



SARAWAK PLANTATION BERHAD

(Incorporated in Malaysia - 451377- P)

**INTERIM REPORT
FOR 4TH QUARTER ENDED
31 DECEMBER 2013**



SARAWAK PLANTATION BERHAD

(Incorporated in Malaysia - 451377- P)

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INTERIM REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2013
(The figures have not been audited)

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**Condensed Consolidated Statement of Financial Position**
(The figures have not been audited)

	Notes	As At End Of Current Financial Year 31/12/2013 (Unaudited) RM'000	As At End Of Preceding Financial Year 31/12/2012 (Audited) RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		323,683	312,462
Plantation development expenditure		258,149	236,786
Investment property		5,120	5,484
Total non-current assets		586,952	554,732
Current assets			
Other investments	B6	2,080	1,742
Inventories		16,160	26,488
Trade and other receivables		21,248	16,959
Prepayments and other assets		4,580	6,266
Assets held for sale		2,341	2,341
Current tax recoverable		4,078	1,452
Short term deposits		114,778	123,716
Cash and bank balances		2,613	9,499
Total current assets		167,878	188,463
TOTAL ASSETS		754,830	743,195

**Condensed Consolidated Statement of Financial Position (continued)**

(The figures have not been audited)

	Notes	As At End Of Current Financial Year 31/12/2013 (Unaudited) RM'000	As At End Of Preceding Financial Year 31/12/2012 (Audited) RM'000
EQUITY AND LIABILITIES			
Equity attributable to Owners of the Company			
Share capital	A5	280,000	280,000
Share premium	A5	60,969	60,969
Reserves		241,986	227,461
		582,955	568,430
Non-controlling interests		(5,671)	(1,736)
Total equity		577,284	566,694
Non-current liabilities			
Deferred tax liabilities		54,356	52,505
Borrowings	B7	5,065	35,940
Total non-current liabilities		59,421	88,445
Current liabilities			
Trade and other payables		55,744	55,057
Borrowings	B7	62,081	32,960
Current tax payable		300	39
Total current liabilities		118,125	88,056
Total liabilities		177,546	176,501
TOTAL EQUITY AND LIABILITIES		754,830	743,195
Net assets per share attributable to Owners of the Company (RM)		2.08	2.03

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to this report)

**Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income**
(The figures have not been audited)

	Notes	Individual Quarter (Q4)		Cumulative Quarter (12 Months)	
		Current Year Quarter 31/12/2013 (Unaudited) RM'000	Preceding Year Corresponding Quarter 31/12/2012 (Unaudited) RM'000	Current Year - Period To Date 31/12/2013 (Unaudited) RM'000	Preceding Year - Period To Date 31/12/2012 (Audited) RM'000
Revenue		112,953	90,661	361,956	430,172
Cost of sales		(75,575)	(69,408)	(264,814)	(300,998)
Gross profit		37,378	21,253	97,142	129,174
Other operating income		812	5,605	2,294	6,975
Distribution costs		(6,511)	(5,649)	(20,812)	(24,499)
Other operating expenses		(7,633)	(16,179)	(7,633)	(16,568)
Administrative expenses		(7,663)	(8,064)	(25,921)	(27,548)
Replanting expenditure		(391)	(490)	(2,345)	(2,661)
Results from operating activities		15,992	(3,524)	42,725	64,873
Finance income		654	1,068	3,119	4,776
Finance costs		(649)	(806)	(1,280)	(3,308)
Net finance income		5	262	1,839	1,468
Profit/(Loss) before tax	A14	15,997	(3,262)	44,564	66,341
Income tax expense	B5	(3,966)	(4,255)	(8,814)	(21,492)
Profit/(Loss) for the period		12,031	(7,517)	35,750	44,849
Other comprehensive income, net of tax		-	-	-	-
Total comprehensive income/(loss) for the period		12,031	(7,517)	35,750	44,849



Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income (continued)
(The figures have not been audited)

	Notes	Individual Quarter (Q4)		Cumulative Quarter (12 Months)	
		Current Year Quarter 31/12/2013 (Unaudited) RM'000	Preceding Year Corresponding Quarter 31/12/2012 (Unaudited) RM'000	Current Year - Period To Date 31/12/2013 (Unaudited) RM'000	Preceding Year - Period To Date 31/12/2012 (Audited) RM'000
Profit/(Loss) attributable to:					
Owners of the Company		15,094	(6,734)	39,685	46,333
Non-controlling interests		(3,063)	(783)	(3,935)	(1,484)
Profit/(Loss) for the period		12,031	(7,517)	35,750	44,849
Total comprehensive income/(loss) attributable to:					
Owners of the Company		15,094	(6,734)	39,685	46,333
Non-controlling interests		(3,063)	(783)	(3,935)	(1,484)
Total comprehensive income/(loss) for the period		12,031	(7,517)	35,750	44,849
Basic earnings per ordinary share attributable to Owners of the Company (sen):					
Basic	B12	5.40	(2.41)	14.20	16.57
Diluted	B12	N/A	N/A	N/A	N/A

(The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to this report)



Condensed Consolidated Statement of Changes in Equity

(The figures have not been audited)

	Attributable to Owners of the Company										
	Notes	Non-distributable					Distributable			Non-controlling interests RM'000	Total equity RM'000
		Number of shares '000	Nominal value RM'000	Share premium RM'000	Equity reserve RM'000	Treasury shares RM'000	Retained earnings RM'000	Total RM'000			
									Issued and paid up ordinary shares of RM1.00 each		
At 31 December 2012 / At 1 January 2013, as previously		280,000	280,000	60,969	493	(1,223)	228,332	568,571	(1,736)	566,835	
Less: effect of adopting amendments to FRS 116	A1(2.1)	-	-	-	-	-	(141)	(141)	-	(141)	
At 1 January 2013, restated		280,000	280,000	60,969	493	(1,223)	228,191	568,430	(1,736)	566,694	
Total comprehensive income for the period		-	-	-	-	-	39,685	39,685	(3,935)	35,750	
Less: Second interim, single tier exempt dividend in respect of the financial year ended 31 December 2012	B11(a)	-	-	-	-	-	(13,978)	(13,978)	-	(13,978)	
Less: First interim, single tier exempt dividend in respect of the financial year ended 31 December 2013	B11(b)						(11,182)	(11,182)	-	(11,182)	
As at 31 December 2013		280,000	280,000	60,969	493	(1,223)	242,716	582,955	(5,671)	577,284	

