

**Condensed Consolidated Income Statement  
For The Quarter Ended 30 June 2013**

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE YEAR TO DATE	
	Current Year Quarter 30 Jun 2013	Preceding Year Corresponding Quarter 30 Jun 2012	Current Year 6 months ended 30 Jun 2013	Preceding Year Corresponding Period 30 Jun 2012
	RM'000	RM'000	RM'000	RM'000
Revenue	6,738	9,274	11,299	12,927
Cost of sales	( 6,470)	( 3,894)	( 12,289)	( 7,282)
<b>Gross profit</b>	<u>268</u>	<u>5,380</u>	<u>( 990)</u>	<u>5,645</u>
Other operating income	-	304	3	763
Other operating expenses	( 509)	( 457)	( 939)	( 918)
<b>Operating profit/(loss)</b>	<u>( 241)</u>	<u>5,227</u>	<u>( 1,926)</u>	<u>5,490</u>
Finance costs	6	-	6	-
Interest income	-	-	-	-
<b>Profit/(loss) before tax</b>	<u>( 247)</u>	<u>5,227</u>	<u>( 1,932)</u>	<u>5,490</u>
Income tax expense	-	(1,289)	-	(1,289)
<b>Profit/(loss) for the year attributable to equity holders of the company</b>	<u>( 247)</u>	<u>3,938</u>	<u>( 1,932)</u>	<u>4,201</u>
<b>Earnings/(loss) per share attributable to equity holders of the Company:</b>	<u>Sen</u>	<u>Sen</u>	<u>Sen</u>	<u>Sen</u>
Basic	( 0.13)	2.09	( 1.02)	2.23
Diluted	( 0.13)	2.06	( 1.00)	2.19

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.

**INNOPRISE PLANTATIONS BERHAD** (285072-M)

(Incorporated in Malaysia)

**Condensed Consolidated Statement of Comprehensive Income  
For The Quarter Ended 30 June 2013**

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE YEAR TO DATE	
	Current Year Quarter 30 Jun 2013	Preceding Year Corresponding Quarter 30 Jun 2012	Current Year 6 months ended 30 Jun 2013	Preceding Year Corresponding Period 30 Jun 2012
	RM'000	RM'000	RM'000	RM'000
Profit/(loss) for the period	( 247)	3,938	( 1,932)	4,201
Other comprehensive income / (loss)	-	-	-	-
<b>Total comprehensive income for the period attributable to equity holders of the company</b>	<b>( 247)</b>	<b>3,938</b>	<b>( 1,932)</b>	<b>4,201</b>

The condensed consolidated income statements of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.

**Condensed Consolidated Balance Sheet  
As at 30 June 2013**

	(Unaudited)	(Audited)
	End of Current Quarter 30 Jun 2013	Preceding Financial Year Ended 31 Dec 2012
	<u>RM'000</u>	<u>RM'000</u>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	77,363	69,846
Biological asset	164,575	154,959
	<u>241,938</u>	<u>224,805</u>
<b>Current Assets</b>		
Inventories	9,473	8,612
Trade receivables	2,246	3,953
Other receivables	2,060	1,679
Short term investment	-	1,517
Cash and bank balances	2,789	642
	<u>16,568</u>	<u>16,403</u>
<b>TOTAL ASSETS</b>	<u>258,506</u>	<u>241,208</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	188,611	188,611
Capital Reserves	1,273	1,113
Accumulated profits	23,077	25,009
Total equity	<u>212,961</u>	<u>214,733</u>
<b>Non-current liabilities</b>		
Deferred tax liabilities	12,021	12,021
Loans and borrowings	10,566	-
	<u>22,587</u>	<u>12,021</u>
<b>Current liabilities</b>		
Trade payables	7,753	8,326
Other payables	12,677	6,128
Loans and borrowings	2,528	-
	<u>22,958</u>	<u>14,454</u>
Total liabilities	<u>45,545</u>	<u>26,475</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>258,506</u>	<u>241,208</u>

The Consolidated Balance Sheet should be read in conjunction with the audited financial statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.

