

Company No. 532570-V



JOHORE TIN BERHAD
(Company No. 532570-V)
(Incorporated in Malaysia)
AND ITS SUBSIDIARY COMPANIES

QUARTERLY REPORT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2013

(UNAUDITED)

This Report is dated 28th February 2014.

Company No. 532570-V



JOHORE TIN BERHAD
(Incorporated in Malaysia)
AND ITS SUBSIDIARY COMPANIES

QUARTERLY REPORT

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CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2013 (UNAUDITED)

	NOTE	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
		Current Year Quarter 31-12-2013 RM'000	Preceding Year Corresponding Quarter 31-12-2012 RM'000	Current Year-To-Date 31-12-2013 RM'000	Preceding Year-To-Date 31-12-2012 RM'000
REVENUE		64,589	65,928	241,396	246,361
Cost of Sales		(52,612)	(53,969)	(189,038)	(198,781)
GROSS PROFIT		11,977	11,959	52,358	47,580
Other income		608	1,641	1,619	3,646
Administrative expenses		(3,949)	(1,699)	(14,139)	(10,096)
Distribution expenses		(2,745)	(4,079)	(9,469)	(10,903)
Other expenses		174	164	(1,062)	(690)
Finance costs		(378)	(711)	(1,399)	(1,983)
PROFIT BEFORE TAX		5,687	7,275	27,908	27,554
Income tax expense	B7	(1,246)	(1,046)	(6,744)	(4,663)
PROFIT FOR THE PERIOD		4,441	6,229	21,164	22,891
Non-controlling interest		122	-	72	-
PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY		4,563	6,229	21,236	22,891
OTHER COMPREHENSIVE INCOME					
Foreign currency translation		(36)	(7)	(126)	(74)
Total other comprehensive income for the period		(36)	(7)	(126)	(74)
COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD	B8	4,527	6,222	21,110	22,817
Profit after tax attributable to:					
Owners of the Company		4,563	6,229	21,236	22,891
Non-controlling interest		(122)	-	(72)	-
		4,441	6,229	21,164	22,891
Total comprehensive income attributable to:					
Owners of the Company		4,527	6,222	21,110	22,817
Non-controlling interest		(122)	-	(72)	-
		4,405	6,222	21,038	22,817
Earnings per share (sen):					
- Basic and Diluted	B9	4.89	7.18	22.76	30.86

The Condensed Consolidated Statement of Profit and Loss and Other Comprehensive Income should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2012 and the accompanying explanatory notes to the quarterly report.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
 AS AT 31 DECEMBER 2013 (UNAUDITED)**

	NOTE	As at 31 December 2013 (Unaudited) RM'000	As at 31 December 2012 (Audited) RM'000
<u>ASSETS</u>			
Non-Current Assets			
Property, plant and equipment		76,241	58,095
Investment properties		1,632	-
Goodwill on consolidation		10,650	10,650
Other investment		17	17
		88,540	68,762
Current Assets			
Inventories		58,277	49,719
Trade receivables		41,005	42,922
Other receivables		2,198	3,529
Amount owing from related companies		1,476	1,532
Tax recoverable		2,975	2,220
Derivative financial assets	B11	-	25
Cash and cash equivalents		38,266	49,784
		144,197	149,731
Total Assets		232,737	218,493
<u>EQUITY AND LIABILITIES</u>			
Share Capital and Reserves			
Share capital		93,305	93,305
Retained earnings	B10	66,910	52,392
Other components of equity		10,048	10,174
Equity Attributable to Owners of the Company		170,263	155,871
Non-controlling interest		128	-
Total Equity		170,391	155,871

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2012 and the accompanying explanatory notes to the quarterly report.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
 AS AT 31 DECEMBER 2013 (UNAUDITED) (cont'd)**

