

# UMW OIL & GAS CORPORATION BERHAD

(COMPANY NO : 878786-H)  
(INCORPORATED IN MALAYSIA)

Condensed Consolidated Statement of Comprehensive Income for the Fourth Quarter ended 31st December 2013

( The Figures Have Not Been Audited )

	Current Quarter Ended 31/12/2013 RM'000	12 Months Cumulative To Date 31/12/2013 RM'000
<b><u>Continuing Operations</u></b>		
Revenue	206,055	736,677
Operating Expenses	(158,629)	(553,875)
Other Operating Income	771	38,168
<b>Profit From Operations</b>	<b>48,197</b>	<b>220,970</b>
Finance Costs	(676)	(23,763)
Share Of Profits Of Associated Company	120	485
Investment Income	6,886	7,690
<b>Profit Before Tax from continuing operations</b>	<b>54,527</b>	<b>205,382</b>
Taxation	(3,296)	(13,817)
Profit From Continued Operations, Net Of Tax	51,231	191,565
<b><u>Discontinued Operation</u></b>		
Gain / (Loss) From Discontinued Operation, Net Of Tax	-	(1,400)
<b>Profit Net Of Tax</b>	<b>51,231</b>	<b>190,165</b>
<b><u>Other Comprehensive Income :</u></b>		
Translation Of Foreign Operations	716	16,001
Other Comprehensive Income Net of Tax	716	16,001
<b>Total Comprehensive Income for the period</b>	<b>51,947</b>	<b>206,166</b>
<b><u>Profit For The Period Attributable To:</u></b>		
Equity Holders Of The Company	50,845	188,531
Non-controlling Interests	386	1,634
	<b>51,231</b>	<b>190,165</b>
<b><u>Total Comprehensive Income Attributable To :</u></b>		
Equity Holders Of The Company	51,539	204,341
Non-controlling Interests	408	1,825
	<b>51,947</b>	<b>206,166</b>
<b>EPS Attributable to Equity Holders of The Company:</b>		
Basic (Sen)	3.08	11.41
<b>EPS From Continuing Operations Attributable To Equity Holders of The Company:</b>		
Basic (Sen)	3.08	11.49
<b>Earning or (Loss) Per Share From Discontinued Operation Attributable To Equity Holders of The Company:</b>		
Basic (Sen)	-	(0.08)

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying explanatory notes attached to the Interim Financial Statements)

# UMW OIL & GAS CORPORATION BERHAD

## Condensed Consolidated Statement of Financial Position

	( Unaudited ) As At 31/12/2013 RM'000	( Unaudited ) As At 30/09/2013 RM'000
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, Plant and Equipment	2,240,612	2,238,172
Land Use Rights	2,081	2,081
Intangible Assets	11,291	11,291
Investments In Associate	2,392	2,272
Deferred Tax Assets	3,754	4,605
	<u>2,260,130</u>	<u>2,258,421</u>
<b>Current Assets</b>		
Inventories	69,035	60,056
Trade Receivables	283,162	234,713
Other Receivables	39,881	38,414
Due From Holding Company and its Related Companies	7,145	4,840
Derivative Assets	32	3
Other Investments	1,061,580	-
Deposits, Cash & Bank Balances	168,237	222,713
	<u>1,629,072</u>	<u>560,739</u>
	<u>3,889,202</u>	<u>2,819,160</u>
<b>TOTAL ASSETS</b>		
<b>EQUITY AND LIABILITIES</b>		
<b>Equity Attributable To The Equity Holders Of The Company</b>		
Share Capital	1,081,000	775,100
Share Premium	1,372,819	-
Capital Reserve	3,116	3,116
Foreign Currency Translation Reserve	11,849	11,155
Gain From Derecognition Of Financial Liabilities	78,145	35,509
Retained Profits	282,535	231,690
	<u>2,829,464</u>	<u>1,056,570</u>
Non-controlling Interests	6,101	5,693
<b>Total Equity</b>	<u>2,835,565</u>	<u>1,062,263</u>
<b>Non-Current Liabilities</b>		
Deferred Tax Liabilities	4,518	4,518
Long Term Borrowings	546,912	540,577
	<u>551,430</u>	<u>545,095</u>
<b>Current Liabilities</b>		
Short Term Borrowings	311,258	415,417
Trade Payables	124,302	111,885
Other Payables	61,356	87,126
Due To Holding Company and its Related Companies	5,291	597,082
Derivative Liabilities	-	292
	<u>502,207</u>	<u>1,211,802</u>
	<u>1,053,637</u>	<u>1,756,897</u>
<b>TOTAL LIABILITIES</b>	<u>1,053,637</u>	<u>1,756,897</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>3,889,202</u>	<u>2,819,160</u>
<b>Net Assets per share (RM)</b>	<b>1.3087</b>	<b>0.6816</b>

