



PW CONSOLIDATED BHD. (420049-H)
(Incorporated in Malaysia)

**Condensed Consolidated Financial Statements
for the Quarter Ended 31 December 2013**



PW CONSOLIDATED BHD.

Condensed Consolidated Statement of Financial Position
As At 30 December 2013

	Quarter Ended 31 Dec 2013 (RM'000)	Year Ended 31 Dec 2012 (RM'000) (audited)
ASSETS		
Non-current assets		
Property, plant and equipment	254,125	238,418
Investment properties	7,606	7,606
Goodwill	5,241	5,241
	<hr/>	<hr/>
	266,972	251,265
	<hr/>	<hr/>
Current Assets		
Inventories	41,276	42,740
Trade debtors	25,519	18,722
Other debtors	3,487	6,496
Tax recoverable	43	202
Investment securities	251	-
Derivative financial assets	-	-
Fixed deposits with licensed	4,500	65
Cash & cash equivalents	12,657	3,324
	<hr/>	<hr/>
	87,733	71,549
	<hr/>	<hr/>
Total assets	<u>354,705</u>	<u>322,814</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	60,911	60,911
Reserves	147,842	144,933
	<hr/>	<hr/>
Total equity	<u>208,753</u>	<u>205,844</u>
Non-current liabilities		
Long-term borrowings	22,110	8,966
Deferred taxation	18,945	18,499
	<hr/>	<hr/>
Total non-current liabilities	<u>41,055</u>	<u>27,465</u>
Current liabilities		
Trade creditors	16,398	7,695
Other creditors	8,226	6,001
Overdraft & short term borrowings	76,650	75,057
Derivative financial liabilities	-	187
Taxation	638	565
Dividend payable	2,985	-
	<hr/>	<hr/>
Total current liabilities	<u>104,897</u>	<u>89,505</u>
	<hr/>	<hr/>
Total liabilities	145,952	116,970
	<hr/>	<hr/>
Total equity and liabilities	<u>354,705</u>	<u>322,814</u>
Net assets per share attributable to shareholders of the company (RM)	3.50	3.45

The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Report for the year ended 31 December 2012



PW CONSOLIDATED BHD.

Condensed Consolidated Statement of Comprehensive Income
For The Period Ended 31 December 2013

	<u>2013</u> Current Qtr Ended 31-Dec (RM'000)	<u>2012</u> Current Qtr Ended 31-Dec (RM'000) (audited)	<u>2013</u> 12 months Cumulative To-date (RM'000)	<u>2012</u> 12 months Cumulative To-date (RM'000) (audited)
Revenue	70,726	52,287	259,107	214,424
Operating expenses	(67,012)	(51,767)	(245,653)	(215,715)
Other operating income	(145)	5,066	597	6,223
Profit from operations	3,569	5,586	14,051	4,932
Finance costs	(1,252)	(1,121)	(5,032)	(4,583)
Profit before taxation	<u>2,317</u>	<u>4,465</u>	<u>9,019</u>	<u>349</u>
Taxation	<u>(1,099)</u>	<u>718</u>	<u>(3,125)</u>	<u>(58)</u>
Profit for the period from continuing operations	1,218	5,183	5,894	291
Profit/(Loss) for the period from discontinued operations	<u>-</u>	<u>(39)</u>	<u>-</u>	<u>(96)</u>
Profit for the period	1,218	5,144	5,894	195
Other comprehensive income	(381)	-	-	-
Total comprehensive Income for the period	<u><u>837</u></u>	<u><u>5,144</u></u>	<u><u>5,894</u></u>	<u><u>195</u></u>
Attributable to:				
Equity holders of the parent	1,218	5,144	5,894	195
Minority interest	-	-	-	-
Profit for the period	<u><u>1,218</u></u>	<u><u>5,144</u></u>	<u><u>5,894</u></u>	<u><u>195</u></u>
Attributable to:				
Equity holders of the parent	837	5,144	5,894	195
Minority interest	-	-	-	-
Comprehensive income for the period	<u><u>837</u></u>	<u><u>5,144</u></u>	<u><u>5,894</u></u>	<u><u>195</u></u>
Earnings per share for profit attributable to equity holder of the parent				
- Basic (sen),for profit from continuing operatinon	<u><u>2.04</u></u>	<u><u>8.67</u></u>	<u><u>9.87</u></u>	<u><u>0.49</u></u>
- Basic (sen),for profit from discontinued operatinon	<u><u>-</u></u>	<u><u>(0.07)</u></u>	<u><u>-</u></u>	<u><u>(0.16)</u></u>
- Basic (sen), for profit for the period	<u><u>2.04</u></u>	<u><u>8.61</u></u>	<u><u>9.87</u></u>	<u><u>0.33</u></u>
- Diluted (sen)	<u><u>2.04</u></u>	<u><u>8.61</u></u>	<u><u>9.87</u></u>	<u><u>0.33</u></u>