	NOTE	As at 31 December 2013 (Unaudited) RM'000	As at 31 December 2012 (Audited) RM'000
<u>EQUITY AND LIABILITIES (cont'd)</u>			
Non-Current Liabilities			
Long-term borrowings	B12	15,345	12,828
Retirement benefits		301	335
Deferred tax		5,426	4,007
Total Non-Current Liabilities		21,072	17,170
Current Liabilities			
Trade payables		10,301	10,083
Other payables		7,144	7,022
Amount owing to directors		763	764
Short-term borrowings	B12	21,188	21,614
Derivative financial liabilities	B11	166	-
Contingent consideration	A10	-	4,647
Income tax		1,712	1,164
Bank overdraft		-	158
Total Current Liabilities		41,274	45,452
Total Liabilities		62,346	62,622
Total Equity and Liabilities		232,737	218,493
Net Assets (NA) per share attributable to ordinary equity holders of the Company (RM)		1.82	1.67

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2012 and the accompanying explanatory notes to the quarterly report.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2013 (UNAUDITED)**

Note	<u>Non-Distributable Reserves</u>			<u>Distributable</u>		Attributable to Owners of the Company RM'000	Non- Controlling Interest RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium Reserve RM'000	Warrants Reserve RM'000	Foreign Translation Reserve RM'000	Retained Earnings RM'000			
Balance at 1 January 2013	93,305	5,528	5,233	(587)	52,392	155,871	-	155,871
Shares issued by a subsidiary to non-controlling interest	B14	-	-	-	-	-	200	200
Dividend	-	-	-	-	(6,718)	(6,718)	-	(6,718)
Total transactions with owners	-	-	-	-	(6,718)	(6,718)	200	(6,518)
Total comprehensive income for the period	-	-	-	(126)	21,236	21,110	(72)	21,038
Balance at 31 December 2013	93,305	5,528	5,233	(713)	66,910	170,263	128	170,391
Balance at 1 January 2012	69,979	4,600	-	(513)	32,160	106,226	-	106,226
Issuance of shares	23,326	928	5,233	-	-	29,487	-	29,487
Total comprehensive income for the period	-	-	-	(74)	22,891	22,817	-	22,817
Dividend	-	-	-	-	(2,659)	(2,659)	-	(2,659)
Balance at 31 December 2012	93,305	5,528	5,233	(587)	52,392	155,871	-	155,871

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2012 and the accompanying explanatory notes to the quarterly report.



**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2013 (UNAUDITED)**

	NOTE	Current Year-To-Date 31-12-2013 RM'000	Preceding Year-To-Date 31-12-2012 RM'000
Net cash from operating activities	B16	23,408	16,875
Net cash used in investing activities	B16	(20,562)	(1,249)
Net cash (used in)/from financing activities	B16	(14,062)	14,091
Net (decrease)/increase in cash and cash equivalents		(11,216)	29,717
Adjustment for foreign exchange differentials		(144)	(109)
Cash and cash equivalents as of beginning of period		49,626	20,018
Cash and cash equivalents as of end of period		38,266	49,626

Cash and cash equivalents at the end of the financial reporting period comprise the following:

	Current Year-To-Date 31-12-2013 RM'000	Preceding Year-To-Date 31-12-2012 RM'000
Cash and bank balances	38,266	49,784
Bank overdraft	-	(158)
	38,266	49,626

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2012 and the accompanying explanatory notes to the quarterly report.



**NOTES TO THE FINANCIAL INFORMATION
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2013 (UNAUDITED)**

PART A

**EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS
134: INTERIM FINANCIAL REPORTING (“MFRS 134”)**

A1. Basis of Preparation

The unaudited condensed interim financial statements for the fourth quarter ended 31 December 2013 have been prepared in accordance with MFRS 134 *Interim Financial Reporting* and with IAS 34 *Interim Financial Reporting*, and the applicable disclosure provisions on paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad (“Bursa Securities”), and should be read in conjunction with the annual audited financial statements of the Group for the financial year ended 31 December 2012.

