ANN JOO RESOURCES BERHAD (371152-U)

The Board of Directors of Ann Joo Resources Berhad is pleased to announce the unaudited results for the fourth financial quarter ended 31 December 2013

Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income
For the twelve months ended 31 December 2013

	3 months ended		12 months ended	
	31.12.2013	**31.12.2012**	**31.12.2013**	**31.12.2012**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Revenue	640,624	395,824	2,118,371	2,080,237
Operating expenses	(611,891)	(372,339)	(2,064,042)	(2,123,587)
Other income	1,496	2,866	8,393	36,748
Finance costs	(14,964)	(8,122)	(58,240)	(30,418)
Investing results	(2)	(146)	(2)	(111)
Profit/(Loss) before taxation	15,263	18,083	4,480	(37,131)
Taxation	(4,478)	(8,470)	7,788	18,264
Profit/(Loss) for the period	10,785	9,613	12,268	(18,867)
Other comprehensive income				
Items that may be subsequently reclassified to profit or loss:				
Foreign currency translation differences for foreign operations	8	2	283	(17)
Change in fair value of available-for-sale financial assets	-	5	14	63
Available-for-sale financial assets - reclassified to profit or loss	-	-	(104)	-
Income tax relating to components of other comprehensive income	-	212	-	212
Other comprehensive income for the period, net of tax	8	219	193	258
Total comprehensive income/(loss) for the period	10,793	9,832	12,461	(18,609)
Profit/(Loss) attributable to:				
Owners of the parent	10,785	9,548	12,268	(19,482)
Non-controlling interests	-	65	-	615
Profit/(Loss) for the period	10,785	9,613	12,268	(18,867)
Total comprehensive income/(loss) attributable to:				
Owners of the parent	10,793	9,767	12,461	(19,224)
Non-controlling interests	-	65	-	615
Total comprehensive income/(loss) for the period	10,793	9,832	12,461	(18,609)
Earnings/(Loss) per share (sen):				
Basic	2.15	1.91	2.45	(3.89)
Diluted	2.15	1.91	2.45	(3.89)

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

ANN JOO RESOURCES BERHAD (371152-U)

Condensed Consolidated Statements of Financial Position
As at 31 December 2013

	As at 31.12.2013 RM'000	As at 31.12.2012 RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	1,117,367	1,147,310
Prepaid lease payments	11,484	11,802
Investment properties	4,152	4,199
Investment in an associate	28	-
Other investments	21	253
Intangible assets	7,182	7,459
Deferred tax assets	61,238	47,475
	1,201,472	1,218,498
Current Assets		
Inventories	1,449,533	1,339,427
Receivables and prepayments, including derivatives	386,837	284,286
Current tax assets	6,760	11,107
Cash and cash equivalents	52,805	46,652
Assets classified as held for sale	-	16,356
	1,895,935	1,697,828
TOTAL ASSETS	3,097,407	2,916,326
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share Capital	522,708	522,708
Treasury shares	(71,284)	(71,259)
Warrant Reserve	-	39,202
Other Reserves	82,011	80,844
Retained earnings	515,764	465,268
Total equity attributable to owners of the parent	1,049,199	1,036,763
Non-controlling interests	-	4,674
Total Equity	1,049,199	1,041,437
Non-current Liabilities		
Loans and borrowings	304,480	399,690
Employee benefits	6,703	7,404
Deferred tax liabilities	15,629	16,043
	326,812	423,137
Current Liabilities		
Payables and accruals	201,425	187,334
Loans and borrowings	1,518,574	1,259,700
Current tax liabilities	1,397	1,045
Liabilities classified as held for sale	-	3,673
	1,721,396	1,451,752
Total Liabilities	2,048,208	1,874,889
TOTAL EQUITY AND LIABILITIES	3,097,407	2,916,326
Net assets per share attributable to owners of the parent (RM)	2.10	2.07

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

Condensed Consolidated Statements of Cash Flows
For the twelve months ended 31 December 2013