The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Report for the year ended 31 December 2012



PW CONSOLIDATED BHD

Condensed Consolidated Statements of Changes in Equity
For The Period Ended 31 December 2013

	Attributable to Equity Holder of the Parent					Total (RM'000)	Total Equity (RM'000)
	Share Capital (RM'000)	Treasury Share (RM'000)	Share Premium (RM'000)	Capital Reserve (RM'000)	Retained Profit (RM'000)		
<i>12 months ended</i>							
<i>31 December 2013</i>							
Balance as at 1 January 2013	60,911	(841)	919	90,158	54,697	205,844	205,844
Total comprehensive income for the period	-	-	-	(1,971)	7,865	5,894	5,894
Dividend					(2,985)	(2,985)	(2,985)
Balance as at 31 December 2013	60,911	(841)	919	88,187	59,577	208,753	208,753

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 December 2012

Condensed Consolidated Statements of Changes in Equity
For The Period Ended 31 December 2012

	Attributable to Equity Holder of the Parent					Total (RM'000)	Total Equity (RM'000)
	Share Capital (RM'000)	Treasury Share (RM'000)	Share premium (RM'000)	Capital Reserve (RM'000)	Retained Profit (RM'000)		
<i>12 months ended</i>							
<i>31 December 2012</i>							
Balance as at 1 January 2012	60,911	(841)	919	14,868	54,259	130,116	130,116
Total comprehensive income for the period	-	-	-	75,290	438	75,728	75,728
Balance as at 31 December 2012	60,911	(841)	919 #	90,158 #	54,697	205,844	205,844

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 December 2011



PW CONSOLIDATED BHD

Condensed Consolidated Statement of Cash Flows For The Period Ended 31 December 2013

	12 months ended 31 December 2013 (RM'000)	12 months ended 31 December 201 (RM'000)
Profit before tax		
- Continuing operations	9,019	349
- Discontinued operations	-	(152)
	<u>9,019</u>	<u>197</u>
<u>Adjustment for non-cash flow:</u>		
Non-Cash items	9,729	8,431
Non-Operating items (which are investing / financing)	4,760	6,238
	<u>23,508</u>	<u>14,866</u>
Operating profit before changes in working capital	23,508	14,866
Changes in working capital		
Net Changes in current assets	(2,324)	5,579
Net Changes in current liabilities	10,928	(1,015)
	<u>8,604</u>	<u>4,564</u>
Cash generated from operating activities	32,112	19,430
Tax paid	(2,446)	(2,695)
Interest paid	(5,103)	(4,581)
Net cash flows from operating activities	<u>24,563</u>	<u>12,154</u>
Investing Activities		
- Proceeds from disposal of Property, plant and equipment	151	516
- Proceeds from disposal of investment securities	751	10,185
- Proceeds from disposal of non-current assets held for sale	-	1,927
- Acquisition of other investment	(1,011)	(7,473)
- Purchase of Property, plant and equipment	(14,947)	(13,914)
- Placement of Fixed deposits	(4,435)	-
- Rental received	204	-
- Dividend received	26	19
	<u>(19,261)</u>	<u>(8,740)</u>
Financing Activities		
- Bank borrowings	10,898	(9,153)
	<u>10,898</u>	<u>(9,153)</u>
Net Change in Cash & Cash Equivalents	16,200	(5,739)
Cash and cash equivalents as at 1 January	(13,316)	(7,577)
Cash and cash equivalents as at 30 June	<u>2,884</u>	<u>(13,316)</u>
Represented by:		
Cash and bank balances	12,657	3,324
Bank Overdrafts	(9,773)	(16,640)
	<u>2,884</u>	<u>(13,316)</u>

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the year ended 31 December 2012



Notes to the financial report for the quarter ended 31 December 2013

A. DISCLOSURE REQUIREMENTS AS PER FRS 134

1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with FRS 134 - Interim Financial Reporting and Chapter 9 Part K Para 9.22 of the Bursa Malaysia Listing Requirements.