These condensed consolidated interim financial statements are prepared under historical cost convention, which are in compliance with MFRSs and the requirements of the Companies Act 1965 in Malaysia. These are the Group’s first set of condensed interim financial statements prepared in accordance with MFRSs, which are also in line with International Financial Reporting Standards as issued by the International Accounting Standards Board.

A2. Changes in Accounting Policies

The accounting policies and methods of computation adopted by the Group for these unaudited condensed interim financial statements are consistent with those in the audited financial statements for the financial year ended 31 December 2012.

a) The Group has not applied in advance the following applicable new/revised accounting standards (“MFRSs”) and Issues Committee Interpretations (including consequential amendments) (“IC Int.) that have been issued by the Malaysian Accounting Standards Board (“MASB”) but are not yet effective for the current financial year:

MFRS and IC Interpretations	Effective Date
MFRS 9 <i>Financial Instruments (2009)</i>	1 January 2015
MFRS 9 <i>Financial Instruments (2010)</i>	1 January 2015
Amendments to MFRS 9 <i>Financial Instruments: Disclosure - Mandatory Effective Date of MFRS 9 and Transition Disclosures</i>	1 January 2015
Amendments to MFRS 10 <i>Consolidated Financial Statements: Investment Entities</i>	1 January 2014
Amendments to MFRS 12 <i>Disclosure of Interests in Other Entities: Investment Entities</i>	1 January 2014
Amendments to MFRS 127 <i>Separate Financial Statements (2011): Investment Entities</i>	1 January 2014
Amendments to MFRS 132 <i>Financial Instruments: Presentation - Offsetting Financial Assets and Financial Liabilities</i>	1 January 2014
Amendments to MFRS 136 <i>Impairment of Assets - Recoverable Amount Disclosures for Non-Financial Assets</i>	1 January 2014
Amendments to MFRS 139 <i>Financial Instruments: Recognition and Measurement - Novation of Derivatives and Continuation of Hedge Accounting</i>	1 January 2014
IC Interpretation 21 <i>Levies</i>	1 January 2014

The above MFRSs and IC Int. will not have any material impact on the Group’s financial statements.

**NOTES TO THE FINANCIAL INFORMATION
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2013 (UNAUDITED) (cont'd)**

A3. Audit Qualification

There was no qualification on the annual audited financial statements of the Group for the year ended 31 December 2012.

A4. Seasonal or Cyclical Factors

The Group's operations are not significantly affected by any seasonal or cyclical factors.

A5. Unusual Items

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

A6. Changes in Estimates

There were no changes in estimates of amounts reported in prior interim periods of the current financial reporting year that have a material effect in the current interim period.

A7. Dividend Paid

The first interim single-tier tax-exempt dividend of 3.0% (31.12.2012: single-tier final tax-exempt dividend of 4.2%), amounting to RM2,799,160 (31.12.2012: RM3,918,824), in respect of the financial year ended 31 December 2013, has been paid on 30 December 2013 to the depositors registered in the Record of Depositors at the close of business on 12 December 2013.

A8. Debt and Equity Securities

There were no issuance, cancellation, repurchases, resale and repayment of debts and equity securities for the current financial reporting period.

A9. Subsequent Material Events

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

A10. Contingent Consideration

	THE COMPANY	
	As at	As at
	31-12-2013	31-12-2012
	RM'000	RM'000
Current portion	-	4,647
Non-current portion	-	-
	-	4,647

The contingent consideration represents the fair value of the outstanding purchase consideration ("outstanding") payable to the vendors of a subsidiary which was acquired in financial year 2011. The outstanding is contingent upon the achievement of profits guarantee for the financial year ended 31 December 2011 and 2012. The outstanding shall be reduced in the event if the profit guarantee amount has not been received by the acquired subsidiary for the abovementioned financial years. (Also, please refer to B5 for further information)

**NOTES TO THE FINANCIAL INFORMATION
 FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2013 (UNAUDITED) (cont'd)**
A11. Contingent Liabilities

	THE COMPANY	
	As at 31-12-2013 RM'000	As at 31-12-2012 RM'000
Corporate Guarantee given to licensed banks for banking facilities granted to subsidiaries	29,915	20,961