	12 months ended	
	31.12.2013	31.12.2012
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax	4,480	-37,131
Adjustments for non-cash items	108,169	94,823
Operating profit before working capital changes	112,649	57,692
Changes in working capital		
Net change in current assets	(202,765)	(92,498)
Net change in current liabilities	14,086	12,395
Interest received	1,884	1,635
Interest paid	(56,998)	(27,982)
Tax paid	(9,768)	(15,373)
Tax refunded	8,097	417
Retirement benefits paid	(799)	(1,188)
Net cash flows used in operating activities	(133,614)	(64,902)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	6	11
Proceeds from disposal of subsidiary	2,290	-
Acquisition of associate	(30)	-
Proceeds from disposal of property, plant and equipment	584	9,837
Purchase of property, plant and equipment	(19,879)	(58,649)
Proceeds from disposal of investment properties	-	2,638
Proceeds from disposal of other investments	254	-
Net cash flows used in investing activities	(16,775)	(46,163)
CASH FLOWS FROM FINANCING ACTIVITIES		
Bank borrowings	151,043	124,662
Share buybacks	(25)	(680)
Interest paid	(1,242)	(2,436)
Dividends paid to shareholders	-	(17,540)
Withdrawal of fixed deposit pledged	-	693
Net cash flows from financing activities	149,776	104,699
Net change in cash and cash equivalents	(613)	(6,366)
Effects of foreign exchanges rate changes	238	(2)
Cash and cash equivalents at beginning of the financial year	47,400	53,768
Cash and cash equivalents at end of the financial year	47,025	47,400

Cash and cash equivalents

Cash and cash equivalents included in the condensed consolidated statements of cash flows comprise:

	12 months ended	
	31.12.2013	31.12.2012
	RM'000	RM'000
Cash and bank balances	52,805	46,652
Cash and bank balances in assets classified held for sale	-	6,528
Pledged deposits	-5,780	(5,780)
	47,025	47,400

The condensed consolidated statements of cash flows 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.

ANN JOO RESOURCES BERHAD (371152-U)

Condensed Consolidated Statements of Changes in Equity
For the twelve months ended 31 December 2013

	<------Non-Distributable	------>		<---Distributable	--->			
	Share capital RM'000	Warrant reserve RM'000	Reserve attributable to capital RM'000	Treasury shares RM'000	Retained earnings RM'000	Attributable to owners of the parent RM'000	Non-controlling interests RM'000	Total equity RM'000
At 1 January 2013	522,708	39,202	80,844	(71,259)	465,268	1,036,763	4,674	1,041,437
Foreign currency translation differences for foreign operation	-	-	283	-	-	283	-	283
Transferred to retained profits upon expiry of Warrants 2008/2013	-	(39,202)	-	-	39,202	-	-	-
Change in fair value of available-for-sale financial assets	-	-	14	-	-	14	-	14
Available-for-sale financial assets - reclassified to profit or loss	-	-	(104)	-	-	(104)	-	(104)
Transferred of merger reserve to retained earnings upon winding up of subsidiary	-	-	974	-	(974)	-	-	-
Total other comprehensive income for the period	-	(39,202)	1,167	-	38,228	193	-	193
Profit for the period	-	-	-	-	12,268	12,268	-	12,268
Total comprehensive income for the period	-	(39,202)	1,167	-	50,496	12,461	-	12,461
Share buybacks	-	-	-	(25)	-	-25	-	-25
Impact on non-controlling interest arising on disposal of interest in subsidiary	-	-	-	-	-	-	(4,674)	-4,674
At 31 December 2013	522,708	-	82,011	-71,284	515,764	1,049,199	-	1,049,199
At 1 January 2012	522,708	39,202	82,766	(70,579)	500,110	1,074,207	4,059	1,078,266
Foreign currency translation differences for foreign operation	-	-	(17)	-	-	(17)	-	(17)
Change in fair value of available-for-sale financial assets	-	-	63	-	-	63	-	63
Realisation of other equity reserves to retained earnings upon disposal of property, plant and equipment	-	-	(1,968)	-	1,968	-	-	-
Income tax relating to components of other comprehensive income	-	-	-	-	212	212	-	212
Total other comprehensive income for the period	-	-	(1,922)	-	2,180	258	-	258
Loss for the period	-	-	-	-	(19,482)	(19,482)	615	(18,867)
Total comprehensive loss for the period	-	-	(1,922)	-	(17,302)	(19,224)	615	(18,609)
Share buybacks	-	-	-	(680)	-	(680)	-	(680)
Dividends to owners of the Company	-	-	-	-	(17,540)	(17,540)	-	(17,540)
At 31 December 2012	522,708	39,202	80,844	(71,259)	465,268	1,036,763	4,674	1,041,437

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

ANN JOO RESOURCES BERHAD (371152-U)
("AJR" or "THE COMPANY")

EXPLANATORY NOTES

1. BASIS OF PREPARATION

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("MFRS"), MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Bhd. ("Bursa Securities").