This interim financial report should be read in conjunction with the audited financial statements for the year ended 31 December 2012. These explanatory notes attached to the interim financial report provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2012.

Malaysian Financial Reporting Standards ("MFRS")

The Malaysian Accounting Standards Board ("MASB") had on 19 November 2011 issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards ("MFRS") which are mandatory for annual financial periods beginning on or after 1 January 2012 with the exception of entities that are within the scope of MFRS 141 Agriculture and IC Interpretation 15 Agreements for Construction of Real Estate, including its parent, significant investor and venture (herein referred to as 'Transitioning Entities').

Transitioning Entities will be allowed to defer adoption of the new MFRSs to 1 January 2015. Consequently, adoption of the MFRSs by Transitioning Entities will be mandatory for annual period beginning on or after 1 January 2015. The Group falls within the definition of Transitioning Entities and has opted to defer adoption of the new MFRS framework. Accordingly, the Group will be required to prepare its first MFRS financial statements for the year ending 31 December 2015.

2. Auditors' Report of the Preceding Annual Financial Statements

There was no qualification on the Group's preceding annual financial statements.

3. Seasonal or Cyclical Factors

The business of the Group was not affected by any significant seasonal or cyclical factors in this quarter.

4. Unusual Items

There were no items affecting assets, liabilities, equity, net income, or cash flow that are unusual because of their size, or incidence.

5. Material Changes in Estimates

There was no material changes in estimates that had any material effect on the quarter ended 31 December 2013.

6. Debt and Equity Securities, Share Buy-backs, Share Cancellations and Treasury Shares

There was no issuance, cancellations, repurchases, resale and repayments of debts and equity security during the period under review.

7. Dividends Paid

There was no dividend paid during the current quarter and financial year to date.

8. Segmental Reporting

Segmental information has not been prepared due to integrated nature of the Group's poultry business and that it operates wholly in Malaysia.

9. Valuation of Property, Plant and Equipment

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

10. Subsequent Events

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

11. Changes in the Composition of the Group

There has been no change in the composition of the Group for this quarter and financial year to date.

12. Contingent Liabilities and Contingent Assets

The corporate guarantees issued by the Company for the banking facilities granted to its subsidiaries totalled RM147.6 million as at the date of issue of this report.

13. Capital Commitments

Capital commitments of the Group as at end of the financial year were as follows :-

	Approved but not contracted for	Approved and contracted for
	RM'000	RM'000
Property, Plant and Equipment	7,101	13,454

B. ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LISTING REQUIREMENTS

1. Review of Performance

Group revenue rose 35.3% and 20.8% to RM70.7 million and RM259.1 million in the quarter and financial year to 31 December 2013 respectively compared with RM52.3 million and RM214.4 million for the corresponding periods of the preceding year. The improved performance was attributable to higher selling price and increased sales volume of broiler, higher sales of raw material and contribution from layer farm segment.

The Group recorded higher profit before tax ('PBT') of RM9.0 million for the financial year to 31 December 2013 at the back of higher revenue and improved margin from breeder operation and higher selling price of broiler and breeder. This represent an increase of 2,484.2% compared with RM0.3 million PBT for the corresponding periods of the preceding year.

Quarterly PBT of the Group was lower by 48.1% compared with corresponding quarter of preceding year as PBT decreased from RM4.5 million from RM2.3 million. This was due to fair value gain in investment properties & securities accounted for in the corresponding quarter of preceding year.

2. Variation of Results for the Quarter Compared with the Preceding Quarter

The Group recorded quarterly revenue of RM70.7 million, which represent 3.9% drop compared with the immediate preceding quarter of RM73.6. The lower revenue was due to comparatively lower selling price of broiler.

Profit before tax for the quarter under review increased 15.9% from RM2.0 million to RM2.3 million of the immediate preceding quarter

3. Commentary on Prospects

The company is cautiously optimistic that the market price of broiler shall remain satisfactory in the financial year 2014. On the other hand, the company foresees challenges in rising operating cost and uncertainties in the prices of the major commodities used in the manufacturing of poultry feed.

4. Profit Forecast

Not applicable.