(The Condensed Consolidated Statement of Financial Position has been prepared based on pooling of interests method and should be read in conjunction with the accompanying explanatory notes attached to the Interim Financial Statements)

# UMW OIL & GAS CORPORATION BERHAD

## Condensed Consolidated Statement of Changes in Equity for the Period Ended 31st December 2013

	Share Capital RM'000	Share Premium RM'000	Capital Reserve RM'000	Non - Distributable Foreign Currency Translation Reserve RM'000	Derecognition Of Financial Liabilities RM'000	Retained Profits RM'000	Total RM'000	Non - Controlling Interests RM'000	Total Equity RM'000
	←----- Non - Distributable -----→				Distributable				
At 1st January 2013	-	-	4,065	(3,961)	-	94,004	94,108	7,078	101,186
Transactions with owners									
Issue of ordinary shares	1,081,000	1,407,140	-	-	-	-	2,488,140	-	2,488,140
Disposal of subsidiaries	-	-	(949)	-	-	-	(949)	(2,578)	(3,527)
Liquidation of subsidiaries	-	-	-	-	-	-	-	(224)	(224)
IPO expenses	-	(34,321)	-	-	-	-	(34,321)	-	(34,321)
Gain on derecognition of Financial Liabilities	-	-	-	-	78,145	-	78,145	-	78,145
Total comprehensive income	-	-	-	15,810	-	188,531	204,341	1,825	206,166
At 31st December 2013	1,081,000	1,372,819	3,116	11,849	78,145	282,535	2,829,464	6,101	2,835,565

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying explanatory notes attached to the Interim Financial Statements)

# UMW OIL & GAS CORPORATION BERHAD

Condensed Consolidated Statement of Cash Flows for the Period Ended 31st December 2013

	12 Months Ended 31/12/2013 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Profit before taxation from continuing operations	205,382
Loss from discontinued operation	(1,400)
	203,982
Adjustments For:	
Depreciation & Amortisation	89,778
Net gain on disposal of property, plant and equipment	(30,471)
Net inventories written down	400
Interest expense	23,763
Share of results of associate	(485)
Impairment loss on receivables	3,296
Net fair value gain on derivatives	(574)
Net unrealised foreign exchange loss	6,579
Net fair value gain on cashplans	(262)
Net gain on disposal of cashplan	(34)
Interest income	(7,690)
Property, plant and equipment written-off	7,436
Operating Profit Before Working Capital Changes	295,718
Increase in receivables	(90,189)
Increase in inventories	(13,705)
Decrease in amount due to related companies of holding company	(14,991)
Decrease in payables	(41,142)
Cash Generated From Operating Activities	135,691
Interest paid	(22,442)
Taxation paid	(18,630)
Net Cash Generated From Operating Activities	94,619
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Net cash inflow on disposal of subsidiaries	12,812
Net cash inflow on disposal of associate	19,150
Acquisition of subsidiaries	(261,275)
Purchase of properties, plant & equipment	(559,135)
Proceeds from disposal of properties, plant & equipment	53,259
Interest income	7,690
Purchase of cashplans	(1,093,360)
Proceeds from disposal of cashplan	32,076
Net Cash Used In Investing Activities	(1,788,783)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Proceeds from Issuance of shares	1,758,040
IPO expenses	(41,600)
Advances from Holding company	536,288
Repayment to Holding company	(597,400)
Repayment of long-term borrowings	(146,651)
Drawdown of long-term borrowings	51,165
Net movement in short-term borrowings	164,897
Net Cash Generated From Financing Activities	1,724,739
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	30,575
<b>CASH AND CASH EQUIVALENTS AS AT 1ST JANUARY</b>	131,107
<b>EFFECTS OF EXCHANGE RATE CHANGES</b>	6,555
<b>CASH AND CASH EQUIVALENTS AS AT 31ST DECEMBER</b>	168,237

