreement was entered into between SLDB and Sarawak Plantation Berhad (“SPB”) to transfer all its assets to SPB and/or its subsidiaries. One of the properties to be transferred was at that relevant time sub-leased to Bintulu Edible Oils Sdn. Bhd. (“BEO”) (Lot 9, Block 20, Kemena Land District) by way of a Memorandum of Sub-lease which was registered on the title of the said property and the said sub-lease contained a term providing an option for BEO to purchase the said property in the event SLDB intends to sell the same.

As at the date of the Prospectus, the legal title of this land has yet to be transferred from SLDB to Sarawak Plantation Property Holding Sdn. Bhd. (“SPPH”), a subsidiary of SPB, because BEO has not given its unconditional consent to the transfer. BEO had built a refinery on this land to facilitate its operations which includes the refining of CPO into bleached and deodorised palm oil and other related products. BEO is the major customer of SPB Group. Based on the legal opinion of the Group’s solicitors, SPPH is the beneficial owner of this land and may in its discretion apply to court for specific performance to compel SLDB to transfer the legal title of this land to SPPH at a price to be determined by both parties.

As at 18 April 2008, SPPH and BEO are still in the midst of negotiating the terms and conditions of the sale and upon conclusion of the negotiation, the parties will finalise the Sale and Purchase Agreement for execution.

**(B) Status of Utilisation of Proceeds**

(a) Public Issue

As at the end of the current interim period, the status of utilisation of the proceeds as compared to the actual utilisation is as follows:

	Proposed Utilisation (RM'000)	Actual Utilisation (RM'000)	Intended Time Frame for Utilisation	Deviation (RM'000)	%	Remark
Capital expenditure	30,000	-	24 months from date of Prospectus dated 7 August 2007	-		Balance of (RM'000) 30,000 is available for use
Working capital purposes for the Group’s core business	55,500	36,436	24 months from date of Prospectus dated 7 August 2007	469	0.85	Balance of (RM'000) 19,533 is available for use
Share issue expenses	4,500	4,031	-	(469)	10.4	See * below
<b>Total</b>	<b>90,000</b>	<b>40,467</b>		<b>-</b>		<b>Balance: (RM'000) 49,533</b>

\* For any decrease in the share issue expenses, utilisation for working capital purposes of the Group’s core business will increase correspondingly.



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**Part B – Explanatory Notes Pursuant to Part A of Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad**

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**B10. Off Balance Sheet Financial Instruments**

As at 18 April 2008 (*being the latest practicable date which is not earlier than 7 days from the date of the issue of this quarterly report*), the Group did not enter into any contract involving off balance sheet financial instruments.

**B11. Changes in Material Litigation**

As at 18 April 2008 (*being the latest practicable date which is not earlier than 7 days from the date of the issue of this quarterly report*), there were no changes to the status of material litigation or arbitration of which the Company and/or any of its subsidiaries were involved either as plaintiff or defendant which has a material effect on the Group's financial position except as disclosed below:

- (i) In the Bintulu High Court Suit No. 22-19-2006 (BTU), Mali bin Seman and 60 others ("Plaintiffs") vs Sarawak Land Development Board ("SLDB") and Sarawak Plantation Agriculture Development Sdn. Bhd. ("SPAD"), the Plaintiffs are claiming for an area of 20 acres each to be allocated out of Ladang Dua and Ladang Tiga Oil Palm Plantations, in Miri, and also for damages for breach of contract, mesne profits, interest and costs, and such further and or other relief as the Court may think fit. We have been informed by our advocates that the Statement of Defence has been filed. From the Statement of Claim, it appears that the Plaintiffs are alleging that they were employed by SLDB in the 1970s and that they were promised land as part of their employment contract. SPAD is sued as the successor-in-title of SLDB.

SLDB has applied to strike out the claim against it. As at to date, the court has not heard SLDB's application.

The Directors, in consultation with the Company's advocates are of the opinion that SPAD has strong merits in the case.

- (ii) In Sri Aman Sessions Court Criminal Summons No. SC(SG)63-2-2005-II, Sarawak Plantation Agriculture Development Sdn. Bhd. ("SPAD") faced a charge under Section 29A of the Environmental Quality Act, 1974, for allowing open burning on Lot 2, Block 11 Kluah Land District (where our Melugu Oil Palm Plantation is situated). The Court acquitted SPAD of the charge on 25 April 2007 but the Prosecution has filed a Notice of Appeal to the High Court, appealing against the acquittal. The appeal scheduled to be heard on 12 March 2008, was adjourned and the Court directed that parties submit their written submission within certain time frame and the Court will deliver its ruling on 8 September 2008.

The Directors, in consultation with the Company's advocates are of the opinion that SPAD has strong merits in the case.

