


QUARTERLY REPORT

The Board of Directors is pleased to announce the interim financial statements on consolidated results for the third quarter of financial year ending 30 June 2014.

**Condensed consolidated statement of comprehensive income
for the financial period ended 31 March 2014**

[The figures have not been audited.]

	Individual Quarter		Cumulative Quarter	
	Current Year 3rd Quarter 31/03/2014 RM'000	Preceding Year Corresponding 3rd Quarter 31/03/2013 RM'000	Current Year To Date 31/03/2014 RM'000	Preceding Year Corresponding Period 31/03/2013 RM'000
Revenue	17,351	24,228	71,606	57,220
Cost of sales	(8,876)	(19,311)	(49,745)	(42,287)
Gross profit	8,475	4,917	21,861	14,933
Other operating income	1,039	536	2,430	1,921
Selling and distribution costs	(80)	(364)	(765)	(1,060)
Administrative expenses	(2,388)	(2,571)	(6,623)	(7,115)
Other operating expenses	(1,491)	(726)	(3,861)	(1,751)
Operating profit	5,555	1,792	13,042	6,928
Finance cost	(2)	-	(2)	-
Share of profit/(loss) of an associate	-	1	(6)	4
Profit before taxation	5,553	1,793	13,034	6,932
Taxation	(1,609)	(191)	(3,741)	(1,570)
Profit from continuing operations	3,944	1,602	9,293	5,362
Loss from discontinued operations	-	-	-	(1,035)
Profit after taxation	3,944	1,602	9,293	4,327
Other comprehensive income				
(Loss)/Gain on fair value changes	-	(1,425)	-	2,069
Total comprehensive income	3,944	177	9,293	6,396
Profit attributable to:				
Owners of the parent	2,779	1,011	6,944	2,954
Non-controlling interests	1,165	591	2,349	1,373
	3,944	1,602	9,293	4,327
Total comprehensive income/(loss) attributable to:				
Owners of the parent	2,779	(414)	6,944	5,023
Non-controlling interests	1,165	591	2,349	1,373
	3,944	177	9,293	6,396
Earnings per share attributable to owners of the parent (sen per share)				
- Basic and fully diluted	3.07	1.12	7.67	3.26
Earnings/(Loss) per share from continuing and discontinued operations attributable to owners of the Parent				
Basic and fully diluted (sen per share)				
- From continuing operations	3.07	1.12	7.67	4.40
- From discontinued operations	-	-	-	(1.14)

The condensed consolidated statement of comprehensive income should be read in conjunction with the annual financial report for the financial year ended 30 June 2013.



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Condensed consolidated statement of financial position as at 31 March 2014

[The figures have not been audited.]

	31/03/2014	30/06/2013
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	72,488	62,629
Land held for property development	29,368	35,987
Investment properties	3,541	3,673
Biological assets	768	742
Investment in associate	5,046	3,170
Deferred tax assets	2,920	3,144
	<u>114,131</u>	<u>109,345</u>
Current assets		
Property development costs	99,492	124,308
Inventories	20	16
Developed Properties	9,311	1,787
Trade receivables	20,868	33,424
Other receivables	33,736	32,004
Available-for-sale financial assets	6,978	10,978
Current tax recoverable	2,554	3,784
Fixed deposits held as security for trade facilities	224	780
Fixed deposits with licensed banks	33,033	26,826
Cash and bank balances	32,214	18,421
	<u>238,430</u>	<u>252,328</u>
TOTAL ASSETS	<u><u>352,561</u></u>	<u><u>361,673</u></u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	90,545	90,545
Reserves	177,086	176,335
	<u>267,631</u>	<u>266,880</u>
Non-controlling interests	55,749	60,222
Total equity	<u>323,380</u>	<u>327,102</u>
Non-current liabilities		
Deferred tax liabilities	376	283
Provision for property development	6,368	6,368
	<u>6,744</u>	<u>6,651</u>
Current liabilities		
Trade payables	13,861	18,702
Other payables	7,374	5,236
Provision for property development	708	3,943
Current tax payable	494	39
	<u>22,437</u>	<u>27,920</u>
Total liabilities	<u>29,181</u>	<u>34,571</u>
TOTAL EQUITY AND LIABILITIES	<u><u>352,561</u></u>	<u><u>361,673</u></u>
Net assets per share attributable to owners of the parent (RM)	2.96	2.95

The condensed consolidated statement of financial position should be read in conjunction with the annual financial report for the financial year ended 30 June 2013.



