



BENALEC HOLDINGS BERHAD
(702653-V)
(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FOURTH (4TH) QUARTER ENDED 30 JUNE 2014**

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME FOR THE FOURTH (4TH) QUARTER ENDED 30 JUNE 2014**

	Individual Quarter		Cumulative Quarter	
	(Unaudited) Current Year Quarter Ended 30-06-2014 RM'000	(Audited) Preceding Year Quarter Ended 30-06-2013 RM'000	(Unaudited) Current Year To Date 30-06-2014 RM'000	(Audited) Preceding Year To Date 30-06-2013 RM'000
Revenue	31,529	66,840	211,017	265,835
Cost of sales	(20,895)	(50,470)	(154,316)	(168,966)
Gross profit	10,634	16,370	56,701	96,869
Other operating income	5,134	2,370	16,073	4,412
Administrative and other expenses	(29,631)	(12,036)	(51,606)	(31,857)
(Loss)/profit from operations	(13,863)	6,704	21,168	69,424
Finance costs	(1,199)	(653)	(2,881)	(3,864)
(Loss)/profit before tax (" (L)/PBT ")	(15,062)	6,051	18,287	65,560
Tax expense	(570)	(2,018)	(11,095)	(8,898)
(Loss)/profit for the financial period	(15,632)	4,033	7,192	56,662
Other comprehensive income, net of tax:-				
<i>Items that may be reclassified subsequently to profit or loss</i>				
• Fair value gain / (loss) on available-for-sale financial assets	4	(1)	6	5
• Foreign currency translations	(2,968)	4,148	2,727	278
Total comprehensive (loss)/ income	(18,596)	8,180	9,925	56,945
(Loss)/profit attributable to:-				
• Owners of the parent	(15,626)	4,040	7,205	56,750
• Non-controlling interests	(6)	(7)	(13)	(88)
	(15,632)	4,033	7,192	56,662
Total comprehensive (loss)/ income attributable to:-				
• Owners of the parent	(18,590)	8,187	9,938	57,033
• Non-controlling interests	(6)	(7)	(13)	(88)
	(18,596)	8,180	9,925	56,945
(Loss)/earnings per ordinary share attributable to equity holders of the Company (sen)				
• Basic	(1.9)	0.5	0.9	7.1
• Diluted	(1.9)	0.5	0.9	7.1

The unaudited condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2013 and the accompanying explanatory notes attached to the interim financial reports.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2014

	Unaudited As at 30-06-2014 RM'000	Audited As At 30-06-2013 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	187,581	214,079
Intangible assets	780	-
Other investments	44	38
Deferred tax assets	3,700	-
	<u>192,105</u>	<u>214,117</u>
Current assets		
Inventories	203,979	190,053
Land reclamation WIP	53,970	29,581
Trade and other receivables	399,803	483,241
Current tax assets	178	8,146
Fixed deposits	17,856	25,974
Short term funds	23,236	637
Cash and bank balances	17,575	13,553
	<u>716,597</u>	<u>751,185</u>
TOTAL ASSETS	<u>908,702</u>	<u>965,302</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	202,853	201,912
Non-distributable reserves	11,851	15,070
Distributable reserve	328,778	337,054
Total equity attributable to owners of the parent	<u>543,482</u>	<u>554,036</u>
Non-controlling interests	2,895	2,908
TOTAL EQUITY	<u>546,377</u>	<u>556,944</u>
LIABILITIES		
Non-current liabilities		
Borrowings	7,603	11,725
Deferred tax liabilities	-	7,197
Trade and other payables	22,288	54,624
	<u>29,891</u>	<u>73,546</u>
Current liabilities		
Trade and other payables	94,550	162,575
Borrowings	24,333	19,537
Deferred revenue	204,312	152,521
Current tax liabilities	9,239	179
	<u>332,434</u>	<u>334,812</u>
TOTAL LIABILITIES	<u>362,325</u>	<u>408,358</u>
TOTAL EQUITY AND LIABILITIES	<u>908,702</u>	<u>965,302</u>
Net assets per RM0.25 share attributable to ordinary equity holders of the company	<u>0.67</u>	<u>0.69</u>

The unaudited condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2013 and the accompanying explanatory notes attached to the interim financial reports.



UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FOURTH (4TH) QUARTER ENDED 30 JUNE 2014

	ATTRIBUTABLE TO OWNERS OF THE PARENT							Distributable Reserve	Total	Non-Controlling Interests	Total
	Non-Distributable Reserve										
	Share Capital RM'000	Treasury Share RM'000	Share Premium RM'000	Foreign Exchange Reserve RM'000	Reverse Acquisition Reserve RM'000	Share Option Reserve RM'000	Available-For-Sale Reserve RM'000	Distributable Retained Earnings RM'000	RM'000	RM'000	RM'000
As at 1 July 2012	200,740	(1,246)	150,099	6,652	(146,070)	1,814	(29)	304,429	516,389	3	516,392
Funding from non-controlling interests	-	-	-	-	-	-	-	-	-	2,993	2,993
Profit for the financial year	-	-	-	-	-	-	-	56,750	56,750	(88)	56,662
Fair value of the available-for-sale financial assets	-	-	-	-	-	-	5	-	5	-	5
Foreign currency translation	-	-	-	278	-	-	-	-	278	-	278
Total comprehensive income	-	-	-	278	-	-	5	56,750	57,033	(88)	56,945
Transactions with owners:-											
• Share option granted under ESOS	-	-	566	-	-	(566)	-	-	-	-	-
• Share issuance for ESOS	1,172	-	3,798	-	-	-	-	-	4,970	-	4,970
• Buy back of shares	-	(231)	-	-	-	-	-	-	(231)	-	(231)
• Dividend paid	-	-	-	-	-	-	-	(24,125)	(24,125)	-	(24,125)
As at 30 June 2013	201,912	(1,477)	154,463	6,930	(146,070)	1,248	(24)	337,054	554,036	2,908	556,944


UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FOURTH (4TH) QUARTER ENDED 30 JUNE 2014 (“CONT’D”)