A12. Segmental Reporting
a) Operating Segments

The Group has three reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products, and are managed separately because they require different technology and marketing strategies. The following summary describes the operations in each of the Group's reportable segments:

- | | |
|-----------------------|--|
| 1) Investment Holding | <i>Investment holding and provision of management services.</i> |
| 2) Tin Manufacturing | <i>Manufacturing of various tins, cans and other containers.</i> |
| 3) Food and Beverage | <i>Manufacturing and selling of milk and related dairy products.</i> |

THE GROUP	Investment Holding RM'000	Tin Manufacturing RM'000	Food & Beverage RM'000	Total RM'000
<u>31 December 2013</u>				
External revenue	-	82,078	159,318	241,396
Inter-segment revenue	-	17,503	1,008	18,511
Dividend income	14,514	-	-	14,514
Management income	950	-	-	950
Total revenue	15,464	99,131	160,326	275,371
Reportable segment profit	(1,476)	8,751	13,961	21,236
Reportable segment assets	14,487	130,900	87,350	232,737

THE GROUP	Investment Holding RM'000	Tin Manufacturing RM'000	Food & Beverage RM'000	Total RM'000
<u>31 December 2012</u>				
External revenue	-	82,031	164,330	246,361
Inter-segment revenue	-	19,358	-	19,358
Dividend income	8,669	-	-	8,669
Management income	850	-	-	850
Total revenue	9,519	101,389	164,330	275,238
Reportable segment profit	(2,154)	11,208	13,837	22,891
Reportable segment assets	22,193	124,111	72,189	218,493

**NOTES TO THE FINANCIAL INFORMATION
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2013 (UNAUDITED) (cont'd)**
A12. Segmental Reporting (Cont'd)
b) Geographical Segments

The Group's principal business activities are manufacturing of various tins, cans and other containers, and are primarily carried out in Malaysia and Indonesia.

THE GROUP 31 December 2013	Malaysia RM'000	Indonesia RM'000	Elimination RM'000	Consolidated RM'000
Revenue				
External revenue	241,396	-	-	241,396
Inter-segment revenue	18,511	-	(18,511)	-
Dividend income	14,514	-	(14,514)	-
Management income	950	-	(950)	-
Total revenue	<u>275,371</u>	<u>-</u>	<u>(33,975)</u>	<u>241,396</u>
Segment results	43,882	(6)	(14,498)	29,378
Finance costs	(1,399)	-	-	(1,399)
Profit before tax	<u>42,483</u>	<u>(6)</u>	<u>(14,498)</u>	<u>27,979</u>
Tax expense				(6,743)
Net profit for the period				<u>21,236</u>
Other Information:				
Capital expenditure	25,553	-	-	25,553
Depreciation and amortisation	5,243	3	-	5,246
Segment assets	366,751	695	(134,709)	232,737
Segment liabilities	84,976	14	(22,644)	62,346

THE GROUP 31 December 2012	Malaysia RM'000	Indonesia RM'000	Elimination RM'000	Consolidated RM'000
Revenue				
External revenue	246,361	-	-	246,361
Inter-segment revenue	19,358	-	(19,358)	-
Dividend income	8,669	-	(8,669)	-
Management income	850	-	(850)	-
Total revenue	<u>275,238</u>	<u>-</u>	<u>(28,877)</u>	<u>246,361</u>
Segment results	38,654	(21)	(9,097)	29,536
Finance costs	(1,982)	-	-	(1,982)
Profit before tax	<u>36,672</u>	<u>(21)</u>	<u>(9,097)</u>	<u>27,554</u>
Tax expense				(4,663)
Net profit for the period				<u>22,891</u>
Other Information:				
Capital expenditure	9,783	-	-	9,783
Depreciation and amortisation	5,400	10	(1)	5,409
Segment assets	334,602	821	(116,930)	218,493
Segment liabilities	76,797	13	(14,188)	62,622

**NOTES TO THE FINANCIAL INFORMATION
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2013 (UNAUDITED) (cont'd)**

A13. Changes in the Composition

There are no changes in the composition of the entity during the current interim period, including business combinations, obtaining or losing control of subsidiaries and long-term investments, restructurings, and discontinued operations.