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

The interim financial statements have been prepared in accordance with the same accounting policies and methods of computation adopted in audited financial statements for the financial year ended 31 December 2012, except for the following new and revised MFRSs, IC Interpretations and Amendments to MFRSs and IC Interpretation which are applicable to its financial statements:

1.1 Adoption of MFRSs, Amendments to MFRSs and IC Interpretation

MFRS 3	Business Combinations
MFRS 10	Consolidated Financial Statements
MFRS 11	Joint Arrangements
MFRS 12	Disclosure of Interests in Other Entities
MFRS 13	Fair Value Measurement
MFRS 119	Employee Benefits (revised)
MFRS 127	Consolidated and Separate Financial Statements (revised)
MFRS 128	Investments in Associates and Joint Ventures (revised)
Amendments to MFRS 1	First-time Adoption of MFRS – Government Loans
Amendments to MFRS 7	Financial Instruments: Disclosure – Offsetting Financial Assets and Financial Liabilities
Amendments to MFRS 10	Consolidated Financial Statements: Transition Guidance
Amendments to MFRS 11	Joint Arrangements: Transition Guidance
Amendments to MFRS 12	Disclosure of Interests in Other Entities: Transition Guidance
Amendments to MFRS 101	Presentation of Items of Other Comprehensive Income

Annual Improvements to IC Interpretations and MFRS 2009 – 2011 Cycle

The adoption of the above pronouncements did not have any impact on the financial statements of the Group, except for the following:

Amendments to MFRS 101 Presentation of Items of Other Comprehensive Income

The amendments to MFRS 101 Presentation of Items of Other Comprehensive Income change the grouping of items presented in other comprehensive income. Items that could be reclassified to profit or loss at a future point in time would be presented separately from items that will never be reclassified.

The adoption of this amendment affects presentation only and has no financial impact on the Group's financial statements.

1.2 Amendments to MFRSs issued but not yet effective

At the date of authorization of these interim financial statements, the following Amendments to MFRSs were issued but not yet effective and have not been applied by the Group.

Effective for financial periods beginning on or after 1 January 2014

Amendments to MFRS 10	Consolidated Financial Statements: Investment Entities
Amendments to MFRS 12	Disclosure of Interests in Other Entities: Investment Entities
Amendments to MFRS 127	Consolidated and Separate Financial Statements: Investment Entities
Amendments to MFRS 132	Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities
Amendments to MFRS 136	Impairment of Assets – Recoverable Amount Disclosures for Non-financial Assets
Amendments to MFRS 139	Novation of Derivatives and Continuation of Hedge Accounting levies
IC Interpretation 21	Levies

Effective for financial periods beginning on or after 1 January 2015

Amendments to MFRS 9	Mandatory Effective Date of MFRS 9 and Transition Disclosure

Where applicable, the Group will adopt the above pronouncements when they become effective in the respective financial periods. These pronouncements are not expected to have any material effect to the financial statements of the Group upon their initial application.

2. SEASONALITY OR CYCLICALITY OF INTERIM OPERATIONS

Except for the major festive seasons when activities slow down, the pace of the Company's business generally moves in tandem with the performance of the economy.

3. NATURE AND AMOUNT OF UNUSUAL ITEMS

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the quarter and year ended 31 December 2013.

4. NATURE AND AMOUNT OF CHANGES IN ESTIMATES

There were no major changes in estimates that had any material effect on the quarter and year ended 31 December 2013 results.

5. DEBT AND EQUITY SECURITIES

During the quarter under review, there were no issuances, cancellations, repurchases, resale or repayments of debt and equity securities. As at 31 December 2013, out of the total 522,708,178 issued and fully paid ordinary shares, 22,057,300 shares were held as treasury shares at an average purchase price of RM3.23 per share. The share buyback transactions were financed by internally generated funds.