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying explanatory notes attached to the Interim Financial Statements)

## **Explanatory Notes**

### **NOTE 1 – Significant accounting policies**

#### **Basis of preparation**

The interim financial statements have been prepared in accordance with the requirements of IAS 34, Interim Financial Reporting and MFRS 134, Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The financial information presented herein has been prepared based on the same accounting policies and methods of computation disclosed in the Accountants’ Report, in Section 13 of the Company’s Prospectus dated 3rd October 2013.

#### **Revised Malaysian Financial Reporting Standards (MFRS) and Interpretation**

The Group and the Company have not early adopted the following revised MFRS and Interpretation that are effective on 1st January 2014:

- a) Amendments to MFRS 132: Offsetting Financial Assets and Financial Liabilities
- b) Amendments to MFRS 10, MFRS 12 and MFRS 127: Investment Entities
- c) Amendments to MFRS 136: Recoverable Amount Disclosures for Non-Financial Assets
- d) Amendments to MFRS 139: Novation of Derivatives and Continuation of Hedge Accounting
- e) IC Interpretation 21: Levies

Adoption of the above revised standards and interpretation is not expected to have a material impact on the financial statements of the Group and the Company for the financial year ending 31st December 2014.

### **NOTE 2 – Seasonal or Cyclical Factors**

The Group is principally engaged in:

- a) the provision of drilling services for exploration, development and production wells and workover services to the upstream sector of the oil and gas industry;
- b) the provision of threading, inspection and repair services for OCTG in Malaysia and overseas, with a focus on premium connections used in high-end and complex wells; and
- c) acting as agent in Malaysia for international companies providing specialised drilling equipment and services.

The Group’s products and services are generally dependent on the level of activity of, and the corresponding capital spending by oil and gas companies, which may be affected by volatile oil and natural gas prices and cyclicity in the offshore drilling and oilfield services industries.

### **NOTE 3 – Exceptional Items**

During the fourth quarter ended 31st December 2013, the Company received gross proceeds amounted to RM1.7 billion from its Initial Public Offer (“IPO”). As at 31st December 2013, a total of RM703.2 million was utilised to meet IPO expenses, to repay its holding company as well as for payments related to acquisition of new rigs. In addition, RM7.3 million and RM34.3 million of the IPO expenses were charged to the income statement and the share premium account, respectively. Other than the above, there were no material unusual items affecting assets, liabilities, equity, net income or cash flows for the current quarter ended 31st December 2013.

Other material unusual items affecting assets, liabilities, equity, net income or cash flows for the financial year ended 31st December 2013 were as follows:

- a) gain of RM30.6 million from the disposal of a parcel of real property in Singapore;

- b) gain on de-recognition of financial liabilities of RM78.1 million. A translation loss of the same amount was recognised in the Other Comprehensive Income; and
- c) net loss of RM1.4 million from discontinued operation mainly from the disposals of companies which are not part of the Group, but were legally held by the Group.

#### NOTE 4 – Accounting Estimates

There were no changes in estimates of amounts reported in prior interim period of the current financial year that have a material effect in the financial year ended 31st December 2013.

#### NOTE 5 – Issuance or Repayment of Debt and Equity Securities

During the quarter ended 31st December 2013, the Company increased its issued and paid-up share capital from RM775,100,000 to RM1,081,000 by way of initial public issue of 611,800,000 new ordinary shares of RM0.50 each. The new ordinary shares rank equally in all respects with the existing ordinary shares of the Company. The Company's issued and paid-up shares were listed on the Main Board of Bursa Malaysia on 1st November 2013.