A14. Related Party Transactions

The amount owing to directors are unsecured, interest free advances and repayable on demand. Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operation decisions. The related parties and their relationship with the Company are as follows:

	THE GROUP	
	Current Year-To-Date 31-12-2013 RM	Preceding Year-To-Date 31-12-2012 RM
Director of the Company		
Rental of factory	16,800	16,800

	THE GROUP	
	Current Year-To-Date 31-12-2013 RM	Preceding Year-To-Date 31-12-2012 RM
Related Company		
Sales of goods	4,483,044	2,864,338
Purchases of goods	987,502	263,579

The tenancy period was mutually agreed by both parties for a period of two years and expired on 14 November 2013, which was subsequently renewed on 15 November 2013 for another period of two years until 14 November 2015.

The directors of the Group and the Company are of the opinion that the above transactions have been entered into in the normal course of business and have been established under terms that are not less favourable than those arranged with independent third parties.

[End of Part A]



**NOTES TO THE FINANCIAL INFORMATION
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2013 (UNAUDITED) (cont'd)**

PART B

**EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS
OF THE BURSA SECURITIES**

B1. Review of Group Performance

a) Current Year Quarter compared with Preceding Year Corresponding Quarter

The Group recorded a revenue of RM64.59 million and profit before tax of RM5.69 million for the fourth quarter as compared to preceding year corresponding quarter of RM65.93 million and RM7.28 million respectively. A decrease in revenue of RM1.34 million as compared to the fourth quarter of the preceding year due to lower demand in certain industries. As a result, profit before tax decreased by RM1.59 million.

For the tin manufacturing segment, revenue decreased by RM2.83 million to RM19.65 million due to lower demand in paint and pineapple industries. Profit before tax had decreased by RM2.2 million to RM1.89 million due to escalating operating costs.

As for the Food and Beverage ("F&B") segment, revenue increased by RM1.49 million to RM44.94 million. Profit before tax increased marginally by RM0.69 million to RM4.45 million. Overall, the demand and cost of production are well monitored as compared to preceding year corresponding quarter.

b) Current Year-To-Date compared with Preceding Year-To-Date

The Group has recorded a revenue of RM241.4 million and profit before tax of RM27.91 million for the 12 months' period ended 31 December 2013 as compared to preceding year-to-date of RM246.36 million and RM27.55 million respectively. Despite a reduction in revenue of RM4.96 million as compared to the period of the preceding year, profit before tax increased marginally by RM0.35 million, as the Group managed to take advantage of the higher efficiency in its operations throughout the financial year.

For the tin manufacturing industry, the revenue increased slightly by RM1.06 million to RM83.09 million due to higher demand in edible oil industry, but the profit before tax decreased by RM2.52 to RM11.46 million due to the increased in operating costs.

As for the F&B industry, the revenue decreased by RM6.02 million to RM158.31 million mainly due to lower demand in the dairy market. However, profit before tax increased by RM2.27 million to RM18 million due to higher efficiency in its operations.

B2. Variation of Results against Preceding Quarter

For the current quarter under review, the Group's profit before tax decreased by RM2.48 million to RM5.69 million as compared to RM8.17 million in the preceding quarter ended 30 September 2013.

a) Tin Manufacturing Industry

The decrease in profit before tax of RM1.24 million to RM1.89 million were mainly due to foreign exchange losses and more gain on disposal of assets in previous year.

b) F&B Industry

The decrease in profit before tax of RM0.87 million to RM4.45 million was mainly due to increase in operating costs in current quarter under review as compared to preceding quarter.

**NOTES TO THE FINANCIAL INFORMATION
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2013 (UNAUDITED) (cont'd)**

B3. Prospects of the Group

a) Tin Manufacturing Industry

Raw materials prices are expected to increase marginally in the near-term. However, demand is expected to maintain and remain stable.