6. DIVIDENDS PAID

No dividend was paid during the year ended 31 December 2013 (31 December 2012: 3.5 sen per share final single tier dividend).

7. SEGMENTAL INFORMATION

The segment revenue, segment results and segment assets for the year ended 31 December 2013 were as follows:-

	Manufacturing RM'000	Trading RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
REVENUE					
External sales	1,391,061	725,412	1,898		
Inter-company transactions	777,210	270,497	47,918	(1,095,625)	
Total sales	2,168,271	995,909	49,816	(1,095,625)	2,118,371
RESULTS					
Segment results	31,880	17,799	32,460	(21,307)	60,832
Finance cost					(58,240)
Interest income					1,890
Investing results					(2)
Taxation					7,788
Profit for the period					12,268
ASSETS	2,651,777	691,642	1,049,308	(1,295,320)	3,097,407
LIABILITIES	1,843,111	544,111	43,534	(382,548)	2,048,208

8. PROFIT BEFORE TAX

	3 months ended 31.12.2013 RM'000	12 months ended 31.12.2013 RM'000
Profit before tax is arrived at after charging:		
Allowance for impairment losses of receivables	103	103
Amortisation of intangible assets	-	277
Amortisation of prepaid lease payments	170	318
Bad debts written off	74	74
Depreciation of investment properties	12	47
Depreciation of property, plant and equipment	12,253	48,337
Interest expenses	14,964	58,240
Loss on foreign exchange - realised	3,096	14,854
(Gain)/Loss on foreign exchange - unrealised	(4,525)	10,956
and after crediting:		
Bad debts recovered	11	37
Gain on disposal of other investment	-	112
Gain on disposal of property, plant and equipment	150	244
Gain on disposal of subsidiairy	-	1,247
Interest income	1,106	1,890
Reversal of allowance for impairment losses of receivables	-	335
Reversal of allowance for inventories written down to net realisable value	1,962	7,235

9. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE PERIOD

There has not arisen in the interval between the end of the current quarter under review and the date of this report, any item, transaction or event of a material and unusual nature likely in the opinion of the Board of Directors, to affect substantially the results of the operations of the Group for the current quarter in respect of which this announcement is made.

10. CHANGES IN THE COMPOSITION OF THE GROUP

On 5 December 2012, the Company had entered into a Sales and Purchase Agreement with Marubeni-Itochu Steel Inc. and Marubeni-Itochu Steel (Malaysia) Sdn Bhd to dispose of the Company's entire shareholding in Anshin Precision Industries Sdn Bhd ("API") comprising of 4,448,825 ordinary shares of RM1.00 each with a total consideration of RM8,897,650. The agreement was completed on 7 January 2013 and API ceased to be a subsidiary of the Company accordingly.

On 2 January 2013, the Company announced that its wholly-owned subsidiaries, Ann Joo (Sarawak) Sdn Bhd ("AJSarawak"), will be wound up by way of members' voluntary winding-up. AJSarawak which used to be in the business of selling hardware and steel materials has ceased operation since 2007. The final meeting of AJSarawak was held on 19 December 2013 and AJSarawak will be dissolved on the expiration of three months after the lodgment of the return relating to the final meeting.

On 18 February 2013, the Company announced that Lian Tiong Steel Fabrication & Civil Engineering Sdn Bhd ("Lian Tiong"), a wholly-owned subsidiary of AJSarawak, will be wound up by way of members' voluntary winding-up. Lian Tiong used to be in the business of trading of steel products but has ceased operation since 2007. The final meeting of Lian Tiong was held on 23 January 2014 and Lian Tiong will be dissolved on the expiration of three months after the lodgement of the return relating to the final meeting.

On 30 December 2013, a wholly-owned subsidiary of the Company, Ann Joo Metal Sdn. Bhd. ("AJM"), had entered into a Shares Sale Agreement ("SSA") with Cheong Soh Fan and Lee Chow Chin ("the Vendors") for the acquisition of the entire shareholdings in Deluxe Steel Services Centre Sdn. Bhd. ("DSSC") comprising 200,000 ordinary shares of RM1.00 each for a total cash consideration of RM2.00. The SSA is pending fulfillment of the conditions precedent for completion. Upon completion of SSA, DSSC will be a wholly-owned subsidiary of AJM.