Other than the above, there were no issuances and repayment of debt securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the quarter ended 31st December 2013.

#### NOTE 6 – Dividends Paid

There were no dividends paid during the financial year ended 31st December 2013.

#### NOTE 7 – Segmental Reporting

	Financial Year Ended 31st December 2013		
	Revenue RM'000	Profit Before Taxation RM'000	Profit Attributable to Owners of the Company RM'000
<b>Business Segment</b>			
Drilling Services	692,435	190,535	177,810
Oilfield Services	43,661	7,227	4,501
Others	581	7,620	7,620
<b>Sub-Total</b>	<b>736,677</b>	<b>205,382</b>	<b>189,931</b>
Less: Discontinued Operation	-	-	(1,400)
<b>Consolidated Total</b>	<b>736,677</b>	<b>205,382</b>	<b>188,531</b>

Net proceeds from the initial public issue of 611,800,000 new ordinary shares at an offer price of RM2.80 each and capital expenditure incurred in relation to the acquisitions of UMW NAGA 4 and UMW NAGA 5 premium jack-up offshore drilling rigs, resulted in a substantial increase in total assets during the year 2013.

#### NOTE 8 – Subsequent Material Events

In the opinion of the Directors, there has been no material event or transaction during the period from 31st December 2013 to the date of this announcement, which affects substantially the results of the Group for the financial year ended 31st December 2013.

#### NOTE 9 – Changes in Composition / Group

There were no changes in the composition of the Group for the quarter ended 31st December 2013.

#### NOTE 10 – Commitments for the purchase of Property, Plant and Equipment

These are in respect of capital commitments:

	RM'000	RM'000
<b>Approved and contracted for:</b>		
Land and buildings	-	
Equipment, plant and machinery	513,124	
Others	334	513,458
<b>Approved but not contracted for:</b>		
Land and buildings	1,100	
Equipment, plant and machinery	1,408,821	
Others	7,018	1,416,939
<b>Total</b>		<u>1,930,397</u>

#### NOTE 11 - Significant Related Party Transactions

No.	UMW-OG & Its Subsidiaries	Transacting Parties	Relationship	Nature of Transaction	RM'000
1.	UMW Standard Drilling Sdn Bhd	UMW Pennzoil Distributors Sdn Bhd	Subsidiary of holding company	Purchase of Goods	485
2.	UMW Petrodril (Malaysia) Sdn Bhd	U-Travelwide Sdn Bhd	Subsidiary of holding company	Purchase of Services	1,224
3.	UMW Oil & Gas Corporation Berhad	U-Travelwide Sdn Bhd	Subsidiary of holding company	Purchase of Services	767
4.	UMW JDC Drilling Sdn Bhd	Japan Drilling Co Ltd and its subsidiaries	Corporate Shareholder of UMW JDC Drilling Sdn Bhd	Purchase of Goods and Services	20,468
				Bareboat Charter	50,718
5.	UMW Malaysian Ventures Sdn Bhd	UMW Corporation Sdn Bhd	Subsidiary of holding company	Interest expense	662
6.	UMW Drilling 4 (L) Ltd	UMW Holdings Berhad	Holding company	Interest expense	4,778
7.	UMW Oil & Gas Corporation Berhad	UMW Holdings Berhad	Holding company	Interest expense	804
8.	UMW Oil & Gas Corporation Berhad	UMW Corporation Sdn Bhd	Subsidiary of holding company	Rental & Other expenses	2,914
				Management fee	1,400

## NOTE 12 – Classification of Financial Assets

There were no changes in the classification of financial assets as a result of a change in the purpose or use of the asset.

## NOTE 13 – Changes in Contingent Liabilities and Contingent Assets

Total contingent liabilities of the Group as at 31st December 2013 were RM185.1 million.