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**Condensed Consolidated Cash Flow Statement**  
**For the Quarter ended 30 June 2013**

	<b>6 months ended 30 June 2013</b>	<b>12 months ended 31 December 2012</b>
	<b><u>RM'000</u></b>	<b><u>RM'000</u></b>
<b>Operating activities</b>		
(Loss)/profit before tax	( 1,932)	7,254
<u>Adjustment for :-</u>		
Depreciation of property, plant and equipment	17	164
Amortization of plantation development expenditure	1,013	-
Gain on disposal of Property, plant and equipment	-	(21)
Dividend income	( 2)	( 104)
Share options granted under ESOS	160	161
Net fair value gain on held for trading investment securities	( 1)	( 815)
Total adjustments	<u>1,187</u>	<u>( 615)</u>
<b>Operating cash flows before changes in working capital</b>	<b>( 745)</b>	<b>6,639</b>
<u>Changes in working capital:</u>		
(Increase) / decrease in inventories	( 861)	( 487)
(Increase) / decrease in receivables	1,326	( 3,498)
Increase / (decrease) in payables	5,976	( 3,147)
Total changes in working capital	<u>6,441</u>	<u>( 7,132)</u>
<b>Net cash generated from/(used in) operating activities</b>	<b><u>5,696</u></b>	<b><u>( 493)</u></b>
<b>Investing activities</b>		
Purchase of property, plant and equipment	( 7,534)	( 19,566)
Plantation development expenditure	( 10,629)	( 35,181)
Proceed from disposal of property, plant and equipment	-	86
Proceed from disposal of investment securities	1,518	55,256
Interest received	-	-
Dividend received	2	104
<b>Net cash used in investing activities</b>	<b><u>( 16,643)</u></b>	<b><u>699</u></b>
<b>Financing activities</b>		
Proceeds from loans and borrowings	13,094	-
Net increase / (decrease) in cash and cash equivalents	2,147	206
Cash and cash equivalents at beginning of year	642	436
<b>Cash and cash equivalents at end of period</b>	<b><u>2,789</u></b>	<b><u>642</u></b>

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.

**Condensed Consolidated Statement of Changes in Equity  
For the Financial Quarter ended 30 June 2013**

	<b>Share Capital</b>	<b>Capital Reserve</b>	<b>Accumulated (Losses) / Profits</b>	<b>Total</b>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
<b>At 1 January 2013</b>	188,611	1,113	25,009	214,733
Share options granted under ESOS				
- Recognised in income statement	-	92	-	92
- Included in investments in subsidiary	-	68	-	68
Total comprehensive (loss)/ income for the period	-	-	( 1,932)	( 1,932)
<b>At 30 June 2013</b>	<u>188,611</u>	<u>1,273</u>	<u>23,077</u>	<u>212,961</u>
<b>At 1 January 2012</b>	188,611	841	19,617	209,069
Share options granted under ESOS				
- Recognised in income statement		98	-	98
- Included in investments in subsidiary		19	-	19
Total comprehensive income for the period	-	-	4,201	4,201
<b>At 30 June 2012</b>	<u>188,611</u>	<u>958</u>	<u>23,818</u>	<u>213,387</u>

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.

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**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE SECOND QUARTER ENDED 30 JUNE 2013**
**A. EXPLANATORY NOTES PURSUANT TO FRS 134**
**1. BASIS OF PREPARATION**

The condensed consolidated interim financial statements have been prepared in accordance with the requirements of FRS 134: Interim Financial Reporting and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and should be read in conjunction with the Group’s audited financial statement for the financial year ended 31 December 2012.

These explanatory notes attached to the condensed consolidated interim financial statements provide an explanation of events and transactions that significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2012.

**2. CHANGES IN ACCOUNTING POLICIES**

The accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2012, except as follows:

On 1 January 2013, the Group adopted the following new and amended FRS and IC Interpretations mandatory for annual financial periods beginning on or after 1 January 2013.