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**Condensed consolidated statement of changes in equity
for the financial period ended 31 March 2014**

[The figures have not been audited.]

	-----Attributable to owners of the Parent-----						Non- controlling interest	Total equity
	Share capital RM'000	Share premium RM'000	Non- distributable Fair value reserve RM'000	Revaluation surplus RM'000	Distributable Retained earnings RM'000	Total RM'000		
At 01 July 2012	90,545	186	-	10,974	166,485	268,190	58,088	326,278
Total comprehensive income for the financial period	-	-	2,069	-	2,954	5,023	1,373	6,396
Dividend paid - first and final in respect of preceding financial period	-	-	-	-	(6,791)	(6,791)	-	(6,791)
At 31 March 2013	90,545	186	2,069	10,974	162,648	266,422	59,461	325,883
At 01 July 2013	90,545	186	1,669	10,974	163,506	266,880	60,222	327,102
Total comprehensive income for the financial period	-	-	-	-	6,944	6,944	2,349	9,293
Transactions with owners								
Acquisition of Non-controlling interests in subsidiaries	-	-	-	-	597	597	(7,521)	(6,924)
Disposal of interests to Non-controlling interest	-	-	-	-	1	1	(1)	-
Issuance of ordinary shares by subsidiaries	-	-	-	-	-	-	700	700
Dividend paid - first and final in respect of preceding financial period	-	-	-	-	(6,791)	(6,791)	-	(6,791)
At 31 March 2014	90,545	186	1,669	10,974	164,257	267,631	55,749	323,380

The condensed consolidated statement of changes in equity should be read in conjunction with the annual financial report for the financial year ended 30 June 2013.



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**Condensed consolidated statement of cash flows
for the financial period ended 31 March 2014**

[The figures have not been audited.]

	Period Ended	
	31/03/2014 RM'000	31/03/2013 RM'000
Cash flows from operating activities		
Profit from continuing operations	13,034	6,932
Loss from discontinued operations	-	(1,035)
Profit before taxation	13,034	5,897
<i>Adjustments for:-</i>		
Depreciation and amortisation	952	665
Net interest income	(1,027)	(849)
Allowance for impairment of receivables written back	(284)	(233)
Others non-cash items	545	(162)
Operating profit before changes in working capital	13,220	5,318
Net change in current assets	23,530	(4,605)
Net change in current liabilities	(6,483)	(7,156)
Cash generated from / (used in) operating activities	30,267	(6,443)
Income tax paid	(2,613)	(4,001)
Income tax refunded	877	107
Net cash generated from / (used in) operating activities	28,531	(10,337)
Cash flows from investing activities		
Interest received	1,029	849
Proceeds from disposal of property, plant and equipment	244	-
Additions to property, plant and equipment	(459)	(1,266)
Additions to land held for property development	(754)	(714)
Proceeds from available-for-sale financial assets	4,000	-
Proceeds from disposal of investment properties	16	-
Additions to biological assets	(64)	-
Additions to investment properties	(82)	(16)
Net cash generated from / (used in) investing activities	3,930	(1,147)
Cash flows from financing activities		
Interest paid	(2)	-
Proceeds from withdrawal of fixed deposits held under lien as security for trade facilities	563	-
Placements of fixed deposits held under lien as security for trade facilities	(7)	(21)
Acquisition of Non-controlling interests in subsidiaries	(6,924)	-
Proceeds from issuance of ordinary shares by subsidiaries	700	-
Dividend paid to Company's shareholders	(6,791)	(6,791)
Net cash used in financing activities	(12,462)	(6,812)
Net change in cash and cash equivalents during the financial period	20,000	(18,296)
Cash and cash equivalents		
- at the beginning of the period	45,247	58,579
- at the end of the period	65,247	40,283
Cash and cash equivalents included in the cash flows comprise the following:-		
Fixed deposits with licensed banks	33,257	23,506
Cash and bank balances	32,214	17,783
	65,471	41,289
Fixed deposits held as security for trade facilities	(224)	(1,006)
	65,247	40,283

The condensed consolidated of statement of cash flows should be read in conjunction with the annual financial report for the financial year ended 30 June 2013.