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to this report)



Condensed Consolidated Statement of Changes in Equity

(The figures have been audited)

	Attributable to Owners of the Company										
	Notes	Non-distributable					Distributable			Non-controlling interests RM'000	Total equity RM'000
		Number of shares '000	Nominal value RM'000	Share premium RM'000	Equity reserve RM'000	Treasury shares RM'000	Retained earnings RM'000	Total RM'000			
									Issued and paid up ordinary shares of RM1.00 each		
At 31 December 2011 / At 1 January 2012, as previously		280,000	280,000	60,969	493	(1,223)	223,907	564,146	(252)	563,894	
Less: effect of adopting amendments to FRS 116	A1(2.1)	-	-	-	-	-	(115)	(115)	-	(115)	
At 1 January 2012, restated		280,000	280,000	60,969	493	(1,223)	223,792	564,031	(252)	563,779	
Total comprehensive income for the period		-	-	-	-	-	46,333	46,333	(1,484)	44,849	
Less: Second interim, single tier exempt dividend in respect of the financial year ended 31 December 2011		-	-	-	-	-	(27,956)	(27,956)	-	(27,956)	
Less: First interim, single tier exempt dividend in respect of the financial year ending 31 December 2012		-	-	-	-	-	(13,978)	(13,978)	-	(13,978)	
As at 31 December 2012		280,000	280,000	60,969	493	(1,223)	228,191	568,430	(1,736)	566,694	

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to this report)



Condensed Consolidated Statement of Cash Flows
(The figures have not been audited)

	Cumulative Quarter (12 Months)	
	Current Year - Period To Date 31/12/2013 (Unaudited) RM'000	Preceding Year - Period To Date 31/12/2012 (Audited) RM'000
Cash flows from operating activities		
Profit before tax	44,564	66,341
<i>Adjustments for:</i>		
Depreciation of investment property	166	172
Change in fair value of other investments	(229)	(6)
Depreciation of plantation development expenditure	221	221
Depreciation of property, plant and equipment	20,354	19,168
Dividend income from other investments	(80)	(46)
Gain on disposal of property, plant and equipment	-	(2,070)
Gain on disposal of other investments	(16)	(17)
Impairment losses on:		
- plantation development expenditure	4,977	16,179
- property, plant and equipment	2,017	-
- other receivables	615	-
- deposits	24	-
Reversal of impairment loss on:		
- property, plant and equipment	-	(159)
Finance income	(3,119)	(4,776)
Finance costs	1,280	3,308
Inventories written off	115	159
Property, plant and equipment written off	112	231
Operating profit before changes in working capital	71,001	98,705
Change in inventories	10,213	2,358
Change in trade and other receivables, prepayments and other assets	(6,083)	13,588
Change in trade and other payables	(17,578)	(30,546)
Cash generated from operations	57,553	84,105
Income tax refunded	2,218	-
Income tax paid	(11,544)	(22,371)
Interest paid	(3,016)	(3,653)
Interest received	3,320	4,451
Net cash from operating activities	48,531	62,532

**Condensed Consolidated Statement of Cash Flows (continued)**
(The figures have not been audited)

	Cumulative Quarter (12 Months)	
	Current Year - Period To Date 31/12/2013 (Unaudited) RM'000	Preceding Year - Period To Date 31/12/2012 (Unaudited) RM'000
Cash flows from investing activities		
Acquisition of property, plant and equipment	(12,044)	(21,092)
Proceed from disposal of property, plant and equipment	-	2,479
Net movement of fixed deposits with original maturities of more than three months	1,860	(4,073)
Plantation development expenditure (net of depreciation of property, plant and equipment capitalised)	(21,833)	(14,615)
Dividend received	-	28
Net cash used in investing activities	(32,017)	(37,273)
Cash flows from financing activities		
Drawdown of borrowings	18,000	10,000
Repayment of borrowings	(23,318)	(22,960)
Dividends paid to Owners of the Company	(25,160)	(41,934)
Net cash used in financing activities	(30,478)	(54,894)
Net decrease in cash and cash equivalents	(13,964)	(29,635)
Cash and cash equivalents as at 1 January	123,464	153,099
Cash and cash equivalents as at 31 December	109,500	123,464
Represented by:		
Short term deposits	114,778	123,716
Cash and bank balances	2,613	9,499
	117,391	133,215
Less:		
Fixed deposits pledged*	-	(716)
Fixed deposits with original maturities exceeding three months	(7,891)	(9,035)
Cash and cash equivalents	109,500	123,464

* Amounts pledged to licensed bank to secure bank guarantee facilities.

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 December 2012 and the accompanying notes attached to this report)

**Part A – Explanatory Notes Pursuant to Financial Reporting Standards (“FRS”) 134****A1. Basis of preparation****1. Statement of compliance**

The condensed consolidated 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 condensed consolidated financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2012.

2. Significant accounting policies**2.1 Adoption of new/revised Standards, Amendments and Interpretations**

The accounting policies and methods of computation used in the preparation of the consolidated interim financial statements of the Group are consistent with those used in the preparation of the last audited financial statements of the Group for the financial year ended 31 December 2012 except for the adoption of the following new/revised accounting standards, amendments and interpretations that have been issued by Malaysian Accounting Standards Board (“MASB”):