	Effective for annual periods beginning on or after
FRS 101 Presentation of Items of Other Comprehensive Income (Amendments to FRS 101)	1 July 2012
Amendments to FRS 101: Presentation of Financial Statements (Improvements to FRSs (2012))	1 January 2013
FRS 10 Consolidated Financial Statements	1 January 2013
FRS 11 Joint Arrangements	1 January 2013
FRS 12 Disclosure of interests in Other Entities	1 January 2013
FRS 13 Fair Value Measurement	1 January 2013
FRS 119 Employee Benefits	1 January 2013
FRS 127 Separate Financial Statements	1 January 2013
FRS 128 Investment in Associate and Joint Ventures	1 January 2013
Amendment to IC Interpretation 2 Members’ Shares in Co-operative Entities and Similar Instruments (Improvements to FRSs (2012))	1 January 2013
IC Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine	1 January 2013

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**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE SECOND QUARTER ENDED 30 JUNE 2013**
**2. CHANGES IN ACCOUNTING POLICIES (Cont'd)**

Amendments to FRS 7: Disclosures - Offsetting Financial Assets and Financial Liabilities	1 January 2013
Amendments to FRS 1: First-time Adoption of Malaysian Financial Reporting Standards - Government Loans	1 January 2013
Amendments to FRS 1: First-time Adoption of Malaysian Financial Reporting Standards (Improvements to FRSs (2012))	1 January 2013
Amendments to FRS 116: Property, Plant and Equipment (Improvements to FRSs (2012))	1 January 2013
Amendments to FRS 132: Financial Instruments: Presentation (Improvements to FRSs (2012))	1 January 2013
Amendments to FRS 134: Interim Financial Reporting (Improvements to FRSs (2012))	1 January 2013
Amendments to FRS 10: Consolidated Financial Statements: Transition Guidance	1 January 2013
Amendments to FRS 11: Joint Arrangements: Transition Guidance	1 January 2013
Amendments to FRS 12: Disclosure of Interests in Other Entities: Transition Guidance	1 January 2013

Adoption of the above standards and interpretations did not have any significant effect on the financial performance and position of the Group.

The Group has not adopted the following standards and interpretations that have been issued but not yet effective:

	Effective for annual periods beginning on or after
Amendments to FRS 132: Offsetting Financial Assets and Financial Liabilities	1 January 2014
FRS 9 Financial Instruments	1 January 2015

**Malaysian Financial Reporting Standards (MFRS Framework)**

On 19 November 2011, the Malaysian Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (MFRS Framework).

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer (herein called 'Transitioning Entities').

Transitioning Entities will be allowed to defer adoption of the new MFRS Framework for an additional one year. Consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2014.

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE SECOND QUARTER ENDED 30 JUNE 2013**

**2. CHANGES IN ACCOUNTING POLICIES (Cont'd)**

**Malaysian Financial Reporting Standards (MFRS Framework) (cont'd)**

The Group falls within the scope definition of Transitioning Entities and accordingly, will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 December 2014. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained earnings.

At the date of these financial statements, the Group has not completed its quantification of the financial effects of the differences between Financial Reporting Standards and accounting standards under the MFRS Framework due to the ongoing assessment by the project team. Accordingly, the consolidated financial performance and financial position as disclosed in these financial statements for the year ended 31 December 2012 could be different if prepared under the MFRS Framework.

The Group expects to be in a position to fully comply with the requirements of the MFRS Framework for the financial year ending 31 December 2014.

**Biological assets**

**Oil palm planting expenditure**

All expenses incurred in land preparation, planting and developing of oil palm plantations up to maturity are capitalised as biological assets. A portion of the indirect overheads which include general and administrative expenses and interest expense incurred on immature plantation is similarly capitalised under biological assets until such time when the plantation attains maturity. All expenses subsequent to maturity are recognised in profit or loss. Oil palm planting expenditure incurred up to maturity is amortised over 25 years.

**3. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS**

The auditors' report on the financial statements for the year ended 31 December 2012 was not qualified.