	ATTRIBUTABLE TO OWNERS OF THE PARENT							Distributable Reserve	Total	Non-Controlling Interests	Total
	Non-Distributable Reserve										
	Share Capital RM'000	Treasury Share RM'000	Share Premium RM'000	Foreign Exchange Reserve RM'000	Reverse Acquisition Reserve RM'000	Share Option Reserve RM'000	Available-For-Sale Reserve RM'000	Distributable Retained Earnings RM'000	RM'000	RM'000	RM'000
As at 1 July 2013	201,912	(1,477)	154,463	6,930	(146,070)	1,248	(24)	337,054	554,036	2,908	556,944
Profit for the financial year	-	-	-	-	-	-	-	7,205	7,205	(13)	7,192
Fair value of the available-for-sale financial assets	-	-	-	-	-	-	6	-	6	-	6
Foreign currency translation	-	-	-	2,727	-	-	-	-	2,727	-	2,727
Total comprehensive income	-	-	-	2,727	-	-	6	7,205	9,938	(13)	9,925
Transactions with owners:-											
• Share options granted under ESOS	-	-	621	-	-	(621)	-	-	-	-	-
• Forfeiture of share options granted under ESOS	-	-	-	-	-	(649)	-	649	-	-	-
• Ordinary shares issued pursuant to ESOS	941	-	2,176	-	-	2,159	-	-	5,276	-	5,276
• Buy back of shares	-	(9,638)	-	-	-	-	-	-	(9,638)	-	(9,638)
• Dividend paid	-	-	-	-	-	-	-	(16,130)	(16,130)	-	(16,130)
As at 30 June 2014	202,853	(11,115)	157,260	9,657	(146,070)	2,137	(18)	328,778	543,482	2,895	546,377

The unaudited condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements financial year ended 30 June 2013 and the accompanying explanatory notes attached to the interim financial reports.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FOURTH (4TH) QUARTER ENDED 30 JUNE 2014**

	Unaudited 30 June 2014 RM'000	Audited 30 June 2013 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
PBT	18,287	65,560
Adjustments for:-		
Depreciation of property, plant and equipment	10,420	10,907
PPE impairment and written off	16,239	4,701
Receivable impairment and written off	2,976	1,813
Gain on disposal of unit trust	(32)	-
Loss on disposal of PPE	2,887	2,443
Non-cash and operating items	1,904	2,461
Operating profit before changes in working capital	52,681	87,885
Changes in working capital:-		
Consumables	499	(460)
Land reclamation work in progress	(24,389)	(10,600)
Land held for sale	(14,424)	9,635
Trade and other receivables	80,462	(261,935)
Trade and other payable	(36,379)	15,447
Deferred revenue	51,791	114,712
Cash generated from/(used in) operations	110,241	(45,316)
Tax refund / (paid) – net	(4,965)	(19,901)
Net cash generated from/(used in) operating activities	105,276	(65,217)
CASH FLOW FROM INVESTING ACTIVITIES		
Interest and dividend received	3,517	1,745
Withdrawal of fixed deposits – pledged	-	2,332
Disposal of unit trust	32	-
Disposal of property, plant and equipment	2,859	10,166
Purchase of property, plant and equipment	(2,782)	(1,477)
Purchase of intangible assets	(780)	-
(Repayments to)/advances from related parties	(63,982)	2,658
Net cash from (used in)/from investing activities	(61,136)	15,424
CASH FLOW FROM FINANCING ACTIVITIES		
Drawdown of borrowings and hire purchase	20,210	-
Repayment of borrowings and hire-purchase	(18,677)	(18,908)
Funding from non-controlling interests	-	2,994
Interest expenses	(2,881)	(3,863)
Issue of new shares under ESOS	3,117	4,970
Shares repurchased	(9,638)	(231)
Dividend paid	(16,130)	(24,125)
Net cash used in financing activities	(23,999)	(39,163)
Net increase / (decrease) in cash and cash equivalents	20,141	(88,956)
Cash and cash equivalents at beginning of period	21,911	110,792
Effects of exchange rate changes	(1,241)	75
Cash and cash equivalents at the end of period	40,811	21,911

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FOURTH (4TH) QUARTER ENDED 30 JUNE 2014 (CONT'D)**

	Unaudited 30 June 2014 RM'000	Audited 30 June 2013 RM'000
Cash and cash equivalents comprise the following:-		
Short term funds ⁽¹⁾	23,236	637
Cash and bank balances	17,575	13,553
Fixed deposits		
• pledged	17,856	17,394
• not pledged	-	8,580
	<u>58,667</u>	<u>40,164</u>
Less: Fixed deposits pledged	<u>(17,856)</u>	<u>(17,394)</u>
	40,811	22,770
Less: Bank overdraft	-	(859)
	<u>40,811</u>	<u>21,911</u>

Note:

- (1) *Included in the short term funds are unit trusts quoted in Malaysia, which are held by the Group which are highly liquid, readily convertible to cash and are subject to insignificant risk of changes in value and hence, meet the definition to be classified as cash and cash equivalents.*

The unaudited condensed consolidated statements of cash flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2013 and the accompanying explanatory notes attached to the interim financial reports.

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**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH (4TH) QUARTER ENDED
30 JUNE 2014**

NOTES TO THE INTERIM FINANCIAL REPORT

1. BASIS OF PREPARATION

The interim financial report is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134 “Interim Financial Reporting” and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”).

The interim financial report should be read in conjunction with the audited financial statements of the Group for financial year ended 30 June 2013. The explanatory notes attached to the interim financial report provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2013.

2. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and presentation for this interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 30 June 2013.