Standard / Amendment / Interpretation	Effective date
Amendments to FRS 101, <i>Presentation of Financial Statements – Presentation of Items of Other Comprehensive Income</i>	1 July 2012
FRS 10, <i>Consolidated Financial Statements</i>	1 January 2013
FRS 13, <i>Fair Value Measurement</i>	1 January 2013
FRS 127, <i>Separate Financial statements</i> (2011)	1 January 2013
FRS 128, <i>Investments in Associates and Joint Ventures</i> (2011)	1 January 2013
Amendments to FRS 7, <i>Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities</i>	1 January 2013
Amendments to FRS 1, <i>First – time Adoption of Financial Reporting Standards – Government Loans</i>	1 January 2013
Amendments to FRS 1, <i>First – time Adoption of Financial Reporting Standards (Annual Improvements 2009 – 2011 Cycle)</i>	1 January 2013
Amendments to FRS 101, <i>Presentation of Financial Statements (Annual Improvements 2009 – 2011 Cycle)</i>	1 January 2013
Amendments to FRS 116, <i>Property, Plant and Equipment (Annual Improvements 2009 – 2011 Cycle)</i>	1 January 2013
Amendments to FRS 132, <i>Financial Instruments: Presentation (Annual Improvements 2009 – 2011 Cycle)</i>	1 January 2013
Amendments to FRS 10, <i>Consolidated Financial Statements : Transition Guidance</i>	1 January 2013
Amendments to FRS 12, <i>Disclosure of Interests in Other Entities: Transition Guidance</i>	1 January 2013
Amendments to FRS 134, <i>Interim Financial reporting (Annual Improvements 2009 – 2011 Cycle)</i>	1 January 2013

**Part A – Explanatory Notes Pursuant to FRS 134****A1. Basis of preparation (continued)****2. Significant accounting policies (continued)****2.1 Adoption of new/revised Standards, Amendments and Interpretations (continued)**

Material impacts of the initial application of the standards, amendments or interpretations, which have been applied retrospectively, are discussed below:

FRS 10, introduces a new single control model to determine which investees should be consolidated. FRS 10 supersedes FRS 127, Consolidated and Separate Financial Statements and IC Interpretation 112, Consolidation – Special Purpose Entities. There are three elements to the definition of control in FRS 10: (i) power by investor over an investee, (ii) exposure, or rights, to variable returns from investor’s involvement with the investee, and (iii) investor’s ability to affect those returns through its power over the investee.

Amendments to FRS 101, amends FRS 101 to change the title of statement of comprehensive income to statement of profit or loss and other comprehensive income and the presentation format thereof. Save as disclosed, there is no impact on the financial statements occasioned by the amendments to FRS 101.

The amendments to FRS 116, clarify that items such as spare parts, stand-by equipment and servicing equipment shall be recognised as property, plant and equipment when they meet the definition of property, plant and equipment. Otherwise, such items are classified as inventory.

The application of the above new policies has the following effects:

	Retained earnings RM’000
At 31 December 2011/ 1 January 2012 , as previously stated	223,907
- effect of adopting amendment to FRS 116	(115)
At 1 January 2012, restated	<u>223,792</u>
At 31 December 2012/ 1 January 2013 , as previously stated	228,332
- effect of adopting amendment to FRS 116	(141)
At 1 January 2013, restated	<u><u>228,191</u></u>

The accounting standards, amendments or interpretations that are effective for annual periods beginning on 1 January 2013, but not applicable to the Group and the Company:

Standard / Amendment / Interpretation	Effective date
FRS 11, <i>Joint Arrangements</i>	1 January 2013
FRS 12, <i>Disclosure of Interests in Other Entities</i>	1 January 2013
FRS 119, <i>Employee Benefits</i> (2011)	1 January 2013
IC Interpretation 20, <i>Stripping Costs in the Production Phase of a Surface Mine</i>	1 January 2013
Amendments to FRS 11, <i>Joint Arrangements: Transition Guidance</i>	1 January 2013

**Part A – Explanatory Notes Pursuant to FRS 134****A1. Basis of preparation (continued)****2. Significant accounting policies (continued)****2.2 Standards, Amendments and Interpretations Effective for Annual Periods Beginning after 1 January 2013**

The Group have not applied the following new/revised accountings standards, amendments and interpretations that have been issued by the Malaysian Accounting Standards Board (MASB) but are effective only for annual periods beginning on or after the respective dates indicated herein:

Standards / Amendments / Interpretations	Effective date
Amendments to FRS 10, <i>Consolidated Financial Statements: Investment Entities</i>	1 January 2014
Amendments to FRS 12, <i>Disclosure of Interest in Other Entities: Investment Entities</i>	1 January 2014
Amendments to FRS 127, <i>Separate Financial Statements (2011): Investment Entities</i>	1 January 2014
Amendments to FRS 132, <i>Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities</i>	1 January 2014
Amendments to FRS 136, <i>Recoverable Amount Disclosures for Non-Financial Assets</i>	1 January 2014
Amendments to FRS 139, <i>Novation of Derivatives and Continuation of Hedge Accounting</i>	1 January 2014
IC Interpretation 21, <i>Levies</i>	1 January 2014
FRS 2, <i>Share-based Payment (Annual Improvements 2010 – 2012 Cycle)</i>	1 July 2014
FRS 3, <i>Business Combinations (Annual Improvements 2010 – 2012 Cycle and 2011-2013 Cycle)</i>	1 July 2014
Amendments to FRS 8, <i>Operating Segments (Annual Improvements 2010 – 2012 Cycle)</i>	1 July 2014
Amendments to FRS 13, <i>Fair Value Measurement (Annual Improvements 2010 – 2012 Cycle and 2011 – 2013 Cycle)</i>	1 July 2014
Amendments to FRS 116, <i>Property, Plant and Equipment (Annual Improvements 2010 – 2012 Cycle)</i>	1 July 2014
Amendments to FRS 119, <i>Employee Benefits – Defined Benefits Plans: Employee Contributions</i>	1 July 2014
Amendments to FRS 124, <i>Related Party Disclosures (Annual Improvements 2010 – 2012 Cycle)</i>	1 July 2014
Amendments to FRS 138, <i>Intangible Assets (Annual Improvements 2010 – 2012 Cycle)</i>	1 July 2014
Amendment to FRS 140, <i>Investment Properties (Annual Improvements 2011 – 2013 Cycle)</i>	1 July 2014
FRS 9, <i>Financial Instruments (2009)</i>	Yet to be confirmed
FRS 9, <i>Financial Instruments (2010)</i>	Yet to be confirmed
FRS 9, <i>Financial Instruments - Hedge Accounting and Amendments to FRS 9, FRS 7 and FRS 139</i>	Yet to be confirmed
Amendments to FRS 7, <i>Financial Instruments: Disclosures – Mandatory Effective Date of FRS 9 and Transition Disclosures</i>	Yet to be confirmed



Part A – Explanatory Notes Pursuant to FRS 134

A1. Basis of preparation (continued)

2. Significant accounting policies (continued)

2.2 Standards, Amendments and Interpretations Effective for Annual Periods Beginning after 1 January 2013

Investment Entities are required by the amendments to FRS 10, FRS 12 and FRS 127 to measure particular subsidiaries at fair value through profit or loss instead of consolidating them. The amendments also introduce new disclosure requirements for investment entities in FRS 12 and FRS 127.