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**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE SECOND QUARTER ENDED 30 JUNE 2013**
**4. SEGMENTAL INFORMATION**

Business segments

	<b>Cumulative Quarter ended 30 June 2013</b>		
	Timber	Plantations	Consolidated
	RM'000	RM'000	RM'000
<b>Segment Revenue</b>	<u>568</u>	<u>10,731</u>	<u>11,299</u>
<b>Segment Results</b>	<u>160</u>	<u>( 1,694)</u>	( 1,534)
Other income			3
Unallocated expenses			<u>( 401)</u>
Profit before taxation			( 1,932)
Income tax			-
Cumulative profit up to 30 Jun 2013			<u>( 1,932)</u>
<b>OTHER INFORMATION</b>			
<b>Segments Assets</b>	<u>2,751</u>	<u>252,966</u>	255,717
Unallocated assets			<u>2,789</u>
Consolidated Assets			<u>258,506</u>
<b>Segments Liabilities</b>	<u>-</u>	<u>33,524</u>	33,524
Unallocated liabilities			<u>12,021</u>
Consolidated Liabilities			<u>45,545</u>

**5. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE, OR INCIDENCE**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial period ended 30 June 2013.

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**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE SECOND QUARTER ENDED 30 JUNE 2013**

**6. CHANGES IN ESTIMATES**

There were no changes in estimates that had a material effect in the current quarter results.

**7. SEASONAL OR CYCLICAL FACTORS**

The Group's operations were not materially affected by any seasonal or cyclical factors.

**8. DIVIDENDS PAID**

No dividends were paid out during the current quarter.

**9. CARRYING AMOUNT OF PROPERTY, PLANT AND EQUIPMENT**

There were no brought forward valuations of property, plant and equipment from the financial year ended 31 December 2012 and there were no valuations of property, plant and equipment carried out during the financial period ended 30 June 2013.

**10. DEBT AND EQUITY SECURITIES**

There were no issuances, cancellations, repurchases, resale, and repayments of debt and equity securities during the financial period ended 30 June 2013.

**11. CHANGES IN THE COMPOSITION OF THE GROUP**

There were no changes in the composition of the Group during the current financial quarter.

**12. DISCONTINUED OPERATION**

There were no discontinued operations for the Group during the current financial quarter.

**13. CAPITAL COMMITMENTS**

The commitments for the oil palm plantation development not provided for in the interim financial statements as at 30 June 2013 are as follows:

	<u>RM'000</u>
Approved and contracted for oil palm plantation development	2,885
Approved and contracted for construction of palm oil mill	15,744
Approved but not contracted for oil palm plantation development and construction of palm oil mill	16,265
	<hr/>
	34,894
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**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE SECOND QUARTER ENDED 30 JUNE 2013**
**14. CHANGES IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

There were no changes in contingent liabilities since the last annual balance sheet as at 31<sup>st</sup> December 2012.

There is a potential claim of approximately RM4 million arising from a shortfall in guaranteed volume of log production under a Logging Sub-Contract between Serijaya Industri Sdn Bhd (SJI), a wholly owned subsidiary of the Company and Asiatic Lumber Industries Sdn Bhd (ALISB).

Under the Logging Sub-Contract agreement, ALISB has undertaken to extract a minimum of 120,000m<sup>3</sup> of logs per year. However the actual production for 2012 was 28,778m<sup>3</sup> resulting in a shortfall of 91,222m<sup>3</sup>. The amount of RM4 million was computed on the loss of profit from the production shortfall and the sub-contractor has yet to agree to the compensation.

Based on written legal opinion, SJI has the rights to claim for loss of profit and damages. However, the subcontractor claimed that due to the changes in government procedures, it was impossible to fulfill the obligation.

**15. MATERIAL RELATED PARTY TRANSACTIONS**

<b>Group</b>	<b>2013</b> <u>RM'000</u>
<b>Trade transactions</b>	
Transaction with a related party:	
Log extraction contract fee from Rakyat Berjaya Sdn. Bhd.	568
Rental paid to TSH Resources Bhd., a company in which a director of the Company has an interest.	36
Sale of oil palm fresh fruit bunches to TSH Plantation Management Sdn. Bhd.	8,311
<b>Company</b>	
<b>Trade transaction</b>	
Management fees charged to subsidiary - Serijaya Industri Sdn. Bhd.	180

**16. MATERIAL EVENTS SUBSEQUENT TO THE END OF PERIOD REPORTED**

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

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**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE SECOND QUARTER ENDED 30 JUNE 2013****B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING  
REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD****1. PERFORMANCE REVIEW**

The Group registered a turnover of RM6.738 million for the current quarter ended 30 June 2013 representing a decrease of 27% as compared to RM9.274 million for the preceding financial year corresponding quarter. Recognition of 2011 logging extraction shortfall compensation of RM3.689 million in the second quarter of 2012 accounted for the revenue decrease. FFB sales revenue increased by 24% due to significantly higher production partially offset by a sharp drop in FFB prices.