2.1 MFRSs, Amendments to MFRSs and IC Interpretation

At the date of authorisation of these interim financial statements, the following MFRSs, Amendments to MFRSs and IC Interpretation were issued but not yet effective and have not been applied by the Group:-

MFRSs, Amendments to MFRSs and IC Interpretation	Effective for annual periods beginning on or after
Amendments to MFRS 10 <i>Consolidated Financial Statements: Investment Entities</i>	1 January 2014
Amendments to MFRS 12 <i>Disclosure of Interest in Other Entities: Investment Entities</i>	1 January 2014
Amendments to MFRS 127 <i>Separate Financial Statements (2011): Investment Entities</i>	1 January 2014
Amendments to MFRS 132 <i>Offsetting Financial Assets and Financial Liabilities</i>	1 January 2014
Amendments to MFRS 136 <i>Recoverable Amount Disclosures for Non-Financial Assets</i>	1 January 2014
Amendments to MFRS 139 <i>Novation of Derivatives and Continuation of Hedge Accounting</i>	1 January 2014
IC Interpretation 21 <i>Levies</i>	1 January 2014
Amendments to MFRS 119 <i>Defined Benefit Plans: Employee Contributions</i>	1 July 2014
Amendments to MFRSs <i>Annual Improvements to MFRSs 2010 - 2012 Cycle</i>	1 July 2014
Amendments to MFRSs <i>Annual Improvements to MFRSs 2011 - 2013 Cycle</i>	1 July 2014
<i>Mandatory Effective Date of MFRS 9 and Transition Disclosures</i>	Deferred
MFRS 9 <i>Financial Instruments (2009)</i>	Deferred
MFRS 9 <i>Financial Instruments (2010)</i>	Deferred



2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.1 MFRSs, Amendments to MFRSs and IC Interpretation (Cont'd)

MFRSs, Amendments to MFRSs and IC Interpretation	Effective for annual periods beginning on or after
<i>MFRS 9 Financial Instruments (Hedge Accounting and Amendments to MFRS 9, MFRS 7 and MFRS 139)</i>	Deferred
<i>MFRS 14 Regulatory Deferral Accounts</i>	1 January 2016
<i>Amendments to MFRS 116 and MFRS 138 Clarification of Acceptable Methods of Depreciation and Amortisation</i>	1 January 2016
<i>Amendments to MFRS 11 Accounting for Acquisitions of Interests in Joint Operations</i>	1 January 2016

3. QUALIFICATION OF AUDIT REPORT OF THE PRECEDING ANNUAL FINANCIAL STATEMENTS

The audit report for the preceding annual financial statements was not subject to any qualification.

4. SEASONALITY OR CYCLICALITY OF INTERIM OPERATIONS

The Group's interim operations and performance were not materially affected by any seasonal or cyclical factors for the current quarter under review.

5. NATURE AND AMOUNT OF ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASH FLOWS THAT ARE UNUSUAL BECAUSE OF THEIR NATURE, SIZE OR INCIDENCE

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current financial period ended 30 June 2014.

6. CHANGES IN ESTIMATES OF AMOUNTS REPORTED IN PRIOR INTERIM PERIODS OF THE CURRENT FINANCIAL YEAR OR IN PRIOR FINANCIAL YEARS

There were no changes in estimates that had any material effect on the current financial period ended 30 June 2014.

7. DIVIDENDS PAID

A final tax exempt (single tier) dividend of RM0.02 per ordinary share amounting to RM16,130,252 in respect of the financial year ended 30 June 2013 was paid on 14 March 2014.

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**8. SEGMENTAL REPORTING**

The Group's segmental report for the current financial period ended 30 June 2014 as follows:-

	Marine Construction		Vessel	Ship	Others	Elimination	Total
	Land	Land	Chartering	Building			
	Reclamation	Disposal					
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue							
External – Sales	17,618	175,642	17,757	-	-	-	211,017
Inter - segment sales	29,490	-	5,579	1,750	25,000	(61,819)	-
Total revenue	47,108	175,642	23,336	1,750	25,000	(61,819)	211,017
Results							
Segment results	(12,944)	58,137	(25,155)	(3,361)	511	-	17,188
Interest and dividend income	1,223	-	2,720	27	10	-	3,980
Finance costs	(2,101)	-	(771)	(9)	-	-	(2,881)
(Loss)/Profit before tax	(13,822)	58,137	(23,206)	(3,343)	521	-	18,287
Income tax expense	-	(12,331)	1,212	1	23	-	(11,095)
(Loss)/Profit for the period	(13,822)	45,806	(21,994)	(3,342)	544	-	7,192
Other information							
• Depreciation	(3,132)	-	(6,905)	(383)	-	-	(10,420)

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9. VALUATIONS OF PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost less accumulated depreciation, amortisation and impairment loss.

At the current quarter, the Group has made an assessment on the carrying amounts of the vessels. A write down of RM16.2 million is recognised as other expenses in the condensed consolidated statement of comprehensive income.

10. MATERIAL EVENTS NOT REFLECTED IN THE FINANCIAL STATEMENT

There were no material events subsequent to the current financial quarter ended 30 June 2014 and up to 18 August 2014, being the latest practicable date (“LPD”) which is not earlier than seven (7) days from the date of issuance of this quarterly report, that have not been reflected in this quarterly report, except as disclosed in Note 22 and Note 24.

11. DEBT AND EQUITY SECURITIES

11.1 Current financial period

11.1.1 Movement of shares

During the current quarter and financial period to date, the Group buy back of 9,810,500 shares at an average exercise price of RM0.98, as well as issued additional 3,763,500 new shares consist of 533,000 shares at RM1.06 and 3,230,500 shares at RM0.79 pursuant to the exercise of ESOS.

The movement of shares by the Group during the current financial year to-date were as follows:-

Date	Description	No. of shares (‘000)	Average price paid (RM)	Total consideration paid (RM’000)
5 July 2013	Share issued pursuant to ESOS	217	1.06	230
2 Aug 2013	Share issued pursuant to ESOS	139	1.06	147
22 Aug 2013	Share issued pursuant to ESOS	58	1.06	62
26 Aug 2013	Share buyback ⁽¹⁾	(70)	1.26	(88)
27 Aug 2013	Share buyback ⁽¹⁾	(30)	1.17	(35)
6 Jan 2014	Share buyback ⁽¹⁾	(5)	1.00	(5)
8 Jan 2014	Share buyback ⁽¹⁾	(100)	0.93	(93)
4 Mar 2014	Share buyback ⁽¹⁾	(50)	0.89	(45)
2 Apr 2014	Share issued pursuant to ESOS	55	0.79	44
17 Apr 2014	Share issued pursuant to ESOS	117	0.79	92
5 May 2014	Share issued pursuant to ESOS	168	0.79	133
6 May 2014	Share buyback ⁽¹⁾	(3,000)	0.94	(2,824)
7 May 2014	Share buyback ⁽¹⁾	(1,686)	0.96	(1,614)
8 May 2014	Share buyback ⁽¹⁾	(1,187)	0.95	(1,131)
9 May 2014	Share buyback ⁽¹⁾	(300)	0.97	(290)
12 May 2014	Share buyback ⁽¹⁾	(1,083)	0.98	(1,065)
14 May 2014	Share buyback ⁽¹⁾	(2,000)	1.05	(2,107)
21 May 2014	Share issued pursuant to ESOS	113	0.79	89
9 June 2014	Share buyback ⁽¹⁾	(300)	1.13	(340)