The initial application of standards, amendments and interpretations, which are to be applied prospectively or which requires extended disclosures, is not expected to have any material financial impacts on the financial statements for the current and prior periods upon their first adoption.

2.3 Malaysian Financial Reporting Standards

On 7 August 2013, MASB made an announcement to allow transitioning entities to defer the adoption of the Malaysian Financial Reporting Standards (“MFRS”). Transitioning entities will have to adopt when mandated by MASB.

Accordingly, the financial statements of the Group are/will be prepared in compliance with FRS for the years ended 31 December 2013 and will adopt new and/or amended FRSs and ICs as and when effective.

A2. 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. The performance is also affected by the prices of CPO and PK which are determined by global supply and demand situation for edible oils and fats.

A3. Unusual Items Affecting Assets, Liabilities, Equity, Net income or Cash Flow

During the interim quarter under review, the Group has recognised a total impairment losses of RM7.6 million (included in other operating expenses) (see Note A8), comprising plantation development expenditure relating to teak plantation of RM0.7 million, oil palm plantation development expenditure, property, plant and equipment, other receivables and deposits of RM6.9 million relating to NCR joint venture project of which the Group’s share of loss amounting to RM4.2 million.

A4. Material Changes in Estimates

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

A5. Issuances, Cancellations, Repurchases, Resale and Repayments of Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity in the current interim financial period.

**Part A – Explanatory Notes Pursuant to FRS 134****A6. Dividends Paid**

	Cumulative Quarter (12 Months)	
	Current Year - Period To Date 31/12/2013 RM'000	Preceding Year - Period To Date 31/12/2012 RM'000
Second interim, single tier exempt dividend in respect of the financial year ended 31 December 2011		
- 10 sen per ordinary share	-	27,956
First interim, single tier exempt dividend in respect of the financial year ended 31 December 2012		
- 5 sen per ordinary share	-	13,978
Second interim, single tier exempt dividend in respect of the financial year ended 31 December 2012		
- 5 sen per ordinary share	13,978	-
First interim, single tier exempt dividend in respect of the financial year ended 31 December 2013		
- 4 sen per ordinary share	11,182	-
	<hr/>	<hr/>
	25,160	41,934
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Part A – Explanatory Notes Pursuant to FRS 134

A7. Segment Information

The Group's business segments mainly comprise the following three major business segments:-

(i) Investment holding

Investment holding company

(ii) Oil palm operations

Cultivation of oil palm and processing of fresh fruit bunches

(iii) Management services and rental

Provision of management service and rental of investment properties

Individual Quarter (Q4)

	Investment holding RM'000	Oil palm operations RM'000	Management services /Rental RM'000	Consolidated RM'000
31/12/2013				
Revenue				
Segment revenue	10,000	113,082	663	123,745
Inter-segment revenue	(10,000)	-	(792)	(10,792)
External revenue	-	113,082	(129)	112,953
Cost of sales				
Segment cost of sales	-	(75,050)	(583)	(75,633)
Inter-segment cost of sales	-	13	45	58
External cost of sales	-	(75,037)	(538)	(75,575)
Gross profit/(loss)	-	38,045	(667)	37,378
Other income including finance income	2,228	2,216	890	5,334
Inter-segment	(1,787)	(1,602)	(479)	(3,868)
External other income	441	614	411	1,466
Other expenses including finance cost	(4,517)	(27,616)	(2,391)	(34,524)
Inter-segment	3,394	6,694	1,589	11,677
External other expenses	(1,123)	(20,922)	(802)	(22,847)
(Loss)/Profit before tax	(682)	17,737	(1,058)	15,997



Part A – Explanatory Notes Pursuant to FRS 134

A7. Segment Information (continued)

Individual Quarter (Q4)

	Investment holding RM'000	Oil palm operations RM'000	Management services /Rental RM'000	Consolidated RM'000
31/12/2012				
Revenue				
Segment revenue	5,000	90,354	1,079	96,433
Inter-segment revenue	(5,000)	-	(772)	(5,772)
External revenue	-	90,354	307	90,661
Cost of sales				
Segment cost of sales	-	(68,949)	(522)	(69,471)
Inter-segment cost of sales	-	18	45	63
External cost of sales	-	(68,931)	(477)	(69,408)
Gross profit/(loss)	-	21,423	(170)	21,253
Other income including finance income	1,006	6,176	112	7,294
Inter-segment	-	-	(621)	(621)
External other income	1,006	6,176	(509)	6,673
Other expenses including finance cost	(3,562)	(30,530)	(1,573)	(35,665)
Inter-segment	343	3,573	561	4,477
External other expenses	(3,219)	(26,957)	(1,012)	(31,188)
(Loss)/profit before tax	(2,213)	642	(1,691)	(3,262)



Part A – Explanatory Notes Pursuant to FRS 134

A7. Segment Information (continued)

Cumulative Quarter (12 Months)

	Investment holding RM'000	Oil palm operations RM'000	Management services /Rental RM'000	Consolidated RM'000
31/12/2013				
Revenue				
Segment revenue	27,800	361,014	4,069	392,883
Inter-segment revenue	(27,800)	-	(3,127)	(30,927)
External revenue	-	361,014	942	361,956
Cost of sales				
Segment cost of sales	-	(262,701)	(2,365)	(265,066)
Inter-segment cost of sales	-	72	180	252
External cost of sales	-	(262,629)	(2,185)	(264,814)
Gross profit/(loss)	-	98,385	(1,243)	97,142
Other income including finance income	5,030	4,713	1,420	11,163
Inter-segment	(3,060)	(2,102)	(588)	(5,750)
External other income	1,970	2,611	832	5,413
Other expenses including finance cost	(8,654)	(61,087)	(3,950)	(73,691)
Inter-segment	3,531	9,601	2,568	15,700
External other expenses	(5,123)	(51,486)	(1,382)	(57,991)
(Loss)/Profit before tax	(3,153)	49,510	(1,793)	44,564