With the stable market demand, profitability is expected to remain constant.

b) F&B Industry

Although the milk powder prices have slight fluctuation, we do not foresee any significant changes of the prices in the near future.

Demand is expected to remain strong but we foresee a very competitive market for our F&B businesses. Profitability should be maintained with a slightly lower margin.

B4. Revenue or Profit Estimates

This is not applicable to the Group for the current financial reporting period under review.

B5. Profit Forecast or Profit Guarantee

The profit forecast is not applicable to the Group.

As for the profit guarantee, subject to the clauses in the Share Sale Agreement, the newly acquired subsidiary has achieved the profit after tax (the "profit guarantee") of not less than RM7 million for the financial year ended 31 December 2011 and RM10 million for the financial year ended 31 December 2012, of which the Vendor has been paid RM5 million (2011: RM3.5 million) for the current financial reporting period under review.

B6. Status of Corporate Proposals and Utilisation of Proceeds Raised from Rights Issue

The Company has increased its share capital by 23,326,333 new ordinary shares of RM1.00 each at an issue price of RM1.28 each per share, amounting to RM29,857,706.24 from the Rights Issue.

The status of the utilisation of proceeds from the rights issue as at 31 December 2013 are summarised as follows:

Purpose	Proposed	Actual	Intended	Deviation	
	Utilisation	Utilisation	Timeframe	RM'000	%
	RM'000	RM'000	(Within)		
i) Purchase of land and construction of new warehouse and factory	15,000	5,000	18 months	10,000	66.67
ii) Purchase of machineries and equipment	8,000	8,000	18 months	-	-
iii) Upgrading works	1,500	886	18 months	614	40.94
iv) Working capital	4,857	4,323	12 months	534	11.00
v) Rights issue expenses	500	500	1 month	-	-
	<u>29,857</u>	<u>18,709</u>		<u>11,148</u>	<u>37.34</u>



**NOTES TO THE FINANCIAL INFORMATION
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2013 (UNAUDITED) (cont'd)**

B7. Tax Expense

	Individual Quarter		Cumulative Quarter	
	31-12-2013 RM'000	31-12-2012 RM'000	31-12-2013 RM'000	31-12-2012 RM'000
Current year:				
- Income tax	372	1,535	5,400	4,364
- Deferred tax	1,046	(573)	1,515	239
	1,418	962	6,915	4,603
Under/(Over) provision in previous year:				
- Income tax	(76)	(23)	(75)	(47)
- Deferred tax	(96)	107	(96)	107
	1,246	1,046	6,744	4,663

B8. Notes to the Statement of Profit and Loss and Other Comprehensive Income

Included in the Statement of Profit and Loss and Other Comprehensive Income are as follows:

	Individual Quarter		Cumulative Quarter	
	31-12-2013 RM'000	31-12-2012 RM'000	31-12-2013 RM'000	31-12-2012 RM'000
Interest income	(139)	(73)	(752)	(321)
Other income	(576)	(1,568)	(867)	(3,324)
Interest expense	378	711	1,399	1,983
Depreciation and amortisation	1,461	1,896	5,246	5,409
(Gain)/Loss on disposal of property, plant and equipment	(354)	50	(468)	(926)
Foreign exchange (gain)/loss	(127)	(254)	817	(528)
(Gain)/Loss on derivatives	(90)	202	166	399
Exceptional items	-	-	-	-

B9. Earnings Per Share (EPS)

The basic EPS is calculated based on the net profit divided by the weighted average number of ordinary shares in issues during the financial reporting period which is as follows:

	Individual Quarter		Cumulative Quarter	
	31-12-2013	31-12-2012	31-12-2013	31-12-2012
Profit for the period (RM'000)	4,563	6,229	21,236	22,891
Weighted average number of ordinary shares ('000 shares):				
At beginning of the period	93,305	69,979	93,305	69,979
Effect on ordinary shares issued	-	16,805	-	4,201
At end of the period	93,305	86,784	93,305	74,180
Basic and Diluted EPS (Sen)	4.89	7.18	22.76	30.86

For the financial reporting period under review, the outstanding warrants does not have a dilutive effect to the earnings per ordinary share as the average market price of ordinary shares as at the end of the reporting period was below the exercise price of the warrants.