Loss before tax for the current year quarter ended 30 June 2013 was RM0.247 million as compared to profit of RM5.227 million in the preceding financial year corresponding due primarily to the recognition of 2011 logging extraction shortfall compensation in 2012. Contribution from palm segment was lower despite higher crop due to lower FFB prices and Plantation Development Expenditure amortization charge of RM1.013 million (2012 – NIL).

Turnover for the current year six-months ended 30 June 2013 was RM11.299 million representing a decrease of 13% as compared to turnover of RM12.927 million in the preceding financial year corresponding period. The reduction is principally due to lower log extraction volume and recognition of 2011 logging extraction shortfall compensation in 2012. FFB sales revenue was 38% higher due to higher FFB crop partially offset by lower selling price.

Loss before tax for the current year six-months ended 30 June 2013 was RM1.932 million compared to profit before tax of RM5.490 million in the preceding financial year corresponding period. This was primarily due to the recognition of 2011 logging extraction shortfall compensation in 2012 and lower contribution from palm segment due to lower FFB price.

**2. MATERIAL CHANGES IN PROFIT BEFORE TAXATION**

The Group registered a turnover of RM6.738 million for current quarter representing an increase of 48% as compared to RM4.561 million in the immediate preceding quarter. The increase was due to higher FFB crop. FFB sales contributed RM6.290 million to turnover as compared to RM4.441 million in the preceding quarter due to higher FFB crop.

Loss before tax for the current quarter was RM0.247 million as compared to loss before tax of RM1.685 million in the immediate preceding quarter cost. The improvement was due to higher FFB production.

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**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE SECOND QUARTER ENDED 30 JUNE 2013**
**3. PROSPECT FOR 2013**

The Board of Directors is confident of achieving reasonable profitability with logging activities continuing to be a profit contributor. Oil palm segment is expected to contribute positively in 2013 as higher FFB yield in the coming quarters will reduce unit cost of production.

**4. PROFIT FORECAST OR PROFIT GUARANTEE**

There were no profit forecasts or profit guarantees released to the public.

**5. INCOME TAX EXPENSE**

	INDIVIDUAL QUARTER		CUMULATIVE YEAR TO DATE	
	Current Year Quarter 30 Jun 2013	Preceding Year Corresponding Quarter 30 Jun 2012	Current Year 6 months ended 30 Jun 2013	Preceding Year Corresponding Period 30 Jun 2012
	RM'000	RM'000	RM'000	RM'000
Current year tax:				
Malaysian income tax	-	-	-	-
Deferred tax	-	1,289	-	1,289
	-	1,289	-	1,289
(Over)/underprovided in prior years:				
Malaysian income tax	-	-	-	-
Deferred tax	-	-	-	-
Total	-	1,289	-	1,289

**6. SALE OF UNQUOTED INVESTMENTS AND/OR PROPERTIES**

There were no sales/disposals of unquoted investments and properties during the current financial quarter and period ended 30 June 2013.

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**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE SECOND QUARTER ENDED 30 JUNE 2013**
**7. QUOTED SECURITIES**

- a) There was no purchase and sale of quoted securities for the current financial quarter ended 30 June 2013.
- b) There was no investment in quoted shares as at 30 June 2013.

**8. STATUS OF CORPORATE PROPOSALS**

There were no corporate proposals for the current financial quarter ended 30 June 2013.

**9. UTILISATION OF PROCEEDS**

The proceeds raised from Right Issue Exercise have been fully utilized in the following manners;

	Fund utilized		As per Prospectus  RM
	Quarter  RM	Cumulative To date RM	
Plantation and Development Expenses (direct and indirect)	-	91,072	80,000
Property, plant and equipment	-	37,402	42,904
Expenses for the corporate exercise	-	712	600
Working capital purposes	-	3,175	8,857
	-	132,361	132,361

## 10. LOANS AND BORROWINGS

	As at end of current quarter 30 Jun 2013 RM'000	As at 31 Dec 2012 RM'000
Current		
Secured;		
- Invoice financing	2,482	-
- Term loans	46	-
	2,528	-
Non Current		
Secured		
- Term loans	10,566	-
	10,566	-

All borrowings are denominated in Ringgit Malaysia.