Part A – Explanatory Notes Pursuant to FRS 134

A7. Segment Information (continued)

Cumulative Quarter (12 Months)

	Investment holding RM'000	Oil palm operations RM'000	Management services /Rental RM'000	Consolidated RM'000
31/12/2012				
Revenue				
Segment revenue	38,500	428,688	4,539	471,727
Inter-segment revenue	(38,500)	-	(3,055)	(41,555)
External revenue	-	428,688	1,484	430,172
Cost of sales				
Segment cost of sales	-	(298,834)	(2,417)	(301,251)
Inter-segment cost of sales	-	73	180	253
External cost of sales	-	(298,761)	(2,237)	(300,998)
Gross profit/(loss)	-	129,927	(753)	129,174
Other income including finance income	2,976	8,918	478	12,372
Inter-segment	-	-	(621)	(621)
External other income	2,976	8,918	(143)	11,751
Other expenses including finance cost	(8,502)	(68,825)	(3,827)	(81,154)
Inter-segment	371	4,604	1,595	6,570
External other expenses	(8,131)	(64,221)	(2,232)	(74,584)
Loss/(Profit) before tax	(5,155)	74,624	(3,128)	66,341



Part A – Explanatory Notes Pursuant to FRS 134

Segment assets and liabilities

	As At End Of Current Financial Year 31/12/2013
Segment assets:	
Oil palm operations	663,955
Investment holding	383,551
Management services and rental	44,874
Total	1,092,380
Elimination	(337,550)
Total assets	754,830
	As At End Of Current Financial Period 31/12/2013
Segment liabilities:	
Oil palm operations	210,418
Investment holding	1,681
Management services and rental	16,184
Total	228,283
Elimination	(50,737)
Total liabilities	177,546

A8. Impairment of Assets

During the interim quarter under review, the Group has recognised a total impairment losses of RM7.6 million (included in other operating expenses) (see Note A3), comprising plantation development expenditure relating to teak plantation of RM0.7 million, oil palm plantation development expenditure, property, plant and equipment, other receivables and deposits of RM6.9 million relating to NCR joint venture project of which the Group's share of loss amounting to RM4.2 million.

A9. 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.

A10. Changes in the Composition of the Group

As at 31 December 2013, 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.

A11. Changes in Contingent Liabilities and Contingent Assets

As at 31 December 2013, there were no material contingent liabilities or contingent assets, which upon being enforced might have a material impact on the financial position or business of the Group.

	At 31/12/2013 RM'000
As at that date, the Company has contingent liabilities as follows:	
Corporate guarantees granted for banking facilities of subsidiaries	137,000

**Part A – Explanatory Notes Pursuant to FRS 134****A12. Capital Expenditure Commitments**

As at 31 December 2013, 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:

	At 31/12/2013
	RM'000
Capital Expenditure	
Authorised and contracted for	22,054
Authorised and not contracted for	69,381
	<u>91,435</u>
Analysed as follows:	
Property, plant and equipment	58,756
Plantation development expenditure	32,679
	<u>91,435</u>

A13. Significant Related Party Transactions

The significant related party transactions during the financial period as set out below represent significant transactions with companies having common directorship or in which a Director or person connected to a Director has interests; or with a corporate shareholder of the Company.

	Cumulative Quarter (12 Months)	
	Current Year - Period To Date	Preceding Year - Period To Date
	31/12/2013	31/12/2012
	RM'000	RM'000
a. Sarawak Land Development Board ("SLDB")		
- Receipts of proceeds from sales of fresh fruit bunches on behalf of SLDB*	1,892	1,808
- Payment of expenses on behalf of SLDB*	(857)	(799)
- Management fee in relation to the management of the Plantation of SLDB	-	(78)
b. KUB Sepadu Sdn. Bhd.		
- Purchase of fresh fruit bunches	8,774	3,079
c. Danawa Resources Sdn. Bhd.		
- Rental and annual support for satellite broadband services	433	47
d. Ta Ann Pelita Igan Sdn. Bhd.		
- Laboratory services	20	-
e. Intuitive Systems Sdn. Bhd.		
- EMS Software and implementation costs	544	95
	<u>544</u>	<u>95</u>

* In the course of the management of the plantation of SLDB by a subsidiary.

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



Part A – Explanatory Notes Pursuant to FRS 134

A14. Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income Disclosures

	Individual Quarter (Q4)		Cumulative Quarter(12 Months)	
	Current Year Quarter 31/12/2013 RM'000	Preceding Year Corresponding Quarter 31/12/2012 RM'000	Current Year - Period To Date 31/12/2013 RM'000	Preceding Year - Period To Date 31/12/2012 RM'000
Profit before tax is arrived at after charging:				
Depreciation of investment property	41	43	166	172
Depreciation of plantation development expenditure	55	55	221	221
Depreciation of property, plant and equipment	5,199	4,940	20,354	19,168
Impairment losses:				
- Plantation development expenditure	4,977	16,179	4,977	16,179
- Property, plant and equipment	2,017	-	2,017	-
- Other receivables	615	-	615	-
- Deposits	24	-	24	-
Inventories written off	115	29	115	159
Property, plant and equipment written off	112	61	112	231
Finance costs	649	806	1,280	3,308
Profit before tax is arrived at after crediting:				
Dividend income from other investments	5	4	80	46
Change in fair value of other investments	99	(4)	229	6
Gain on disposal of other investments	4	2	16	17
Gain on disposal of property, plant and equipment	-	2,070	-	2,070
Reversal of impairment loss on property, plant and equipment	-	-	-	159
Other operating income	812	5,605	2,294	6,975
Finance income	654	1,068	3,119	4,776

Other items not applicable to the Group are foreign exchange gain or loss and gain and loss on derivatives.