11. DEBT AND EQUITY SECURITIES (CONT'D)

11.1 Current financial period (Cont'd)

11.1.1 Movement of shares (Cont'd)

Date	Description	No. of shares ('000)	Average price paid (RM)	Total consideration paid (RM'000)
19 June 2014	Share issued pursuant to ESOS	119	1.06	126
19 June 2014	Share issued pursuant to ESOS	2,778	0.79	2,194
		(6,047)	1.08	(6,520)

Note (1):-

As at 30 June 2014, the Company holds 11,155,400 shares as treasury shares at an average price of RM1.00.

11.1.2 Share Issuance Scheme

- a) On 3 January 2014, the Group announced that 600,000 options have been offered to the Independent Directors of Benalec.

For further details, please refer to announcement made to Bursa Securities on 3 January 2014.

- b) On 28 January 2014, the Group announced that 16,000,000 options have been offered to the Eligible Employees and Executive Director of Benalec (as defined in the By-Laws set out in Benalec Prospectus dated 28 December 2010).

For further details, please refer to announcement made to Bursa Securities on 28 January 2014.

11.2 End of Financial Period Ended 30 June 2014 and Up to LPD

11.2.1 Share buy back

Date	Description	No. of shares ('000)	Average price paid (RM)	Total consideration paid (RM'000)
9 Jul 2014	Share buyback	(1,000)	1.09	(1,094)
		(1,000)	1.09	(1,094)

11.2.2 Share issued pursuant to ESOS

Date	Description	No. of shares ('000)	Average price paid (RM)	Total consideration paid (RM'000)
18 Jul 2014	Share issued pursuant to ESOS	148	0.79	117
		148	0.79	117



11. DEBT AND EQUITY SECURITIES (CONT'D)

Other than as disclosed above, the Group did not undertake any issuance and/or repayment of debt and equity securities, share buy-backs, share cancellations and resale of treasury shares during the current financial period and subsequent to the end of the current financial period ended and up to the LPD which is not earlier than seven (7) days from the date of issuance of this quarterly report.

12. CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the current financial period ended 30 June 2014, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings and discontinuing operations.

13. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

	RM'000
Corporate guarantees given to licensed financial institutions	
For credit facilities granted to subsidiaries	<u>30,681</u>

14. CAPITAL COMMITMENTS

	RM'000
Capital expenditure in respect of purchase of property, plant & equipment:	
Contracted but not provided for	<u>6,014</u>

15. SIGNIFICANT RELATED PARTY TRANSACTIONS

The related party transactions during the financial year under review in which certain directors of the Company have substantial financial interest as presented below:-

Nature of transactions⁽¹⁾	Transaction value based on billings RM'000	Balance outstanding as at 30-06-2014 RM'000
Provision of marine construction works (payment in kind) to companies in which certain directors of the company have substantial financial interest ⁽²⁾	15,081	221,124
Purchase of vessels from companies in which certain directors of the company have substantial financial interest	-	(41,775)
Provision of marine construction work from a company in which certain directors of the company have substantial financial interest	-	(19)

Notes:-

(1) The related party transactions reflect transactions of all the subsidiaries with the respective group of companies; and

(2) This amount represents the value of the land portion pending land Alienation Process which the Group entities to receive as settlement for the marine construction contracts. It would subsequently reclassified as "land held for sale" following the alienation process.



16. REVIEW OF PERFORMANCE OF THE GROUP

16.1 CURRENT YEAR-TO-DATE VERSUS PREVIOUS YEAR-TO-DATE

	Current Fourth (4 th) Quarter 30 June 2014 RM'000	Previous Fourth (4 th) Quarter 30 June 2013 RM'000	Variance	
			RM'000	%
Revenue	211,017	265,835	(54,818)	(20.62)
PBT	18,287	65,560	(47,273)	(72.11)

For the cumulative twelve (12) months ended 30 June 2014, the Group had shown a decrease of revenue by 20.6% against last year, with total revenue registered at RM211.0 million (FPE Q4'2013: RM265.8 million). The decrease in revenue was mainly due to:-

- Completion of certain projects located in Melaka, as well as lesser progress of work recognition.
- The reversal of revenue recognised in prior year arising from the rescission of land disposal agreement by Sunshine 2000 Sdn Bhd ("Sunshine") and Seaside Synergy Sdn Bhd ("Seaside") pursuant to the consent judgement.
- Significant land reclamation works have been undertaken within the subsidiaries of the Group for a project located Kawasan Kota Laksamana, Bandar Melaka ("**Project DMDI**"). The development costs of approximately RM41.4 million incurred as at to date in relation to the Project DMDI have been capitalised as land reclamation work in progress.

Jayamas Cekap Sdn Bhd, being a wholly owned subsidiary of Benalec Sdn Bhd is a concessionaire for the project DMDI. Hence, any unrealised profit arising from the land reclamation works in relation to Project DMDI will be eliminated in full.

For information purpose, the Group has as of LPD, managed to dispose the Group's entitled nett saleable area in Project DMDI, measuring indicatively in total 158.06 acres for a total consideration of approximately RM286.6 million to two (2) end buyers, namely Faithview Supreme Development Sdn Bhd (29.54 acres - in the process of applying for land titles) and Ultra Harmony Development Sdn Bhd (128.52 acres - in the process of reclaiming, to-date we have reclaimed about 30 acres of the land).

Please refer to note 22.1 and note 22.4 herein for the details of the disposal.