## 11. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

There were no off balance sheet financial instruments as at 30 June 2013.

## 12. CHANGES IN MATERIAL LITIGATION

There were no changes in material litigation since the last annual balance sheet date of 31 December 2012.

## 13. DIVIDEND PAYABLE

No interim ordinary dividend has been declared for the financial period ended 30 June 2013 (30 June 2012 : Nil).

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**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE SECOND QUARTER ENDED 30 JUNE 2013**
**14. EARNINGS PER SHARE**
**(a) Basic earning per share**

Basic earnings per share amounts are calculated by dividing profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares in issue during the year:

	INDIVIDUAL QUARTER		CUMULATIVE YEAR TO DATE	
	Current Year Quarter 30 Jun 2013	Preceding Year Corresponding Quarter 30 Jun 2012	Current Year 6 months ended 30 Jun 2013	Preceding Year Corresponding Period 30 Jun 2012
	RM'000	RM'000	RM'000	RM'000
Profit attributable to ordinary equity holders of the parent	( 247)	3,938	(1,932)	4,201
Weighted average number of ordinary shares in issue ('000)	188,611	188,611	188,611	188,611
	<u>Sen</u>	<u>Sen</u>	<u>Sen</u>	<u>Sen</u>
Basic earnings per share	<u>( 0.13)</u>	<u>2.09</u>	<u>( 1.02)</u>	<u>2.23</u>



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**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE SECOND QUARTER ENDED 30 JUNE 2013**
**14. EARNINGS PER SHARE (Cont'd)**
**(b) Diluted earning per share**

	INDIVIDUAL QUARTER		CUMULATIVE YEAR TO DATE	
	Current Year Quarter 30 Jun 2013	Preceding Year Corresponding Quarter 30 Jun 2012	Current Year 6 months ended 30 Jun 2013	Preceding Year Corresponding Period 30 Jun 2012
	RM'000	RM'000	RM'000	RM'000
Profit attributable to ordinary equity holders of the parent	( 247)	3,938	(1,932)	4,201
Weighted average number of ordinary shares in issue ('000)	188,611	188,611	188,611	188,611
Effect of ESOS ('000)	4,224	2,866	4,119	2,866
Weighted average number of ordinary shares in issue ('000)	192,835	191,477	192,730	191,477
	<u>Sen</u>	<u>Sen</u>	<u>Sen</u>	<u>Sen</u>
Diluted earnings per share	(0.13)	2.06	(1.00)	2.19

The diluted earning per share is calculated by dividing the net profit for the period by the weighted average number of ordinary shares in issue during the period.

The share options was calculated based on the number of shares which would have been acquired at the market price (average annual share price of the company's share) based on the monetary value of the subscription rights attached to the outstanding share options. No adjustment is made to the net profit attributable to shareholders for the share options calculations.

**15. AUTHORISATION FOR ISSUE**

The interim financial statements were authorized for issue by the Board of Directors in accordance with a resolution of the directors on 22 August 2013.

**INNOPRISE PLANTATIONS BERHAD** (285072-M)

(Incorporated in Malaysia)

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**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE SECOND QUARTER ENDED 30 JUNE 2013**
**C. DISCLOSURE OF REALISED AND UNREALISED PROFITS OR LOSSES.**

Total unappropriated profit as at 30 June 2013 and 31 December 2012 is analysed as follows:

	As at end of current quarter 30 Jun 2013 RM'000	As at end of preceding quarter 31 Dec 2012 RM'000
Total unappropriated profit of the Company and its subsidiary		
- Realised	37,438	39,188
- Unrealised	( 12,021)	( 12,019)
	25,417	27,169
Consolidation adjustments	(2,340)	( 2,160)
Total Group accumulated profits as per consolidated accounts	23,077	25,009