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

B1. Review of Performance

Quarter 4, 2013 vs Quarter 4, 2012

The Group recorded revenue of RM113 million in the current quarter under review compared with RM90.7 million reported in the corresponding period of the preceding year. Similarly, the Group's profit before tax of RM16 million for the current quarter under review was higher by RM19.3 million as compared to a loss of RM3.3 million for the corresponding period of the preceding year. The increase is principally due to higher sales volumes and realised average selling prices of CPO and PK during the current interim quarter under review, and the effect of impairment loss of RM7.6 million (see Note A3) in the current quarter against RM16.2 million recognised on plantation development expenditure in the corresponding period of the preceding year.

The performance of the respective major business segments of the Group are as follows:

Oil palm operations

For the current quarter under review, the oil palm operations segment contributed 100% of the Group revenue of RM113 million.

The revenue of the oil palm operations increased by RM22.7 million to RM113.1 million in the current financial period compared with RM90.4 million reported in the corresponding period of the preceding year. The increase was principally attributed to the effect of higher sales volumes and realised average selling prices of CPO and PK.

The realised average selling prices of CPO and PK had increased by approximately 13.9% and 50.9%, whereas the CPO and PK sales volumes were higher by approximately 6.7% and 8.9% respectively.

The gross profit and profit before tax for the oil palm operations increased by RM16.6 million and RM17.1 million, respectively for the current quarter under review as compared to the corresponding period of the preceding year, in line with the increase in revenue, the effect of impairment loss of RM7.6 million in the current quarter against RM16.2 million recognised on plantation development expenditure in the corresponding period of the preceding year.

Twelve months ended 31 December 2013 vs Twelve months ended 31 December 2012

The Group recorded revenue of RM362 million in the current financial year ended 31 December 2013 compared with RM430.2 million reported in the preceding year. Similarly, the Group recorded a profit before tax of RM44.6 million for the current financial year was also lower by RM21.7 million compared to RM66.3 million for the preceding year. This decrease was principally due to lower realised average selling prices, partially offsetted by higher sales volumes of CPO and PK.

The performance of the respective major business segments of the Group are as follows:

Oil palm operations

For the twelve months ended 31 December 2013, oil palm operations segment contributed 99.7% of the Group revenue of RM362 million.

The revenue of the oil palm operations decreased by RM67.7 million to RM361 million in the current financial year compared with RM428.7 million reported in the preceding year. This decrease was principally due to lower realised average selling prices, partially offsetted by higher sales volumes of CPO and PK.



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

B1. Review of Performance (continued)

The realised average selling prices of CPO and PK decreased by approximately 17.7% and 13.6% respectively for the current financial year in tandem with the global vegetable oil price trends.

The sales volume of CPO and PK had increased by approximately 1.8% and 3% respectively for the current financial year as compared to the preceding year.

In line with the decrease in revenue, the gross profit and profit before tax for the oil palm operations decreased by RM31.5 million and RM25.1 million, respectively for the current financial year.

Other segments

Other segments' results are insignificant to the Group.

B2. Material Changes in Profit Before Tax for the Current Quarter as compared with the Immediate Preceding Quarter

For the quarter under review, the Group recorded a profit before tax of RM16 million as compared to a profit before tax of RM20.4 million in the preceding quarter. The decrease was principally attributed to the effect of impairment loss of RM7.6 million, partially offset by higher realised average selling prices and sales volumes of CPO and PK for during the current quarter.

The realised average selling prices of CPO and PK had increased respectively approximately by 6.1% and 19.6% respectively, whereas the sales volumes of CPO and PK were higher by approximately 0.8% and 9.3% respectively.

B3. Prospects for the Next Financial Year

The performance of the Group is largely dependent on the production, operation efficiency and prices of CPO and PK.

Barring any unforeseen circumstances, the Group expects to perform well for the next financial year in view of the positive market outlook for palm oil industry.

B4. Profit Forecast or Profit Guarantee

The disclosure requirement for explanatory notes for the variance of actual profit after income tax expense and non-controlling interests and forecast profit after income tax expense and non-controlling interests is not applicable as the Group did not issue any profit forecast or profit guarantee for the financial year.

**Part B – Explanatory Notes Pursuant to Part A of Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad****B5. Income Tax Expense**

	Individual Quarter (Q4)		Cumulative Quarter(12 Months)	
	Current Year Quarter 31/12/2013 RM'000	Preceding Year Corresponding Quarter 31/12/2012 RM'000	Current Year - Period To Date 31/12/2013 RM'000	Preceding Year - Period To Date 31/12/2012 RM'000
Current tax expense	3,861	746	6,963	16,008
Deferred tax expense	105	3,509	1,851	5,484
	<u>3,966</u>	<u>4,255</u>	<u>8,814</u>	<u>21,492</u>

The Group's effective tax rate for the financial period ended 31 December 2013 is lower than the statutory tax rate principally mainly due to the utilisation of tax allowances available for offset against taxable profit.

B6. Quoted Investments

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

The investments in quoted securities as at 31 December 2013 are as follows:

Quoted in Malaysia

	At 31/12/2013 RM'000
<u>Current</u>	
Financial assets at fair value through profit or loss	<u>2,080</u>
<u>Represented by:</u>	
At fair value	<u>2,080</u>

**Part B – Explanatory Notes Pursuant to Part A of Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad****B7. Borrowings**

	At 31/12/2013
<u>Current</u>	
Revolving credits - secured	28,000
Term loans - secured	30,000
- unsecured	2,960
Finance lease liabilities (Islamic)	1,121
	<u>62,081</u>
<u>Non-current</u>	
- unsecured	2,980
Finance lease liabilities (Islamic)	2,085
	<u>5,065</u>
Total loans and borrowings	<u>67,146</u>

Borrowings of the Group comprise:

(a) Secured facilities

Term loan

This term loan is secured by way of the Company's corporate guarantee and a first charge over certain land and buildings of a subsidiary. The loan is for a tenure of 5 years and to be repayable in 13 quarterly installments. The first quarterly installment commenced on 25 November 2011, 24 months from the date of first drawdown (25 November 2009).

The effective interest rate of this term loan is 4.78% per annum.