**NOTES TO THE FINANCIAL INFORMATION
 FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2013 (UNAUDITED) (cont'd)**
B10. Disclosure of Realised and Unrealised Profits

The breakdown of the realised and unrealised profits or losses as at the end of the financial reporting period is as follows:

	THE GROUP	
	As at 31-12-2013 RM'000	As at 31-12-2012 RM'000
Total retained earnings (Company and its subsidiaries)		
- realised	151,639	136,559
- unrealised	(5,337)	(4,687)
	146,302	131,872
Less: Consolidation adjustments	(79,392)	(79,480)
Total group retained earnings as per unaudited condensed consolidated statement of financial position	66,910	52,392

B11. Derivative Financial Instruments

As at 31 December 2013, the Group has entered into the short-term foreign currency forward contract, to hedge its purchases denominated in foreign currency so as to limit the exposure to fluctuations in foreign exchange rates.

The details of the foreign currency forward contracts are as follows:

Type of Derivatives	THE GROUP	
	As at 31-12-2013 RM'000	As at 31-12-2012 RM'000
Forward Contracts (US Dollar)		
Fair Value	10,645	7,973
Less: Contract/Notional Value	10,479	7,998
Loss/(Gain) on Fair Value Changes	166	(25)

All contracts entered by the Group are executed with creditworthy financial institutions in Malaysia. As a result, the credit risk or the risk of counterparties defaulting is minimal. The Group also has a low liquidity risk as it maintains sufficient fund to settle the entire derivative financial instruments when they fall due.

However, the Group is subject to market risk in term of foreign currency, on sales and purchases that are denominated in foreign currency other than Ringgit Malaysia. The Group maintains a natural hedge, whenever is possible, by matching the receivables and the payables in the same currency, any unmatched balances will be hedged by the forward foreign currency contracts.



**NOTES TO THE FINANCIAL INFORMATION
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2013 (UNAUDITED) (cont'd)**

B12. Loan and Borrowings

The Group's bank loan and borrowings as at the end of the financial reporting period are as follows:

	THE COMPANY		THE GROUP	
	As at 31-12-2013 RM'000	As at 31-12-2012 RM'000	As at 31-12-2013 RM'000	As at 31-12-2012 RM'000
Current portion (secured):				
Term loans	1,428	1,428	1,893	2,128
Bankers' acceptance	-	-	11,174	13,925
Revolving credit	5,000	5,000	5,000	5,000
Hire purchase payables (see Note B13 below)	-	-	3,121	561
	<u>6,428</u>	<u>6,428</u>	<u>21,188</u>	<u>21,614</u>
Non-current portion (secured):				
Term loans	5,623	7,059	10,208	12,121
Hire purchase payables (see Note B13 below)	-	-	5,137	707
	<u>5,623</u>	<u>7,059</u>	<u>15,345</u>	<u>12,828</u>
Total loan and borrowings	<u>12,051</u>	<u>13,487</u>	<u>36,533</u>	<u>34,442</u>

Except for the above, the Group's other banking facilities (all pertaining to certain subsidiary companies) are secured by way of corporate guarantee issued by the Company.

B13. Hire Purchase Payables

The Group's hire purchase payables as at the end of the financial reporting period are as follows:

	THE GROUP	
	As at 31-12-2013 RM'000	As at 31-12-2012 RM'000
Minimum hire purchase payments	8,832	1,357
Less: Future finance charges	(574)	(89)
Present value of hire purchase payables	<u>8,258</u>	<u>1,268</u>
Less: Current portion (see Note B12 above)	<u>(3,121)</u>	<u>(561)</u>
Non-current portion (see Note B12 above)	<u>5,137</u>	<u>707</u>

B14. Incorporation and Investment in a Subsidiary

On 1 February 2013, the Company subscribed 80 ordinary shares of RM1.00 each, representing 80% of the total issued and paid-up capital of Able Food Sdn Bhd ("AFSB"), for a total cash consideration of RM80.00.