**Notes to the quarterly report - 31 March 2014****A. Selected Explanatory Notes to the Interim Financial Statements as required under FRS 134**

[The figures have not been audited.]

A.1. Basis of Preparation

The interim financial statements have been prepared in accordance with Financial Reporting Standards ("FRS") 134 "Interim Financial Reporting" and Paragraph 9.22 of Listing Requirements of Bursa Malaysia Securities Berhad, and should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2013. The explanatory notes attached to the interim financial statements 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 financial year ended 30 June 2013.

The accounting policies and methods of computation adopted by the Group in this interim financial statements are consistent with those adopted for the annual financial statements for the financial year ended 30 June 2013 except for the changes in accounting policies and presentation resulting from the adoption of relevant FRSs and amendments to FRSs that are applicable and effective for the Group's financial year beginning on or after 1 July 2013 as follows:-

- FRS 10	Consolidated Financial Statements
- FRS 11	Joint Arrangements
- FRS 12	Disclosures of Interests in Other Entities
- FRS 13	Fair Value Measurement
- FRS 127 (revised)	Separate Financial Statements
- FRS 128 (revised)	Investments in Associates and Joint Ventures
- Amendment to FRS 7	Financial Instruments - Disclosures
- Amendment to FRS 116	Property, Plant and Equipment
- Amendment to FRS 119	Employee Benefits
- Amendments to FRS 10, 11 & 12	Consolidated Financial Statements, Joint Arrangements and Disclosures of Interests in Other Entities : Transition Guidance

The adoption of the above accounting standards, amendments and improvements to published standards and interpretations does not have any material impact on the financial statements of the Group.

The Group will continue to apply the Financial Reporting Standard framework for financial years ending 30 June 2014 and 30 June 2015. There are no other FRS or interpretations to existing standards not yet effective that would be expected to have a material impact on the Group.

The Group will be adopting the new IFRS-compliant framework, Malaysian Financial Reporting Standards ("MFRS") when it becomes mandatory. Upon adoption of MFRS, the Group will be applying MFRS 1 "First-time adoption of MFRS".

A.2. Seasonal or Cyclical Factors

Seasonal or cyclical factors do not have any material impact on the Group's business operations.

A.3. Unusual Items Due to Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity and net income, or cash flows for the financial period under review.

A.4. Changes in Estimates

There were no material changes in estimates of amounts reported in prior interim periods of the current financial year or changes in estimates of amounts reported in prior financial years.



Notes to the quarterly report - 31 March 2014

A.5. Debt and Equity Securities

There were no issuance and/or repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current financial year to date.

A.6. Dividend Paid

The first and final ordinary dividend of 10% (10sen) gross per ordinary share, less 25% income tax (7.50 sen per share net), amounting to RM6.791million in respect of preceding financial year ended 30 June 2013, approved by the members at the Annual General Meeting of the Company held on 19 November 2013, had been paid on 12 December 2013.

A.7. Valuation of Property, Plant and Equipment

The valuations of property, plant and equipment have been brought forward without any amendments from the previous annual financial statements.

A.8. Material Events Subsequent to the Interim Reporting Period

There were no material events that have arisen subsequent to the end of the interim reporting period, which have not been reflected in the interim financial statements.