Save as disclosed above, there were no significant changes in the composition of the Group during the financial period under review.

11. CONTINGENT LIABILITIES OR CONTINGENT ASSETS

There were no material changes in contingent liabilities or contingent assets since the last annual reporting date.

12. CAPITAL COMMITMENTS

The capital commitments as at 31 December 2013 were as follows:-

Commitments in respect of capital expenditure :

		RM'000
(a)	contracted but not provided for	15,450
(b)	approved but not contracted for	7,710

13. REVIEW OF PERFORMANCE

During the quarter under review, the Group recorded revenue of RM640.62 million, an increase of 62% or RM244.80 million from 395.82 million for the corresponding quarter of the preceding year. For the financial year ended 31 December 2013, the Group's revenue was RM2.12 billion, a marginal increase of 2% compared to RM2.08 billion for the preceding year. The higher revenue was a result of higher sales tonnage of both Manufacturing and Trading Divisions.

The Group posted a profit before tax ("PBT") of RM15.26 million for the current quarter as compared to PBT of RM18.08 million for the corresponding quarter of the preceding year. Lower PBT was mainly due to lower steel prices amidst of sluggish market conditions. On a year-on-year basis, the Group recorded a PBT of RM4.48 million as compared to loss before tax ("LBT") of RM37.13 million in the preceding year. The higher profitability was a result of an improved operation profit arising from better cost structure despite of the recognition of foreign exchange loss of RM25.81 million for the year as a result of continued weakening in MYR against USD.

Manufacturing revenue increased by RM236.79 million to RM455.48 million for the current quarter compared to RM218.69 million for the corresponding quarter of the preceding year. On a year-on-year basis, manufacturing revenue was RM1.39 billion, an increase of 4% or RM52.61 million compared to RM1.34 billion for the preceding year. The higher revenue was mainly attributable to higher sales tonnage as a result of the execution of business strategy to reduce inventory holding especially billets sales to both domestic market and international market. The division recorded a segment profit of RM20.16 million for the current quarter against segment profit of RM20.98 million for the corresponding quarter of the preceding year. On year-on-year basis, the division posted a segment profit of RM31.88 million as compared to segment loss of RM53.35 million for the preceding year. The improved profitability was mainly attributable to better profit margin arising from continuous productivity improvement despite of the recognition of foreign exchange loss of RM17.30 million for the year.

Trading revenue increased by RM7.96 million to RM184.80 million for the current quarter compared to RM176.84 million for the corresponding quarter of the preceding year. Higher revenue was due to higher sales tonnage. However, the segment revenue decreased by RM15.15 million to RM725.41 million for the year compared to RM740.56 million for the preceding year. Lower revenue was mainly due to weak steel prices of various steel products. The division recorded a segment profit of RM8.07 million for the current quarter against segment profit of RM3.15 million for the corresponding quarter of the preceding year. Higher profitability was attributable to aggressive marketing activities for market share expansion. Nevertheless, the division recorded lower profitability on a year-on-year basis at RM17.80 million as compared to segment profit of RM35.61 million for the preceding year. The lower profitability was mainly attributable to weak market conditions coupled with the recognition of foreign exchange loss of RM8.42 million for the year.

14. VARIATION OF RESULTS AGAINST PRECEDING QUARTER

The Group posted revenue of RM640.62 million in the current quarter, RM143.91 million higher than the revenue of RM496.71 million for the preceding quarter. Higher revenue was attributable to higher sales tonnage as a result of aggressive marketing activities for market share expansion and business strategy to reduce inventory holding especially billet sales to both domestic market and international market. The Group registered a PBT of RM15.26 million for the current quarter compared to a LBT of RM20.01 million for the preceding quarter. PBT for current quarter was mainly due to better profit margin arising from continuous improvement in operational efficiency thus resulted in a better cost structure while the Group recognized foreign exchange losses of RM 14.83 million last quarter.

15. PROSPECT

In anticipation of a moderate recovery in global economic growth, the global steel market would continue to remain challenging given the over-capacity situation worldwide contributed mainly by China which is unlikely to ease in the near future. Weakness in steel prices, volatile material costs, hike in electricity tariff and persistent dumping activities by Chinese steel mills continue to pose great challenges to the Group. Although the 19% hike in electricity tariff effective from 1 January 2014 would further affect the profitability of steel mills, impact to the Group would be less severe and partially mitigated by the better cost structure as a result of the hot metal charging technology that reduces the electricity consumption for steel production.