On 2 December 2013, AFSB increased its paid-up capital to RM1,000,000.00 by way of allotment of additional 999,900 ordinary shares of RM1.00 each. The Company subscribed 799,920 ordinary shares to remain its 80% shareholdings in AFSB's total enlarged issued and paid-up capital.

**NOTES TO THE FINANCIAL INFORMATION
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2013 (UNAUDITED) (cont'd)**
B15. Warrants Reserve

The movements in the warrants reserve of the Company are as follows:

	THE GROUP	
	As at 31-12-2013 RM'000	As at 31-12-2012 RM'000
Balance at 1 January 2013/2012	28,487	-
Arising from rights issue with warrants	-	29,857
Applied for warrants issue expenses	-	(370)
Balance at 31 December 2013/2012	28,487	28,487

As at the end of the reporting period under review, no warrants have been exercised.

B16. Notes to the Condensed Consolidated Statement of Cash Flows

The details of major components in the Statement of Cash Flows comprises as follows:

	THE GROUP	
	Current Year-To-Date 31-12-2013 RM'000	Preceding Year-To-Date 31-12-2012 RM'000
a) Cash Flows from Operating Activities		
(Decrease)/Increase in inventories	(8,557)	3,123
Decrease in trade and other receivables	3,155	(6,457)
Decrease in trade and other payables	563	(8,413)
Income tax paid	(6,905)	(5,574)
Income tax refund	1,372	319
b) Cash Flows used in Investing Activities		
Payment of contingent consideration	(5,000)	(3,500)
Proceeds from disposal of property, plant and equipment	1,005	1,403
Purchase of property, plant and equipment	(17,312)	(8,973)
c) Cash Flows used in Financing Activities		
Dividend paid	(6,718)	(2,659)
Net repayment of bankers' acceptance	(2,827)	(8,331)
Repayment of term loan	(2,148)	(3,291)
Repayment of hire purchase payables	(1,252)	(362)

**NOTES TO THE FINANCIAL INFORMATION
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2013 (UNAUDITED) (cont'd)**

B17. Proposed Dividend

During the financial reporting period under review, the Board of Directors declared a single-tier first interim dividend of 3.0% for the financial period ended 31 December 2013 on 20 November 2013 and the said dividend was paid on 30 December 2013, to the depositors registered in the Record of Depositors at the close of business on 12 December 2013.

B18. Material Litigations

We refer to the announcement made under item 14.5 of Material Litigations stipulated in the Prospectus dated 19 September 2003.

The suit was brought by General Containers Sdn Bhd (“GCSB”) against the former director of GCSB, Mr. Tan Chin Wah for breach of fiduciary duties and against the subsidiaries of the Company, Johore Tin Factory Sendirian Berhad and Unican Industries Sdn Bhd (“Defendants”) for conspiring to divest GCSB of its vital assets and business. A judgment was ruled in favour of the Defendants by the Johor Bahru High Court (“High Court”) on 29 October 2010 when the High Court dismissed the suit with costs.

GCSB has appealed against this decision to the Court of Appeal and was dismissed with costs on 8 November 2012. Subsequently, GCSB has applied for leave to appeal to the Federal Court on 9 September 2013, by a panel of five (5) Federal Court Judges, and the application was dismissed with costs to the Defendants (“the wholly-owned subsidiaries of the Company”).

As a result, GCSB will not be able to appeal any further on this matter.

Other than the above, there were no pending material litigations since the date of last audited annual statement of financial position.

B19. Authorisation for Issue

The interim financial statements were authorised for issued by the Board of Directors in accordance to the Board of Directors meeting held on 28 February 2014.

[End of Report]