## NOTE 14 – Review of Performance

	Revenue		Profit Before Taxation	
	4th Quarter Ended 31/12/2013 RM'000	Financial Year Ended 31/12/2013 RM'000	4th Quarter Ended 31/12/2013 RM'000	Financial Year Ended 31/12/2013 RM'000
<b>Business Segment :</b>				
Drilling Services	195,641	692,435	63,070	190,535
Oilfield Services	10,375	43,661	118	7,227
Others	39	581	(8,661)	7,620
Total	206,055	736,677	54,527	205,382

### Group

#### Continuing Operations

The Group registered total revenue of RM206.1 million and RM736.7 million in the fourth quarter and financial year ended 31st December 2013, respectively. Group revenue of RM206.1 million for the fourth quarter of 2013 surpassed the quarterly average of RM184.2 million by RM21.9 million or 11.9%. Increased revenue from the Drilling Services segment principally resulted in the higher revenue for the fourth quarter of 2013.

For the fourth quarter and financial year ended 31st December 2013, the Group achieved profit before taxation of RM54.5 million and RM205.4 million, respectively. In line with higher revenue, Group profit before taxation for the fourth quarter of RM54.5 million improved over the quarterly average of RM51.3 million by RM3.2 million or 6.2%, mainly due to greater profit contributions from the Drilling Services segment.

#### Drilling Services Segment

The Drilling Services segment contributed revenue of RM195.6 million and RM692.4 million in the fourth quarter and financial year ended 31st December 2013, respectively. Revenue for the fourth quarter of 2013 exceeded the quarterly average of RM173.1 million by RM22.5 million or 13.0%. The revenue improvement was mainly attributable to the following:

- UMW NAGA 2 continued to operate in an overseas country at a more favourable time charter rate.
- utilisation rate of UMW NAGA 3 returned to normalcy since early October 2013 after the downtime in September 2013 that was caused by damage to a few of its many ballast tanks while preparing for an in-field move.
- another full quarter revenue contributions from UMW NAGA 4 which commenced a three-year contract with PETRONAS Carigali in April 2013.

However, the revenue increase was partly offset by the lower utilisation rates of our Hydraulic Workover Units, UMW GAIT I, UMW GAIT II and UMW GAIT III. UMW GAIT III is expected to mobilise by first quarter of 2014. UMW GAIT II has been scheduled to mobilise to Vietnam in May 2014 while UMW GAIT I is sourcing for opportunity.



For the fourth quarter and financial year-ended 31st December 2013, the Drilling Services segment contributed profit before taxation of RM63.1 million and RM190.5 million, respectively. In line with the improved revenue discussed above, profit before taxation of RM63.1 million outperformed the quarterly average of RM47.6 million by RM15.5 million or 32.6%.

#### Oilfield Services Segment

The Oilfield Services segment contributed revenue of RM10.4 million and RM43.7 million in the fourth quarter and financial year-ended 31st December 2013, respectively. Revenue for the fourth quarter of 2013 fell short of the quarterly average of RM10.9 million by RM0.5 million or 4.6%. Higher revenue from OCTG threading and pipes repair services in Thailand was insufficient to make good the revenue decline caused by machine downtime in our Labuan operation.

Profit before taxation for the fourth quarter and financial year ended 31st December 2013 contributed by the Oilfield Services segment were RM0.1 million and RM7.2 million, respectively. Despite the higher profit contribution from our operation in Thailand, low profit margins caused by downtime from some ageing machines in our Labuan operation resulted in the underperformance compared to the quarterly average profit of RM1.8 million.

#### Others Segment

This segment is involved in investment holding, provision of management, corporate and financial support services. Included in the loss before tax of RM8.7 million for the fourth quarter of 2013 was IPO expenses of RM7.3 million. Gain of RM30.6 million from the sale of a parcel of real property in Singapore more than offset the total net operating expense for the financial year ended 31st December 2013, resulting in a profit before taxation of RM7.6 million.