On the domestic front, steel demand remains resilient supported by the spending on construction activities and infrastructure projects. Nevertheless, the market outlook is predominantly influenced by the unfair trade situation due to the loophole of China's duty structure. A positive development was the announcement on imposition of import licensing of boron-added wire rods which should moderately contain the dumping activities. However, dumping of imported steel bars by Chinese mills had recently recorded a surge in tonnage while waiting for impending completion of some construction projects under Economic Transformation Program while the property development industry is expected to be lacklustre.

Given the above market sentiments and the relentless enhancement on operation efficiency, the performance of the Group for the year is expected to improve. Undeniably, the performance is largely dependent on the effectiveness and timeliness of the Government's efforts to curb the continued dumping activities by Chinese mills.

16. VARIANCE OF ACTUAL PROFIT FROM FORECAST PROFIT

The Group did not issue any profit forecast or profit guarantee for the financial year ending 31 December 2013.

17. TAXATION

The tax expenses/ (income) comprise of:-

	3 months ended 31.12.2013 RM'000	12 months ended 31.12.2013 RM'000
Current period		
Income tax	1,690	7,156
Deferred tax	2,916	(3,223)
	4,606	3,933
Overprovision in prior year		
Income tax	(119)	(767)
Deferred tax	(9)	(10,954)
	(128)	(11,721)
	4,478	(7,788)

The Group's effective tax rate for the quarter and year was higher than the statutory tax rate of 25%, mainly due to deferred tax assets on current year losses not recognised by certain subsidiaries coupled with certain expenses which were not deductible for tax purposes.

Overprovision of deferred tax in prior year was mainly due to recognition of deferred tax assets for tax incentive and tax losses by certain subsidiaries upon finalisation of tax return for the year.

18. STATUS OF CORPORATE PROPOSALS

Save as disclosed in Note 10 under changes in the composition of the group, there were no corporate proposals announced but not completed as at the date of this report.

19. GROUP BORROWINGS AND DEBT SECURITIES

The Group's borrowings as at 31 December 2013 were as follows:-

	RM'000
Short term borrowings :	
Secured	94,040
Unsecured	1,424,534
	1,518,574
Long term borrowing :	
Secured	304,480
Total borrowings	1,823,054

The Group's borrowings are denominated in Ringgit Malaysia, except for approximately RM637.45 million (USD194.35 million) of the above borrowings which are denominated in US Dollar.

20. MATERIAL LITIGATION

There was no material litigation against the Group as at the date of this report.

21. DIVIDEND

The Board of Directors does not recommend any final dividend in respect of the financial year ended 31 December 2013.

22. EARNINGS PER SHARE

Basic EPS is calculated by dividing the profit attributable to owners of the parent for the period by the weighted average number of ordinary shares of the Company in issue during the quarter and year ended 31 December 2013 as set out below:

		3 months ended 31.12.2013	12 months ended 31.12.2013
Total profit attributable to owners of the parent	(RM'000)	10,785	12,268
Weighted average number of ordinary shares in issue or issuable	('000)	500,651	500,659
Basic earnings per share	(sen)	2.15	2.45

23. REALISED AND UNREALISED EARNINGS OR LOSSES DISCLOSURE

The retained earnings as at 31 December 2013 were analysed as follows:

	31.12.2013 RM'000	31.12.2012 RM'000
Total retained earnings of the Company and its subsidiaries:		
Realised	654,702	601,127
Unrealised	49,997	50,040
	704,699	651,167
Total share of retained earnings from an associated company		
Realised	28	(1,030)
Unrealised	-	(34)
	704,727	650,103
Less: Consolidation adjustments	(188,963)	(184,835)
Total group retained earnings	515,764	465,268

24. STATUS OF AUDIT QUALIFICATION

There was no audit qualification on the audit report of the preceding annual financial statements.

25. AUTHORISATION FOR ISSUE

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 26 February 2014.

By Order of the Board
Leong Oi Wah (MAICSA 7023802)
Mabel Tio Mei Peng (MAICSA 7009237)
Company Secretaries
26 February 2014
Selangor Darul Ehsan