- (iii) In Kuching High Court Suit No. 22-164-06-II, Sarawak Plantation Agriculture Development Sdn. Bhd. ("SPAD") ("Plaintiff" or "Purchaser") instituted legal action against Datuk Haji Zainal Abidin bin Ahmad ("Datuk Zainal" or "Defendant" or "Vendor"). The claim is for the refund of the sum of RM7,200,000 paid under a Sale and Purchase Agreement ("SPA") dated 27 November 1999 for the purchase of 4,148,000 ordinary shares of RM1.00 each in Bahtera Bahagia Sdn Bhd ("Bahtera"). Based on the opinion of SPAD's advocates, the Defendant/Vendor failed to obtain a Waiver of Pre-emption Rights by 31 December 2000 and thereby breached one of the conditions precedent of the SPA. Accordingly, SPAD as the Plaintiff/Purchaser became entitled to the refund of the deposit and part payment made under the SPA.

A writ and statement of claim was filed on 27 December 2006 and a Defence and Counterclaim was filed and served on 28 May 2007.

The Pre trial Case Management date for this suit is now fixed on 3 July 2008.

The Directors in consultation with the Company's advocates are of the opinion that SPAD is likely to recover the deposit and part-payment of RM7.2 million and that SPAD has a good defence against the Defendant's counterclaim.

- (iv) In Sibul High Court Suit No. 22-10-06, Sarawak Plantation Agriculture Development Sdn. Bhd. ("SPAD") sued TR Ladon anak Edieh and 14 others, and sought injunctive and declaratory relief against the Defendants for various acts of trespass over its land described as Lot 7 Block 12 Bawan Land District. The financial relief claimed by SPAD are special damages of RM2,836,000, general unspecified damages and interest thereon at the rate of 8% per annum. SPAD has obtained an injunction restraining the Defendants from entering or trespassing on its land, threatening or harassing its employees, or disrupting, obstructing or hindering the work of its Group. No defence or counterclaim against SPAD has been filed.

**Part B – Explanatory Notes Pursuant to Part A of Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad**

**B11. Changes in Material Litigation (continued)**

- (iv) The suit has been consolidated with another suit, Kuching High Court Suit No. 22-23-2006-II (TR Ladon anak Edieh and 10 others vs. Sarawak Land Development Board (“SLDB”) and 2 others). At the last mention date on 27 March 2008, the Honourable Judge directed the Plaintiffs in Suit No. 22-23-2006-II to extract the Order for Consolidation within fourteen (14) days from 27 March 2008 and thereafter to file Form 63 for Pre-Trial Case Management.

The Directors in consultation with the Company’s advocates are of the opinion that, based on the current pleadings and situation of the matter, SPAD’s chances for success in the action are good.

**B12. Dividend Declared**

- (a) On 28 February 2008, the Board of Directors had declared an interim dividend of 6.75 sen per share, less 26% income tax, totaling approximately RM14 million, in respect of the financial year ended 31 December 2007, payable to shareholders on 18 April 2008. The dividend entitlement date was on 24 March 2008.
- (b) The Board of Directors recommended a final dividend of 7.20 sen per share, less 26% income tax, totaling approximately RM14.92 million, in respect of the financial year ended 31 December 2007, subject to the approval of the shareholders’ at the forthcoming Annual General Meeting of the Company.
- (c) The Board of Directors does not recommend any interim dividend for the current financial period under review.

**B13. Earnings per Share**

	Individual Quarter (Q1)		Cumulative Quarter (3 Months)	
	Current Year Quarter 31/03/2008 '000	Preceding Year Corresponding Quarter 31/03/2007 '000	Current Year - Period To Date 31/03/2008 '000	Preceding Year - Period To Date 31/03/2007 '000
Profit attributable to equity holders of the Company (RM)	12,409	5,537	12,409	5,537
Weighted average number of ordinary shares in issue (unit)	280,000	250,000*	280,000	250,000*
Basic earnings per share (sen)	4.43	2.22*	4.43	2.22*
Diluted earnings per share (sen)	N/A	N/A	N/A	N/A

**Basic earnings per share**

The calculation of basic earnings per share for the interim quarter and financial period is based on the profit attributable to equity holders of the Company and on the weighted average number of ordinary shares of RM1.00 each in issue.

\* Computed as if the bonus issue of 115,000,000 ordinary shares of RM1.00 each was effected throughout the financial period.

**Diluted earnings per share**

The diluted earnings per share for the interim quarter and financial period were not computed as the Company does not have any dilutive potential ordinary shares as at 31 March 2008.



**Part B – Explanatory Notes Pursuant to Part A of Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad**

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**B14. Authorised for Issue**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Board on 24 April 2008.

*By Order of the Board*

Company Secretary  
Kuching

24 April 2008