A.9. Changes in the Composition of the Group

There were no changes in the composition of the entity during the interim reporting period, other than as follows:-

- The Company had on 16 January 2014, acquired two (2) ordinary shares of RM1.00 each, representing 100% of the total issued and paid-up capital of the following companies:-
 - a. OIB Marketing Sdn Bhd (formerly known as OIB Recipe Sdn Bhd) (“OMSB”); and
 - b. OIB Construction Sdn Bhd (formerly known as OIB Confectionery Sdn Bhd) (“OCSB”).from OIB Resort Sdn Bhd (formerly known as OIB Foods & Beverages Sdn Bhd) (“ORSB”), a direct wholly-owned subsidiary of OIB, for a total cash consideration of RM2.00 each (“Internal Reorganisation”) respectively. Upon completion of the Internal Reorganisation, OMSB and OCSB became direct wholly-owned subsidiaries of the Company.
- The Company had on 22 January 2014, subscribed for 6 ordinary shares in OMSB and 7 ordinary shares in OCSB respectively, out of a total of 8 new ordinary shares allotted by both OMSB and OCSB. Consequently, the shareholdings of the Company in OMSB and OCSB were diluted from 100% to 80% and 90% respectively.
- The Company had on 13 February 2014, subscribed for additional 799,992 new ordinary shares in OMSB and 4,499,991 new ordinary shares in OCSB respectively. The shareholdings of the Company remained at 80% and 90% respectively after share capitals in OMSB and OCSB were enlarged.
- The Company had on 24 February 2014, acquired a total of 1,256,357 ordinary shares of RM1.00 each in Brilliant Alliance Sdn Bhd (“BA”), a 70% owned subsidiary of the Company, at RM2.42 from a few minority shareholders for a total cash consideration of RM3,040,384. Following the aforesaid acquisition, the Company now holds 85% equity interest in BA.
- The Company had on 24 February 2014, acquired a total of 2,022,823 ordinary shares of RM1.00 each in Aturan Cemerlang Sdn Bhd (“AC”), a 51% owned subsidiary of the Company, at RM1.92 from a few minority shareholders for a total cash consideration of RM3,883,820. Following the aforesaid acquisition, the Company now holds 67% equity interest in AC.

**Notes to the quarterly report - 31 March 2014****A.9. Changes in the Composition of the Group (continued)**

There was further change in the composition of the entity subsequent to the interim reporting period as follows:-

- The Company had on 04 April 2014, acquired eight (8) ordinary shares in the issued and paid-up share capital of OIB Properties (PRV) Sdn. Bhd. ("PRV") for a total cash consideration of RM8.00. Following the aforesaid acquisition, PRV had become 80% owned subsidiary of the Company. PRV is currently a dormant company and its intended business activity is property development.

A.10. Operating Segments

	Property Development RM'000	Oil Palm Cultivation RM'000	Investment Holding RM'000	Others RM'000	Continuing Operations RM'000	Discontinued Operations (Manufacturing) RM'000
Current period ended						
31 March 2014						
Revenue						
Total revenue	69,187	1,809	2,198	610	73,804	-
Inter-segment revenue	-	-	(2,198)	-	(2,198)	-
Revenue from external customers	<u>69,187</u>	<u>1,809</u>	<u>-</u>	<u>610</u>	<u>71,606</u>	<u>-</u>
Profit / (Loss)						
Reportable segment profit / (loss)	12,806	1,004	(700)	(70)	13,040	-
Share of loss of an associate			(6)		(6)	
Profit before taxation					<u>13,034</u>	
Corresponding period ended						
31 March 2013						
Revenue						
Total revenue	54,898	2,322	2,659	-	59,879	211
Inter-segment revenue	-	-	(2,659)	-	(2,659)	-
Revenue from external customers	<u>54,898</u>	<u>2,322</u>	<u>-</u>	<u>-</u>	<u>57,220</u>	<u>211</u>
Profit / (Loss)						
Reportable segment profit / (loss)	5,370	1,219	339	-	6,928	(1,035)
Share of profit of an associate			4		4	
Profit before taxation					<u>6,932</u>	



Notes to the quarterly report - 31 March 2014

A.11. Commitments

There were no changes in commitments since the last annual reporting date as at 30 June 2013, except for the following:-