Revolving Credits

This revolving credit facility of RM50 Million is secured by way of the Company's corporate guarantee and a first charge over certain land and buildings of a subsidiary. The subsidiary may repay all or part of the revolving credits at the end of the relevant rollover period. As at 31 December 2013, the total drawdown amount to RM28 Million.

The effective interest rate of this revolving credit is 4.58% per annum.

Finance lease liabilities

This finance lease liabilities are secured on property, plant and equipment under the finance lease.

The effective profit rate of this finance lease liabilities are between 4.57% to 5.32% per annum.

(b) Unsecured facility

Term loan

This term loan is secured by way of the Company's corporate guarantee. The loan is for a tenure of 7 years from the date of full drawdown in March 2009 and is repayable by 27 quarterly installments commencing 1 July 2009.

The effective interest rate of the term loan is 5.04% per annum.

The above borrowings are denominated in Ringgit Malaysia.



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

B8. Corporate Proposals

Status of Corporate Proposals Announced

There was no corporate proposal being announced during the current interim financial period.

B9. Gains/Losses from Fair Value Changes of Financial Liabilities

There were no gains/losses arising from fair value changes of financial liabilities during the current interim financial period.

B10. Changes in Material Litigation

As at 20 February 2014 (*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 in 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:

- (a) A subsidiary, Sarawak Plantation Agriculture Development Sdn. Bhd. ("SPAD") sued 15 individuals ("Defendants"), seeking 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 and unspecified damages and interest thereon at the rate of 8% per annum. SPAD had obtained an injunction restraining the Defendants from entering or trespassing on its land, threatening or harassing its employees or disrupting, obstructing or hindering its work.

The suit has been consolidated with another suit, Kuching High Court Suit No. 22-23-2006-II (TR Landon anak Edieh and 10 others vs. SLDB and 2 others). The trial begun on 4 November 2009. Subsequently, this matter was withdrawn and filed afresh in November 2010.

The Writ of Summons was filed under a new suit number KCH 22-237-2012-III (SPAD vs. TR Landon anak Edieh and 10 others) on 23 November 2010. A Reply to the Defence and Counterclaim was filed on 11 January 2011.

The Defendants filed a Summons in Chambers dated 13 July 2011 to rejoin SLDB, the Superintendent of Lands and Surveys Mukah Division and the State Government of Sarawak as a party to the action. SPAD filed an Affidavit in Opposition dated 26 July 2011. The hearing of this Summons in Chambers is still ongoing.

On 19 March 2012, SPAD was informed that there was a trial in Sibu before the High Court under Suit No. 21-5-2010 which involved the same land as in suit number KCH 22-237-2012-III. The Company, through its Advocates sought clarification from the Defendants by obtaining an earlier Mention date, ie 22 March 2012. At the mention on 22 March 2012, the Honourable Judge ordered for a consolidation subject to the approval of the parties involved.

An Order was granted on 16 July 2012 to consolidate Suit No. 21-5-2012 and Suit No. KCH 22-237-2012-III. The Summons in Chambers to rejoin SLDB, the Superintendent of Lands and Surveys Mukah Division and the State Government of Sarawak as a party to the action has not been heard.

The Honourable Judge has suggested that SPAD withdraws its Writ with liberty to file afresh and with no order as to costs taking into account that the trial cannot proceed as the Defendants still have pending applications which are incomplete. On 1 October 2013, following the Honourable Judge's suggestion, SPAD's Writ was struck out with liberty to file afresh and with no order as to costs.

SPAD is now in the process of filing a fresh Writ as per the Order granted by the Honourable Court.

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



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

B10. Changes in Material Litigation (continued)

- (b) In another suit, another subsidiary of the Group, SPB Pelita Suai Sdn. Bhd. (“SP Suai”) sued 6 individuals (“Defendants”), seeking injunctive and declaratory relief against the Defendants for various acts of trespass over 2 parcels of Native Communal Reserve Land which the Defendants had given consent for development into an oil palm estate. SP Suai also seeks to claim damages from the Defendants.

On 18 September 2013, the learned Judge decided as follows:

- (i) There is no concluded contract between the Defendants and SP Suai;
- (ii) It has not been shown by the parties that the Defendants were members of the Penan community for which the land was gazetted for their exclusive use;
- (iii) That the gazette to allow SP Suai to deal with native land has no retrospective effect; and
- (iv) Generally, parties have not proven their case against each other.

SP Suai filed a Notice of Appeal against the whole of the learned Judge’s decision on 14 October 2013. The Defendants also filed a Notice of Appeal against the whole of the learned Judge’s decision on the same date. SP Suai had filed and served the Record of Appeal on 2 December 2013.

The Directors, in consultation with SP Suai’s Solicitors are of the opinion that SP Suai has basis/grounds for the appeal to the Court of Appeal.

- (c) On 26 June 2012, a subsidiary, Sarawak Plantation Agriculture Development Sdn. Bhd. (“SPAD”) filed a Writ of Summons against a third party (“Defendant”) for damages and other reliefs for breach of contract or alternatively refund of deposits of RM2,600,000 in respect of shares in a company and RM7,200,000 in respect of shares in another company paid by SPAD under Sales and Purchase Agreements (“SPA”) signed in an earlier year.

The Defendant entered appearance and served a Memorandum of Appearance on SPAD on 13 July 2012. The Statement of Defence was served on SPAD on 22 August 2012.

This matter has been consolidated for trial with (d) and (e) below and will be jointly tried with (f) below. The continuation of trial is from 18 – 21 February 2014.

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

- (d) On 26 June 2012, a subsidiary, Sarawak Plantation Agriculture Development Sdn. Bhd. (“SPAD”) filed a Writ of Summons against a third party (“Defendant”) for damages for breach of contract or alternatively refund of deposits of RM15,400,000 in respect of shares in a company paid by SPAD under a Sales and Purchase Agreements (“SPA”) signed in an earlier year.

The Defendant entered appearance and served a Memorandum of Appearance on SPAD on 13 July 2012. The Statement of Defence was served on SPAD on 22 August 2012.

This matter has been consolidated for trial with (c) above and (e) below and will be jointly tried with (f) below. The continuation of trial is from 18 – 21 February 2014.