However, the revenue and profit from the Project DMDI will only be recognised upon the completion of the abovementioned two (2) land sales.

The cumulative 12 months recorded a PBT of RM18.3 million, representing a decrease of approximately RM47.3 million against last year, mainly attributable by:-

Description	RM' 000	Note
Decrease in gross profit	(40,168)	1
Increase in other operating income	11,661	2
Increase in administrative and other expenses	(19,749)	3
Decrease in finance costs	983	
Net decrease in PBT	(47,273)	



16. REVIEW OF PERFORMANCE OF THE GROUP (CONT'D)

16.1 CURRENT YEAR-TO-DATE VERSUS PREVIOUS YEAR-TO-DATE (CONT'D)

Notes:-

- (1) *Decrease in gross profit was mainly due to lesser progress of work recognition and the reversal of profit in Seaside & Sunshine SPA of RM12.3 million in the current year-to-date.*
- (2) *Increase in other income was mainly due to:-*
- *Deposit received from forfeited land disposal transactions recognised in current year- to-date (Q4 '14 : RM5.4 million; Q4 '13 : nil).*
 - *Discount received from sub-contractors in current year-to-date (Q4 '14 : RM3.7 million ; Q4 '13 : nil).*
 - *Fair value on amount owing to a related party in current year-to-date (Q4 '14 : RM2.6 million ; Q4 '13 : nil).*
- (3) *Increase in administrative and other expenses was mainly due to:-*
- *Loss on unrealised forex recognised in current year-to-date (Q4 '14 : RM1.4 million ; Q4 '13 : RM0.5 million).*
 - *Impairment losses on vessel recognised in current year-to-date (Q4 '14 : RM16.2 million ; Q4 '13 : RM4.7 million).*
 - *Share-based payment granted to staff recognised in current year-to-date (Q4 '14 : RM2.2 million ; Q4 '13 :nil).*

16.2 CURRENT YEAR QUARTER VERSUS PREVIOUS YEAR QUARTER

	Current Fourth (4 th) Quarter 30 June 2014 RM'000	Previous Fourth (4 th) Quarter 30 June 2013 RM'000	Variance	
			RM'000	%
Revenue	31,529	66,840	(35,311)	(52.83)
(L)/PBT	(15,062)	6,051	(21,113)	(348.92)

For the current quarter under review, the Group had shown a decrease of revenue by 52.8% against last year corresponding quarter, with total revenue registered at RM31.5 million (FPE Q4 '2013: RM66.8 million). The decrease in revenue was mainly due to lesser progress of work reclamation recognition and the reversal of revenue recognised in prior year arising from the rescission of land disposal agreement by Sunshine 2000 Sdn Bhd and Seaside Synergy Sdn Bhd pursuant to the consent judgement.

The current quarter recorded a LBT of RM15.1 million, representing a decrease of RM21.1 million against last year corresponding quarter, mainly attributable by:-

Description	RM' 000	Note
Decrease in gross profit	(5,736)	1
Increase in other operating income	2,764	2
Increase in administrative and other expenses	(17,595)	3
Increase in finance costs	(546)	Negligible
Net decrease in LBT	(21,113)	

Notes:-

- (1) *Decrease in gross profit was mainly due to factors as stated above.*
- (2) *Increase in other operating income was mainly due to:-*
- *Reversal of impairment loss on receivable recognised in current quarter (Q4 '14 : RM0.7 million ; Q4 '13 :nil).*
 - *Gain on disposal of PPE recognised in current quarter (Q4 '14 : RM0.5 million ; Q4 '13 :RM0.04 million).*

**16. REVIEW OF PERFORMANCE OF THE GROUP (CONT'D)****16.2 CURRENT YEAR-TO-DATE VERSUS PREVIOUS YEAR-TO-DATE (CONT'D)**

(3) Increase in administrative and other expenses was mainly due to:-

- Impairment losses on vessel recognised in current quarter (Q4 '14 : RM16.2 million ; Q4 '13 : RM4.7 million).

17. VARIATION RESULTS AGAINST PRECEDING QUARTER

	Current Fourth (4 th) Quarter 30 June 2014 RM'000	Previous Third (3 rd) Quarter 31 Mar 2014 RM'000	Variance	
			RM'000	%
Revenue	31,529	70,028	(38,499)	(54.98)
(L)/PBT	(15,062)	4,263	(19,325)	(453.32)

For the current quarter under review with comparison to preceding quarter, the Group registered revenue of approximately RM31.5 million, representing a decrease of 55.0%. The decrease in revenue was mainly due to decrease in land disposal recognition in the current quarter (Q4 '14 : RM26.8 million , Q3 '14 : RM60.6 million) and the reversal of revenue recognised in prior year arising from the rescission of land disposal agreement by Sunshine 2000 Sdn Bhd and Seaside Synergy Sdn Bhd pursuant to the consent judgement.

The Group registered LBT of RM15.1 million (FPE Q3 '2014 PBT: RM4.3 million) representing a decrease of RM19.3 million. The decrease against revenue was mainly due to:-

Description	RM' 000	Note
Decrease in gross profit	(3,658)	1
Increase in other operating income	4,539	2
Increase in administrative and other expenses	(19,466)	3
Increase in finance costs	(740)	Negligible
Net decrease in LBT	(19,325)	

Notes:-

- (1) Decrease in gross profit was mainly due to lesser land disposal recognition in the current quarter.
- (2) Increase in other income was mainly due to:-
- Reversal of impairment losses on receivable recognised in current quarter (Q4 '14 : RM0.7 million; Q3 '14 : RM0.4 million).
 - Interest income recognised in current quarter (Q4 '14: RM0.7 million ; Q3 '14: RM0.2 million).
 - Gain from unrealised forex recognised in current quarter (Q4 '14 : RM0.5 million ; Q3 '14: nil).
 - Fair value on amount owing to a related party current quarter (Q4 '14 : RM2.6 million ; Q4 '13 : nil).
- (3) Increase in administrative and other expenses was mainly due to:-
- Impairment losses on vessel recognised in current quarter (Q4 '14 :RM16.2 million; Q3 '14 : nil).
 - Impairment losses on receivable in current quarter (Q4 '14 : RM3.0 million ; Q3 '14 :nil).