#### NOTE 15 – Comparison with Preceding Quarter's Results

	Revenue		Profit Before Taxation	
	4th Quarter Ended 31/12/2013 RM'000	3rd Quarter Ended 30/9/2013 RM'000	4th Quarter Ended 31/12/2013 RM'000	3rd Quarter Ended 30/9/2013 RM'000
<b>Business Segment :</b>				
Drilling Services	195,641	193,775	63,070	58,089
Oilfield Services	10,375	11,526	118	2,049
Others	39	41	(8,661)	(5,686)
<b>Total</b>	<b>206,055</b>	<b>205,342</b>	<b>54,527</b>	<b>54,452</b>

Revenue of RM206.1 million for the fourth quarter of 2013 improved marginally over the RM205.3 million registered in the third quarter of 2013. Improved revenue contributions from UMW NAGA 3 as its utilisation rate returned to normalcy since October 2013, mainly accounted for the higher revenue. However, this revenue increase was partly offset by the revenue reduction resulted from significantly lower utilisation rates of UMW GAIT I and UMW GAIT III. In the third quarter of 2013, UMW NAGA 3 underwent a scheduled underwater inspection in lieu of dry-docking and had downtime caused by damage to a few of its many ballast tanks while preparing for an in-field move.

Profit before taxation of RM54.5 million for the fourth quarter of 2013 almost equalled the RM54.4 million achieved in the third quarter of 2013. Likewise, improved profit contributions from UMW NAGA 3 coupled with additional interest income from IPO proceeds, was sufficient to make good the profit shortfalls from UMW GAIT I & UMW GAIT III as well as IPO expenses of RM7.3 million charged to the income statement.

## NOTE 16 – Current Prospect

### Drilling Services Segment

For the financial year ending 31st December 2014, both revenue and profit contributions from the Drilling Services Segment are expected to increase in view that an additional two new premium jack-up rigs and one new hydraulic workover unit are expected to commence operation in 2014. In addition, higher utilisation rates and/or day operating rates of the existing jack-up rigs and hydraulic workover units are also expected to contribute positively to the 2014 results.

### Oilfield Services Segment

Revenue and profit contributions from the Oilfield Services Segment are projected to escalate from productivity improvement initiatives and organic growth. However, the increases are not expected to be significant for the financial year ending 31st December 2014.

### Group

Barring unforeseen circumstances, financial performance for the year 2014 is expected to improve over the 2013's results.

## NOTE 17 – Statement on Revenue and Profit Forecast

This is not applicable to the Group.

## NOTE 18 – Variance from Profit Forecast and Profit Guarantee

This is not applicable to the Group.

## NOTE 19 – Taxation

	4th Quarter Ended 31/12/2013 RM'000	Financial Year Ended 31/12/2013 RM'000
Current period's provision	2,468	12,802
Under/(Over) provision in prior periods	(24)	(308)
	2,444	12,494
Deferred taxation	852	1,323
Total	3,296	13,817

The effective tax rates for the current quarter and financial year ended 31st December 2013 of 6.1% and 6.9%, respectively, were lower than the statutory tax rate of 25%. Lower effective tax rates applicable to income from our operations in Labuan and overseas countries mainly accounted for the difference. In addition, gain on disposal of a real property which was not taxable also contributed to the low effective tax rate for the financial year ended 31st December 2013.

**NOTE 20 – Corporate Proposals**

**(a) Corporate Proposal**

There were no corporate proposals announced but not completed at the date of this announcement.

**(b) Status of utilisation of IPO proceeds as at 18th February 2014**

Purpose	Proposed utilisation	Actual utilisation to date	Intended timeframe for utilisation	Deviation in amount & %	Explanation
	RM'mil	RM'mil	Month		
Acquisition of rigs & HWU	986.6	77.6	18	n/a	n/a
Upgrading of rigs & HWU	20.1	nil	18	n/a	n/a
Acquisition / upgrading of machineries for oilfield services	10.4	3.5	18	n/a	n/a
Mobilisation and demobilisation costs for drilling rigs	50.0	nil	18	n/a	n/a
Repayment to UMWH	597.4	597.4	6	nil	n/a
IPO / Listing expenses	48.5	38.6	6	n/a	n/a
<b>Total</b>	<b>1,713.0</b>	<b>717.1</b>			