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



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

B10. Changes in Material Litigation (continued)

- (e) On 26 June 2012, a subsidiary, Sarawak Plantation Agriculture Development Sdn. Bhd. (“SPAD” filed a Writ of Summons against a third party (“Defendant”) for damages for breach of contract or alternatively refund of deposits RM7,000,000 in respect of shares in a company paid by SPAD under a Sales and Purchase Agreements (“SPA”) signed in an earlier year.

The Defendant entered appearance and served a Memorandum of Appearance on SPAD on 13 July 2012. The Statement of Defence was served on SPAD on 22 August 2012.

This matter has been consolidated for trial with (c) and (d) above and will be jointly tried with (f) below. The continuation of trial is from 18 – 21 February 2014.

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

- (f) On 29 June 2012, a Writ of Summons was filed against Sarawak Plantation Agriculture Development Sdn. Bhd. (“SPAD”) in the High Court in the respect of the same subject matters as stated above in paragraphs (c), (d) and (e). The Writ of Summons was served on 1 August 2012. SPAD filed its Memorandum of Appearance on 13 August 2012.

The Plaintiffs are claiming for damages for alleged breach/repudiation of agreements entered into between the Plaintiffs and SPAD in relation to sale of shares in third party companies by the Plaintiffs. The Statement of Defence has been filed by SPAD.

The matter will be jointly tried with (c), (d) and (e) above. The continuation of trial is from 18 – 21 February 2014.

The Directors, in consultation with the Company’s Solicitors are of the opinion that SPAD has strong merit in the case.

- (g) In a new suit involving SPAD, a writ of Summons dated 25 January 2013 was served on SPAD on 8 February 2013. The Plaintiffs sued 4 Defendants, the second of whom is SPAD. The Plaintiffs are claiming, amongst others, a declaration that the Plaintiffs and/or their ancestors have Native Customary Right in or over certain land. The Plaintiffs pleaded that there was no proper extinguishment of the Plaintiffs’ right and neither was there any provision made for compensation and no compensation was ever made by the 3rd and 4th Defendant. The Plaintiffs further pleaded that the Provisional Lease issued to SPAD over Lot 6 Bawan Land District was unconstitutional and therefore null and void ab initio. The Plaintiffs claimed for damages and a declaration that the 1st Defendant and SPAD or its agents(s) or servants(s) had trespassed and are wrongfully trespassing on the said land and the 1st Defendant and SPAD or its agents(s) or servants(s) are to dismantle all its structures and buildings on and to remove all its machineries or equipments from and to vacate the said land therefrom.

A Statement of Defence has been filed. The matter is fixed for trial on 16 – 20 June 2014.

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

- (h) On 19 November 2013 and 21 November 2013 respectively, Sarawak Plantation Bhd (“SPB”) and Sarawak Plantation Agriculture Development Sdn Bhd (“SPAD”) were served with legal proceedings. SPB and SPAD are sued together with 3 others.



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

B10. Changes in Material Litigation (continued)

- (h) No Specific Provisional Lease of State Land was specified in the Statement of Claim but the claimed area is described as “Tanah Hak Adat Kongsi dan Tanah Individu Rumah Lenon Ak Nanggai at Sungai Assan Baya, Bahagian Sibul and notated to be totaling 774.12 hectares. The allegations relate to 414.67 hectares in a community map prepared by the Sarawak Dayak Iban Association and certified by Tuai Rumah Lenon Ak Nanggai and Tuai Rumah Edwin Yap.

SPB and SPAD have entered appearance in these legal proceedings on 22 November 2013 and have instructed counsel to defend SPB and SPAD. SPB and SPAD’s Defence and Counterclaim were filed on 3 December 2013 and the Application for Further and Better Particulars was filed on 23 December 2013. The Application for Further and Better Particulars will be heard on 27 February 2014.

B11. Dividend Declared

- (a) On 27 February 2013, the Board of Directors declared a second interim, single tier dividend of 5 sen per ordinary share, totalling approximately RM14 million, in respect of the financial year ended 31 December 2012, which was paid to shareholders on 28 March 2013.
- (b) On 28 November 2013, the Board of Directors declared a first interim, single tier dividend of 4 sen per share, totalling approximately RM 11.2 million, in respect of the financial year ended 31 December 2013, which was paid to shareholders on 24 December 2013.
- (c) The Board of Directors had declared a second interim, single tier dividend of 4 sen per share, totalling approximately RM11.2 million, in respect of the financial year ended 31 December 2013, payable to shareholders on 27 March 2014. The dividend entitlement date shall be on 17 March 2014.

B12. Earnings per Share

	Individual Quarter (Q4)		Cumulative Quarter (12 Months)	
	Current Year Quarter 31/12/2013 RM'000	Preceding Year Corresponding Quarter 31/12/2012 RM'000	Current Year - Period To Date 31/12/2013 RM'000	Preceding Year - Period To Date 31/12/2012 RM'000
Profit/(Loss) attributable to Owners of the Company(RM)	15,094	(6,734)	39,685	46,333
Weighted average number of ordinary shares in issue (unit)	279,564	279,564	279,564	279,564
Basic earnings per share (sen)	5.40	(2.41)	14.20	16.57
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 (loss)/profit attributable to owners of the Company and on the weighted average number of ordinary shares of RM1.00 each in issue less the weighted average number of treasury shares held by the Company.

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 potentially dilutive ordinary shares as at 31 December 2013.



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

B13. Retained Earnings

The retained earnings of the Group as at 31 December 2013 contain unrealised profits, as disclosed below:

	As At End Current Financial Period 31/12/2013 RM'000	As At End Of Preceding Financial Year 31/12/2012 RM'000
Total retained earnings of the Group and its subsidiaries		
Realised	278,358	272,768
Unrealised	(54,586)	(52,511)
	<u>223,772</u>	<u>220,257</u>
Consolidation adjustments	18,944	7,934
Total Group retained earnings as per consolidated accounts	<u><u>242,716</u></u>	<u><u>228,191</u></u>

B14. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 31 December 2012 was unqualified.

B15. Authorised for Issue

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

By Order of the Board

Company Secretary
Kuching
27 February 2014