5. Profit for the Period

Profit for the period is arrived at after crediting/(charging):-

	Current Year To Date 31-12-2013 RM '000	Current Year Quarter 31-12-2013 RM '000
Interest income	3	1
Other Income (including investment income)	438	125
Interest expense	(5,103)	(1,323)
Depreciation and amortisation charged	(10,040)	(3,533)
Provision for and write off of receivables	386	386
Provision for and write off of inventories	-	-
Gain / (Loss) on disposal of property, plant and equipment	113	19
Profit on disposal of quoted or unquoted investment or properties	173	173
Impairment of assets	-	-
Foreign exchange gain/(loss)	(11)	25
Fair value gain on derivative instruments	187	(62)
Exceptional items	-	-

6. Taxation

	Individual Quarter		Cumulative Quarters	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	31-12-2013 RM '000	31-12-2012 RM '000	31-12-2013 RM '000	31-12-2012 RM '000
Current Taxation	55	937	2,679	2,106
Deferred Taxation Continuing operations	1,044	(1,655)	446	(2,048)
Discontinued operations	-	-	-	(56)
Total	1,099	(718)	3,125	2

The Group's effective tax rate for the current quarter and financial period ended 31 December 2013 are inconsistent with the statutory tax rate mainly due to claims of certain tax incentives under the Income Tax Act, 1967, disallowable expenses for tax purpose and losses of certain subsidiaries which cannot be set off against taxable profit made by other subsidiaries.

7. Status of Corporate Proposals Announced but Not Completed

There was no corporate proposal being carried out during the period under review.

8. Borrowings

Group borrowings as at 31 December 2013 are as follows: -

	31-12-2013 RM'000	31-12-2012 RM'000
<i>Short term borrowings</i>		
Secured	11,249	20,460
Unsecured	65,401	54,597
	<u>76,650</u>	<u>75,057</u>
<i>Long term borrowings</i>		
Secured	22,110	8,966
Unsecured	-	-
	<u>22,110</u>	<u>8,966</u>
	<u>78,760</u>	<u>84,023</u>

All bank borrowings are in Ringgit Malaysia.

9. Derivative Financial Instruments

There is no outstanding derivative financial instrument as at the end of the quarter.

10. Material Litigation

Neither the Company nor its subsidiaries are engaged in any litigation or arbitration proceedings, either as plaintiff or defendant, which has a material effect on the financial position of the Group and the Directors do not know of any proceedings pending or threatened or of any fact likely to give rise to any proceedings which might materially and adversely affect the position or business of the Group.

11. Proposed Dividends

The Company has declared a first interim tax exempt dividend of 5 sen per ordinary share amounting to RM3,045,562.50 in respect of the financial year ending 31 December 2013 during the financial year. The dividend has been paid on 20 January 2014.

12. Earnings/(Loss) Per Share

The basic earnings/loss per share, computed by dividing the net profit/(loss) for the period attributable to ordinary shareholders by the number of ordinary shares in issued during the financial year excluding treasury share as follow: -

	Individual Current Year Quarter 31-12-2013	Individual Preceding Year Quarter 31-12-2012	Cumulative Current Year To Date 31-12-2013	Cumulative Preceding Year To Date 31-12-2012
Profit/(loss) for the period from continuing operation (RM'000)	1,218	5,183	5,894	291
Profit/(loss) for the period from discontinued operation (RM'000)	-	(39)	-	(96)
Profit/(loss) for the period (RM'000)	1,218	5,144	5,894	195
	<hr/>	<hr/>	<hr/>	<hr/>
Weighted average number of ordinary shares in issued	59,690,750	59,690,750	59,690,750	59,690,750
Basic earnings per share from continuing operation (sen)	2.04	8.62	9.87	0.49
Basic loss per share from discontinued operation (sen)	-	(0.07)	-	(0.16)
Basic earning per share for the period (sen)	2.04	8.68	9.87	0.33

13. Realised and Unrealised Profits/Losses

The retained earnings as at 31 December 2013 and 31 December 2012 is analysed as follow:

	As at 31-12-2013	As at 31-12-2012
	RM'000	RM'000
Realised	109,510	105,348
Unrealised	(15,965)	(15,519)
	<hr/> 93,545	<hr/> 89,829
Consolidation adjustments	(33,968)	(35,132)
	<hr/> 59,577	<hr/> 54,697

By Order of the Board

Ch'ng Lay Hoon
Company Secretary

Dated this 28th day of February 2014