18. PROSPECTS

In relation to the Group’s prospects, the Board and Management remain justifiably confident in maintaining a very positive outlook for the Group over the next several years. This positive outlook is based on the fact that 196.07 acres of land, forming the subject matter of Sale & Purchase Agreements (“Land Sale SPAs”) already signed and publicly announced, will generate sales revenue of approximately RM360 million. Added to that, the recent land reclamation contract secured by the Group covering 415 acres of land for a contract sum of RM203 million, will ensure that the Group has a stable stream of revenue of approximately RM563 million which can be recognised in the financial years 2015 through 2017. Further positive developments from the Group’s perspectives are the advanced stages of business negotiations which are likely to come to fruition in the current financial year.

Having successfully navigated through an eventful year for the Group, the Board and Management take the view that the loss for the current quarter under review, as compared to the post-tax profit of the previous quarter, is a short-term metric and is a direct consequence of the deferral of the recognition of the revenue and profits attributable to the recently announced major land sales. However, the Group’s earnings from the current financial year onwards are expected to reflect the financial benefit of the said land sale transactions and land reclamation contract.

The continuing uptrend in the demand for, and pricing of, the Group’s reclaimed land-bank in Melaka is an added source of optimism for the Group both in the near term, as well as in the mid- term.

19. PROFIT FORECAST AND PROFIT GUARANTEE

The Group did not issue any profit forecast or profit guarantee in any public document.

20. PROFIT / (LOSS) FOR THE PERIOD

Included in the PBT for the period are as presented below:-

	Current Quarter RM’000	Year-To-Date RM’000
Interest income	763	1,200
Fair value gain on amount owing to a related party	2,668	2,668
Other income including investment income	74	632
Forfeited land sale deposits	-	5,431
Discount received from sub-contractors	-	3,718
Interest expense	(1,199)	(2,881)
Depreciation	(2,426)	(10,420)
Written-off on receivable	741	1,106
Gain/(loss) on disposal of fixed assets	(1,879)	(2,887)
Gain/(loss) on unit trust investments	(3)	32
Unrealised exchange gain/(loss)– net	2,863	(844)
Realised exchange gain/(loss) – net	20	(12)
Impairment losses of receivables	(2,976)	(2,976)
Impairment losses and write-off of assets	(16,239)	(16,239)
Write-down and write-off of inventories	270	N/A
Amortisation	N/A	N/A
Gain or loss on derivatives	N/A	N/A
Exceptional items	N/A	N/A

Note:

N/A = Not applicable.



21. TAXATION

	Current Quarter	Year-To-Date
	RM'000	RM'000
Current income tax	(2,886)	(21,993)
Current deferred tax	2,316	10,898
	<u>(570)</u>	<u>(11,095)</u>
Effective tax rate (%)	<u>3.78</u>	<u>⁽¹⁾ 60.67</u>

Note:-

- (1) *The higher effective tax rate than the statutory tax rate of 25% for the current quarter is mainly due to :*
- a. *certain subsidiaries were making losses ;*
 - b. *increase of certain expenses in the current quarter (e.g.fair value of share based payment) that is non tax deductible.*

22. STATUS OF CORPORATE PROPOSALS

22.1 Disposal of land (8 parcels)

On 28 October 2013, the Group announced the disposal of eight (8) parcels of leasehold vacant land, measuring in aggregate approximately 29.54 acres, held by Heritage Land Realty Sdn Bhd (“HLRSB”) a wholly-owned subsidiary of Benalec Sdn Bhd (“BSB”), which in turn is a wholly-owned subsidiary of Benalec, to Faithview Supreme Development Sdn Bhd (“FSDSB”) for a total disposal consideration of RM51,470,496.

This land disposal transaction is expected to be completed by 1st quarter of calendar year 2015.

22.2 Extension of the Term-Sheet duration

Spektrum Kukuh Sdn Bhd (“SKSB”), a 70% owned-subsiary of Tanjung Piai Maritime Industries Sdn Bhd , had on 12 March 2013 entered into a binding term sheet with The State Secretary, Johor (Incorporated) (“S.S.I”) and 1MY Strategic Oil Terminal Sdn Bhd (“the Purchaser”) to undertake the reclamation works and sale of approximately 1,000 acres of land off the coast of Tanjung Piai, Johor Darul Ta’zim (“the land”) for the purpose of constructing and operating a crude oil and petroleum storage facility together with a private jetty (“Project”).

(SKSB, S.S.I and the Purchaser are collectively referred to as “the Parties”.)

Further to the announcements made on 12 March 2013, 12 June 2013, 17 June 2013, 11 September 2013, 12 December 2013 and 19 March 2014 with regards to the Term Sheet, the Parties have mutually agreed to extend the period of validity of the Term Sheet for an additional duration of six (6) months from the expiry date to finalise the terms and conditions of the Sale and Purchase Agreement.

The extended duration shall come into effect from 12 June 2014 until 11 December 2014 or such other date as the Parties may agree in writing.



22. STATUS OF CORPORATE PROPOSALS (CONT'D)

22.3 Disposal of land (4 parcels)

On 13 March 2014, the Group announced the disposal of four (4) parcels of leasehold vacant land, measuring in aggregate approximately 23.01 acres, held by Strategic Land Sdn Bhd ("SLSB") a wholly-owned subsidiary of Benalec Sdn Bhd ("BSB"), which in turn is a wholly-owned subsidiary of Benalec, to Teobros Development Sdn Bhd ("TDSB") for a total disposal consideration of RM48,115,196.16.

This SPA has subsequently been completed on 2 July 2014.

22.4 Disposal of land (22 parcels)

On 20 March 2014, the Group announced the disposal of twenty-two (22) parcels of leasehold vacant land which have been or will be reclaimed by Benalec Sdn Bhd ("BSB"), a wholly-owned subsidiary of Benalec, measuring in aggregate approximately 128.52 acres to be held by Jayamas Cekap Sdn Bhd ("JCSB" or "Vendor"), a wholly-owned subsidiary of BSB, which in turn is a wholly-owned subsidiary of Benalec, to Ultra Harmony Development Sdn Bhd ("UHDSB" or "Purchaser") for a total disposal consideration of RM235,129,910.40 ("Second SPA").