**NOTE 21 – Group Borrowings and Debt Securities**

	RM'000	RM'000	'000
(a) Short term borrowings			
- Unsecured			
Short term loans and revolving credits	185,017		USD54,900
Portion of long term loans payable within 12 months	126,173		USD38,479
		311,190	
- Secured			
Finance lease payable		68	
		311,258	USD93,379
b) Long term borrowings			
- Unsecured			
Long term loans	673,024		USD205,253
Portion of long term loans payable within 12 months	(126,173)		(USD38,479)
		546,851	
- Secured			
Finance lease payable		61	
		546,912	USD166,774

## NOTE 22 – Material Litigation

There was no material litigation pending on the date of this announcement.

## NOTE 23 – Dividend

No dividend has been declared for the financial year ended 31st December 2013.

## NOTE 24 – Earnings Per Share

Basic earnings per share for the quarter and financial year ended 31st December 2013 are calculated by dividing the net profit attributable to equity holders of the Company of RM50.8 million and RM188.5 million, respectively, by the weighted average number of ordinary shares in issue during the financial year of 1,652,446,027 shares of RM0.50 each. Under the pooling of interest method of accounting for common control business combination, 1,550,200,000 shares of RM0.50 each, being the number of ordinary shares outstanding as at 30th August 2013 (date of completion of the common control business combination) was used for the period 1st January 2013 to 30th August 2013, for the purpose of computing the weighted average number of shares.

### Continuing operations

Basic earnings per share from continuing operations for the quarter and financial year ended 31st December 2013 are calculated by dividing net profit attributable to equity holders of the Company of RM50.8 million and RM189.9 million, respectively, by the number of ordinary shares in issue of 1,652,446,027 shares of RM0.50 each.

### Discontinued operation

Basic earnings per share for the financial year ended 31st December 2013 from discontinued operation, are calculated by dividing the net loss of RM1.4 million attributable to equity holders of the Company, by the number of ordinary shares in issue of 1,652,446,027 shares of RM0.50 each.

## NOTE 25 – Realised and Unrealised Profits/(Losses)

The breakdown of retained profits of the Group as at 31st December 2013, pursuant to the format prescribed by Bursa Securities, is as follows:

	<b>As at 31/12/2013 RM'000</b>
Total retained profits/(accumulated losses) of the Company and its subsidiaries:	
-Realised	320,530
-Unrealised	(7,783)
	312,747
Total share of retained profits from associated company:	
-Realised	2,392
-Unrealised	-
	315,139
Less: Consolidation adjustments	(32,604)
Total Group retained profits as per consolidated accounts	282,535

## NOTE 26 – Audit Qualification

### Company

The audit report in respect of the annual financial statements of the Company for the financial year ended 31st December 2012 was not qualified.

### Group

This note is not applicable to the Group in view that the financial statements for the year ended 31st December 2013 would be the Company's first set of annual financial statements.

## NOTE 27 – Items to Disclose in the Statement of Comprehensive Income

	4th Quarter Ended 31/12/2013 RM'000	Financial Year Ended 31/12/2013 RM'000
a) Interest income	1,826	2,630
b) Other investment income	5,060	5,060
c) Depreciation and amortisation	(26,073)	(89,778)
d) Reversal of impairment/(impairment) losses of receivables	(2,555)	(3,296)
e) (Provision for)/write back of inventories	(400)	(400)
f) (Loss)/gain on disposal of quoted or unquoted investment	34	34
g) (Loss)/gain on disposal of properties	202	30,613
h) Reversal/(Impairment) of assets/investments (net)	-	-
i) Net foreign exchange gain/(loss)	(1,531)	(5,672)
j) (Loss)/gain on derivatives (net)	312	574
k) Property, plant and equipment written off	244	(7,436)

By Order Of The Board

**MOHD NIZAMUDDIN BIN MOKHTAR**  
Secretary  
(LS006128)

Kuala Lumpur  
24th February 2014