	01/07/2013 RM'000	Changes RM'000	31/03/2014 RM'000
Unsecured			
Corporate guarantee issued to financial institution for banking facilities granted to certain subsidiaries	94	(82)	12
Bankers' guarantee issued to third party in favour of subsidiaries	3,687	(659)	3,028
Fixed deposits pledged to a financial institution for bank guarantee issued to third party	200	-	200
	<u>3,981</u>	<u>(741)</u>	<u>3,240</u>

Property development expenditure contracted for at the end of the reporting period but not yet incurred is as follows:-

	01/07/2013 RM'000	Changes RM'000	31/03/2014 RM'000
Landowners' entitlement	<u>39,948</u>	<u>1,984</u>	<u>41,932</u>

A.12 Related Party Transactions

The Group's related party transaction in the current financial year to date are as follows:-

From 1/7/2013 to 31/03/2014 RM'000

Sale/(Purchase) of goods and services to/(from):-

- Enterprise in which a substantial interest is owned directly by a person connected with a former Director of the Company (228)
- A person connected with a former Director of subsidiary company 390

Rental charges payables to:-

- A person connected with a former Director of the Company (56)

From 13/12/2013 to 31/03/2014

(Purchase) of goods from:-

- Enterprise in which a substantial interest is owned indirectly by Directors/major shareholders of the Company (1,384)



Notes to the quarterly report - 31 March 2014

B. Additional Information required by the Bursa Malaysia Securities Listing Requirements in relation to the issuance of the Interim Financial Statements

[The figures have not been audited.]

B.1. Review of Performance of the Company and its Principal Subsidiaries

Compared with the corresponding financial quarter, pre-tax profit surged by 210%, despite of 28% drop in revenue. Meanwhile, revenue and pre-tax profit increased by 25% and 88% respectively, compared with results for the first 9-months of the reporting and previous financial years. Should adjustment be made to the non-recurrent sale of land of RM12.731million, with gain of RM2.257million, recognised in the 2nd quarter of the reporting financial year; revenue and pre-tax profit would still be higher by 4% and 82% respectively for the same 9-months comparable period. Better overall performance was mainly due to improved contribution margin from Property Division.

As Property Division was the main contributor of the results of the Group, likewise, pre-tax profit of Property Division rose by 344%, while revenue dipped by 30% compared with corresponding financial quarter. Comparing results of first 9-months between the reporting and previous financial years for Property Division, revenue and pre-tax profit were 26% and 138% higher respectively. Excluding the non-recurrent gain mentioned above, revenue and pre-tax profit of Property Division would still be up by 4% and 166% respectively.

Revenue from the Oil Palm Cultivation reduced by 17% and 22% respectively compared with the corresponding financial quarter and the 9-months period of the preceding financial year. Consequently, pre-tax profit from Oil Palm Cultivation reduced by 3% and 18% respectively. Although CPO price was on the upward trend throughout the period under review; drop in harvesting, partially due to replanting, was in greater proportion resulting in poor performance.

Loss on Investment Holdings activity was due to various costs of compliance incurred in respect of Mandatory General Offer exercise undertaken by the Group end of last calendar year.

B.2. Material Changes in the Quarterly Results as compared with the Preceding Quarter

Revenue and pre-tax profit for the Group appeared to be lower by 54% and 13% compared with the immediate preceding financial quarter. However, excluding the non-recurrent gain mentioned above, drop in revenue would only be 30%, while pre-tax profit would in fact be higher by 35%. Again, improved in contribution margin for Property Division was the main reason for better performance, and changes in results of Property Division were similar to those of the Group.

Meanwhile, revenue and pre-tax profit of Oil Palm Cultivation activity increased by 19% and 4% respectively, due to both stronger CPO price and better harvesting in the reporting financial quarter.

B.3. Prospects for the Current Financial Year

It appeared that all measures implemented by the Government to control speculative activities in property market had been acknowledged and absorbed by properties investors and house buyers; yet the potential upside in selective niche market seems attractive to investors and home seekers, and the level of confidence they have in property market in Malaysia is encouraging.

With the new business strategy and direction in place, the new management team is now striving to improve the performance of OIB Group to achieve the ultimate objective of enhancing shareholders value. Based on the present economy outlook in general and property market specifically, the Board is confident that the results of OIB Group would remain profitable for the current financial year.