For information purposes, the Group had also on 24 September 2013 announced that Orientalcove Property Sdn Bhd ("OPSB"), a wholly-owned subsidiary of BSB, which in turn is a wholly-owned subsidiary of Benalec has entered into a conditional SPA with the same buyer, UHDSB for the disposal of six (6) parcels of leasehold vacant land measuring in aggregate approximately 30 acres for a total disposal consideration of RM50,965,200.00 ("First SPA"). This SPA has subsequently been completed on 6 February 2014 following full payment by UHDSB to OPSB.

The disposal considerations from both SPAs will be aggregated in pursuant to paragraph 10.12 of Chapter 10 and Practice Note 14 of the Bursa Listing Requirements on the Aggregation of Transactions, resulting in an aggregated percentage ratio of 51.64%.

The proposed land disposal has subsequently been approved by the shareholders at the EGM held on 25 June 2014.

23. BORROWINGS

The Group's borrowings as at 30 June 2014 presented as follows:-

	RM'000
Long Term Borrowings	
Secured:-	
• hire purchase and lease creditors	837
• term loans	6,766
	<u>7,603</u>
Short Term Borrowings	
Secured:-	
• hire purchase and lease creditors	344
• term loans	23,989
	<u>24,333</u>
Total	<u>31,936</u>



23. BORROWINGS (CONT'D)

The total borrowings denominated in foreign and local currency as at 30 June 2014 are: -

	RM'000
Foreign currency – SGD 28,735 @ RM2.5719/SGD1	74
Local currency	31,862
	<u>31,936</u>

24. MATERIAL LITIGATION

- a) As announced on 30 October 2013 & 4 November 2013, a Notice pursuant to Section 218 of the Companies Act, 1965 dated 29 October 2013 has been served on Benalec Diversity Sdn Bhd (“BDSB”) (formally known as Arus Kreatif Sdn Bhd), a wholly-owned subsidiary of Benalec Sdn Bhd, which in turn is a wholly-owned subsidiary of Benalec, by Sheng Lee Law Office, Advocates & Solicitors acting for KTG Marine (M) Sdn Bhd (“KTG”), demanding payment of RM8,447,916 for the alleged works done for the proposed coastal reclamation works in Melaka.

Subsequently, both Parties have discussed and agreed that the final settlement sum to be of RM7,984,457 (after deducting discount given at RM243,972). BDSB has as of to-date, fully settled the agreeable settlement sum. Pursuant thereto, this suit is deemed as resolved and there is no longer any obligation between both parties under this suit.

On 18 November 2013, the Group announced that Benalec and Benalec Sdn Bhd (“BSB”) and Strategic Land Sdn Bhd (“SLSB”), a wholly-owned subsidiary of BSB, which in turn is a wholly-owned subsidiary of Benalec (“the Plaintiffs”) had commenced a civil suit in the Kuala Lumpur High Court (“KLHC”) on the 6 November 2013 against Datuk Leaw Tua Choon, Datuk Leaw Ah Chye, Leaw Yongene, Sunshine 2000 Sdn Bhd, Seaside Synergy Sdn Bhd, Su Seong Lin, Low Kim Yeok and Pong Kim Siew for inter alia loss and damage as well as an account for secret profits arising from the sale of certain lands to Sunshine 2000 Sdn Bhd and Seaside Synergy Sdn Bhd (“the said Lands”) and as against Datuk Leaw Tua Choon and Datuk Leaw Chye, for loss and damage and an account of all secret profits, arising from the breach of their contractual, statutory, fiduciary and / or common law duties and/ or obligations as Executive Directors of the Plaintiffs in respect of the said Lands.

Refer to note 24 (e) herein for the latest update of this case.

- b) On 18 November 2013, the Group announced that Benalec and Benalec Diversity Sdn Bhd (“BDSB”), a wholly-owned subsidiary of BSB, which in turn is a wholly-owned subsidiary of Benalec (“the Plaintiffs”), commenced a civil suit in the KLHC on the 6 November 2013 against Datuk Leaw Tua Choon, Datuk Leaw Ah Chye, Leaw Yongene and Citypoint Engineering Sdn Bhd (“CESB”) for inter alia, a declaration that the Letter of Award dated 16 May 2012 between BDSB and CESB was void ab initio and/or for loss and damage as well as an account for secret profits arising from the breach of on the part of Datuk Leaw Tua Choon and Datuk Leaw Ah Chye of their contractual, statutory, fiduciary and/ or common law duties and / or obligations as Executive Directors of the Plaintiffs in respect of certain dealings concerning CESB (“Writ of Summons”).

A separate civil suit was also filed in KLHC on 6 November 2013 by BDSB against CESB, to dispute inter alia, the demanded sum by CESB for the cost of services rendered, on the grounds that the sum was dubious, exorbitant and unjustified (“Originating Summons”).



24. MATERIAL LITIGATION (CONT'D)

On 21 November 2013, the Group announced that a Notice pursuant to Section 218(2)(a) of the Companies Act, 1965 dated 18 November 2013 ("Notice of Demand") has been served on BDSB on 19 November 2013 by Messrs. Chin Yeow Chong & Co., Advocates & Solicitors acting for CESB, demanding payment of RM18,804,281.86 being costs of services rendered for the proposed coastal reclamation works in Melaka.

Subsequently on 5 December 2013, the Group announced and stated that it has reached a settlement with CESB in respect of its claim against CESB under the Writ of Summons and accordingly, CESB would withdraw the Notice of Demand served on BDSB. By virtue of the settlement and withdrawal of the Notice of Demand, BDSB will withdraw the Originating Summons and Writ of Summons in due course.

Refer to note 24 (e) herein for the latest update of this case.

- c) On 26 November 2013, the Group announced that Benalec and Benalec Sdn Bhd ("BSB"), a wholly-owned subsidiary of Benalec ("the Plaintiffs") had commenced a civil suit in the KLHC on 21 November 2013 against 1. Datuk Leaw Tua Choon, 2. Datuk Leaw Ah Chye, 3. Oceanic Sdn Bhd, 4. Altantic Property Sdn Bhd, 5. Oceanfront Realty Sdn Bhd, 6. Oceanview Property Sdn Bhd and 7. Oriental Grandeur Sdn Bhd for inter alia orders for Oceanic Sdn Bhd, Altantic Property Sdn Bhd, Oceanfront Realty Sdn Bhd and Oceanview Property Sdn Bhd to comply with any and / or all obligations under their respective sale and purchase agreements for lands with Central Spectrum (M) Sdn Bhd, and their obligations under the respective land reclamation agreements with BSB.

Refer to note 24 (e) herein for the latest update of this case.

- d) On 5 December 2013, the Group announced that a Heads of Agreement ("HoA") has been signed on 4 December 2013 ("HoA") between the Company (on behalf of itself and all subsidiaries), Datuk Leaw Tua Choon, Datuk Leaw Ah Chye and Leaw Yongene (collectively refer to as "the Parties").

The objective of the HoA is to set out the framework to settle all legal suits, grievances, disputes and claims as between the Company and the aforesaid parties.

Further to the announcement made, on 10 January 2014, the Group announced the status and the implementation of settlement pursuant to the HoA as follows:-

- i. The Parties had recorded consent judgement ("Judgement") in KLHC under Suit No.22NCVC-610-11/2013. The Judgement stipulated, *inter alia*, that –
 - (i)(a) the land sales to Sunshine 2000 Sdn Bhd and Seaside Synergy Sdn Bhd (collectively refer to as "Said Companies") be rescinded and cancelled;
 - (i)(b) the original issue document of titles for the said Lands be re-transferred back to Strategic Land Sdn Bhd ("SLSB") and the full purchase price approximately RM28 million ("Refund Sum") be returned to the Said Companies; and
 - (i)(c) Pong Kim Siew to refund approximately RM561,000 to SLSB failing which it will be set-off against the Refund Sum.
- ii. Pursuant to the withdrawal of Notice of Demand by CESB as stated in Note 24(c) above, the Originating Summons were subsequently withdrawn on 9 December 2013. In view of the foregoing, Benalec and BDSB further intends to withdraw the abovementioned Writ of Summon.



24. MATERIAL LITIGATION (CONT'D)

- iii. The Parties under KLHC Suit No. 22NCVC-631-11/2013, agreed to Oceanic Sdn Bhd, Altantic Property Sdn Bhd, Ocenfront Realty Sdn Bhd and Oceanview Property Sdn Bhd (collectively refer to as "Related Companies") executing an irrevocable power of attorney in favour of Benalec to enable it to carry out the terms and obligations stipulated under various land reclamation agreements executed by parties therein. Messrs. Wong, Beh & Toh shall hold the RM22 million as stakeholder and act in accordance with the instructions of Benalec.
- iv. The Parties had successfully resolved and implemented major terms thereby negating further needs to execute other settlement agreement.
- e) On 31 March 2014, the Group announced that a Proposed Ratification of the Heads of Agreement ("HoA") that serves as the Global Settlement framework, is deemed to be a related party transaction and shall therefore be subject to the shareholders's ratification.

Kindly refer to the details of the announcement in relation to the Proposed HoA Ratification.

The proposed HoA ratification subsequently has been approved by the shareholders at the EGM held on 25 June 2014.

25. DIVIDEND

The Board does not recommend any interim dividend for the current period ended 30 June 2014.

26. EARNINGS PER SHARE ("EPS")

26.1 Basic (LPS)/EPS

The basic earnings per share are calculated based on the net profit attributable to equity holders of the parents for the period divided by the weighted average number of ordinary shares and presented as below:-

	Three (3) Months		Year-to-date	
	Ended 30-06-2014	Ended 30-06-2013	Ended 30-06-2014	Ended 30-06-2013
Net (loss)/profit attributable to equity holders of the parents for the period (RM'000)	(15,626)	4,040	7,205	56,750
Weighted average number of ordinary shares ('000)	805,353	803,183	805,353	803,183
Basic (LPS)/EPS (sen)	(1.9)	0.5	0.9	7.1



26. EARNINGS PER SHARE (“EPS”) (CONT’D)

26.2 Diluted (LPS)/EPS

The diluted earnings per share has been calculated by dividing the Group’s profit for the period attributable to equity holders of the parent by the weighted average number of ordinary shares outstanding during the financial year adjusted for the effects of dilutive potential ordinary shares as presented below:-

	Three (3) Months		Year-to-date	
	Ended 30-06-2014	Ended 30-06-2013	Ended 30-06-2014	Ended 30-06-2013
Net (loss)/profit attributable to equity holders of the parents for the period (RM’000)	(15,626)	4,040	7,205	56,750
Weighted average number of ordinary shares as per basic EPS (‘000)	805,353	803,183	805,353	803,183
Effect of dilution on employee share options	⁽¹⁾ 4,061	2,147	⁽¹⁾ 4,061	2,147
Adjusted weighted average number of ordinary shares applicable to diluted earnings per ordinary share	809,414	805,330	809,414	805,330
Diluted (LPS)/EPS (sen)	(1.9)	0.5	0.9	7.1

Note:-

(1) *The diluted earnings per share has been calculated by dividing the Group’s profit attributable to owners of the parent by the weighted average number of shares that would have been issue upon full exercise of the balance of 17,590,000 options under the ESOS granted, adjusted for the number of such shares that would have been issued at fair value.*

27. REALISED AND UNREALISED PROFIT / LOSSES DISCLOSURE

The breakdown of the retained profits of the Group is presented below:-

	As at 30-06-2014	As at 30-06-2013 (Audited)
	RM’000	RM’000
Total retained profits of the Company and its subsidiaries:-		
• realised	316,009	335,227
• unrealised	4,974	(7,554)
	<u>320,983</u>	<u>327,673</u>
Add: Consolidation adjustments	7,795	9,381
	<u>328,778</u>	<u>337,054</u>

The determination of realised and unrealised profits is based on the Guidance of Special Matter No. 1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements*, issued by the Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised profits above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Securities and should not be applied for any other purposes.