**Notes to the quarterly report - 31 March 2014****B.4. Variance of Actual Profit from Forecast Profit**

Not applicable. The Group has not given any profit forecast nor profit guarantee in respect of any corporate proposals.

B.5. Profit Before Taxation

	Current Year 3rd Quarter 31/03/2014 RM'000	Current Year To Date 31/03/2014 RM'000
Profit before taxation is arrived at after (charging)/crediting:-		
Depreciation and amortisation	(298)	(952)
Rental income	127	380
Interest income	415	1,029
Allowance for impairment of receivables written back	182	284
Other income	315	737

Save as disclosed above, the other items as required under Appendix 9B, Part A(16) of the Bursa Listing Requirements are not applicable.

B.6. Taxation

	Current Year 3rd Quarter 31/03/2014 RM'000	Current Year To Date 31/03/2014 RM'000
Malaysian income tax based on the profit for the financial period	1,274	3,160
Transfer from deferred taxation	(15)	319
Taxation underprovided in respect of prior financial year	350	262
	<u>1,609</u>	<u>3,741</u>

The effective tax rate of the Group for the financial year is higher than the statutory income tax rate mainly due to tax underprovided in respect of prior financial year.

B.7. Status of Corporate Proposals

There were no corporate proposals that have been announced but not completed as at 12 May 2014, the latest practicable date which is not earlier than 7 days from the date of issuance of this interim financial statements.

B.8. Group Borrowings and Debt Securities

The Group did not have any borrowings nor debt securities as at the end of the reporting period.

B.9. Derivative Financial Instrument

The Group did not have any derivative financial instruments as at the end of the reporting period.



Notes to the quarterly report - 31 March 2014

B.10. Gain and losses arising from Fair Value Changes of Financial Liabilities

There were no gain and losses arising from fair value changes of financial liabilities for the current quarter and current financial year to date.

B.11. Realised and Unrealised Earnings or Losses Disclosure

The retained earnings are analysed as follows:-

	Current Year To date 31/03/2014 RM'000	Preceding Financial Year 30/06/2013 RM'000
Total retained earnings of the Company and its subsidiaries:-		
- Realised	166,663	163,813
- Unrealised	432	1,096
	<u>167,095</u>	<u>164,910</u>
Total share of retained earnings from an associated company:-		
- Realised	14	20
- Unrealised	-	-
	<u>167,109</u>	<u>164,930</u>
Less : Consolidation adjustments	(2,852)	(1,424)
Total group retained earnings as per consolidated financial statements	<u><u>164,257</u></u>	<u><u>163,506</u></u>

B.12. Changes in Material Litigation

There were no pending material litigation as at 12 May 2014, the latest practicable date which is not earlier than 7 days from the date of issuance of this interim financial statements.

B.13. Dividend

Other than the dividend paid as disclosed in Note A6 above, the Board of Directors does not recommend any payment of interim dividend in respect of current financial year ending 30 June 2014.

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[Company No. 272144-M]

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Notes to the quarterly report - 31 March 2014**B.14. Earnings Per Share ("EPS")**

	Current Year 3rd Quarter 31/03/2014 RM'000	Current Year To Date 31/03/2014 RM'000
(a) Basic		
Profit attributable to owners of the parent	<u>2,779</u>	<u>6,944</u>
Number of ordinary shares in issue at beginning of the period ('000)	<u>90,545</u>	<u>90,545</u>
Basic EPS (sen)	<u>3.07</u>	<u>7.67</u>

(b) Diluted

The Group has no dilution in its earnings per ordinary share in the quarter under review / financial year to date as there are no dilutive potential ordinary shares.

B.15. Audit report for the preceding annual financial statements

There was no qualification on the report of the auditors on the annual financial statements of the Company for the immediate preceding financial year.

By order of the Board**Tai Yit Chan (MAICSA 7009143)****Ong Tze-En (MAICSA 7026537)**

[Joint Company Secretaries]

19 May 2014