

**FAVELLE FAVCO BHD (249243-W)**

(Incorporated in Malaysia)

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

	Unaudited As at 31.12.2013 RM'000	Audited As at 31.12.2012 RM'000
<b>Assets</b>		
Property, plant and equipment	185,383	175,119
Intangible assets	2,946	4,896
Investment in associates	17,539	13,285
Receivables, deposits and prepayments	4,933	-
Deferred tax assets	2,368	2,368
<b>Total non-current assets</b>	<b>213,169</b>	<b>195,668</b>
Receivables, deposits and prepayments	286,383	289,920
Contract work-in-progress	108,445	124,040
Inventories	188,497	184,566
Current tax assets	7,341	4,258
Derivative assets	-	1,185
Cash and cash equivalents	145,950	102,867
<b>Total current assets</b>	<b>736,616</b>	<b>706,836</b>
<b>Total assets</b>	<b>949,785</b>	<b>902,504</b>
<b>Equity</b>		
Share capital	107,606	106,000
Reserves	290,526	235,687
<b>Total equity attributable to owners of the Company</b>	<b>398,132</b>	<b>341,687</b>
<b>Non-controlling interests</b>	<b>3,234</b>	<b>4,501</b>
<b>Total equity</b>	<b>401,366</b>	<b>346,188</b>
<b>Liabilities</b>		
Loans and borrowings	1,571	3,683
Deferred tax liabilities	8,291	6,122
<b>Total non-current liabilities</b>	<b>9,862</b>	<b>9,805</b>
Provisions	36,229	39,111
Payables and accruals	203,422	222,344
Amount due to contract customers	234,956	206,310
Derivative liabilities	2,202	-
Loans and borrowings	56,444	77,190
Current tax liabilities	5,304	1,556
<b>Total current liabilities</b>	<b>538,557</b>	<b>546,511</b>
<b>Total liabilities</b>	<b>548,419</b>	<b>556,316</b>
<b>Total equity and liabilities</b>	<b>949,785</b>	<b>902,504</b>
<b>Net assets per share attributable to owners of the Company (RM)</b>	<b>1.85</b>	<b>1.61</b>

The unaudited Condensed Consolidated Statement 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.

**FAVELLE FAVCO BHD** (249243-W)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE PERIOD ENDED 31 DECEMBER 2013 (4TH QUARTER)****(The figures have not been audited)**

	Note	Current/Preceding Qtr Ended		Cumulative Qtr YTD	
		31.12.2013 RM'000	31.12.2012 RM'000	31.12.2013 RM'000	31.12.2012 RM'000
<b>Revenue</b>	A9	257,139	171,647	764,185	696,747
Cost of sales		(205,720)	(146,732)	(611,886)	(579,515)
<b>Gross profit</b>		51,419	24,915	152,299	117,232
Other income		602	210	817	863
Distribution expenses		(3,444)	(3,856)	(10,321)	(9,878)
Administrative expenses		(16,200)	(15,091)	(58,066)	(45,111)
<b>Results from operating activities</b>		32,377	6,178	84,729	63,106
Finance income (including MFRS 139)		2,022	6,600	2,837	7,854
Finance costs (including MFRS 139)		(6,036)	(1,478)	(7,667)	(3,440)
<b>Operating profit</b>	B5	28,363	11,300	79,899	67,520
Share of profit/(loss) of associates, net of tax		92	(355)	89	(836)
<b>Profit before tax</b>		28,455	10,945	79,988	66,684
Tax expense	B6	(5,687)	2,398	(14,993)	(5,529)
<b>Profit for the period</b>		22,768	13,343	64,995	61,155
<b>Other comprehensive income, net of tax</b>					
Foreign currency translation differences for foreign operations		312	426	(2,467)	(1,146)
Movement in revaluation of property, plant and equipment, net of tax		-	3,700	-	3,700
<b>Other comprehensive income for the period, net of tax</b>		312	4,126	(2,467)	2,554
<b>Total comprehensive income for the period</b>		23,080	17,469	62,528	63,709
<b>Profit/(loss) attributable to:</b>					
Owners of the Company		24,133	13,118	67,400	61,746
Non-controlling interests		(1,365)	225	(2,405)	(591)
<b>Profit for the period</b>		22,768	13,343	64,995	61,155
<b>Total comprehensive income attributable to:</b>					
Owners of the Company		24,320	17,380	64,288	64,509
Non-controlling interests		(1,240)	89	(1,760)	(800)
<b>Total comprehensive income for the period</b>		23,080	17,469	62,528	63,709
<b>Earnings per ordinary share</b>					
Basic (Sen)	B11	11.12	6.67	31.61	33.64
Diluted (Sen)	B11	10.92	6.52	31.02	32.85

The unaudited Condensed Consolidated Statement 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.

**FAVELLE FAVCO BHD (249243-W)**

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 31 DECEMBER 2013 (4TH QUARTER)**

(The figures have not been audited)

	←← Attributable to owners of the Company →→						→	Total attributable to owners of the Company RM'000	Non- controlling Interests RM'000	Total Equity RM'000
	←← Non-Distributable			→ Distributable						
	Share Capital RM'000	Share Premium RM'000	Translation Reserves RM'000	Revaluation Reserves RM'000	Share Option Reserves RM'000	Treasury Shares RM'000	Retained Earnings RM'000			
<b>12 months period ended 31 December 2013</b>										
<b>As at 1 January 2013</b>	106,000	36,440	(64)	15,025	1,999	(21)	182,308	341,687	4,501	346,188
Profit/(loss) for the period	-	-	-	-	-	-	67,400	67,400	(2,405)	64,995
Foreign currency translation	-	-	1,821	-	-	-	-	1,821	645	2,466
Movement in revaluation of property, plant and equipment, net of tax	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	1,821	-	-	-	67,400	69,221	(1,760)	67,461
Acquisition of a subsidiary	-	-	-	-	-	-	-	-	493	493
Share options exercised	1,606	1,023	-	-	-	-	-	2,629	-	2,629
Transfer to share premium for share options exercised	-	1,322	-	-	(1,322)	-	-	-	-	-
Share-based payments	-	-	-	-	989	-	-	989	-	989
Dividends to shareholders	-	-	-	-	-	-	(16,394)	(16,394)	-	(16,394)
<b>As at 31 December 2013</b>	<b>107,606</b>	<b>38,785</b>	<b>1,757</b>	<b>15,025</b>	<b>1,666</b>	<b>(21)</b>	<b>233,314</b>	<b>398,132</b>	<b>3,234</b>	<b>401,366</b>
<b>12 months period ended 31 December 2012</b>										
<b>As at 1 January 2012</b>										
as previously stated	89,584	3,356	8,111	11,325	554	(21)	124,073	236,982	3,556	240,538
effect of adoption of MFRS	-	-	(7,238)	-	-	-	7,238	-	-	-
<b>As at 1 January 2012, as restated</b>	<b>89,584</b>	<b>3,356</b>	<b>873</b>	<b>11,325</b>	<b>554</b>	<b>(21)</b>	<b>131,311</b>	<b>236,982</b>	<b>3,556</b>	<b>240,538</b>
Profit for the period	-	-	-	-	-	-	61,746	61,746	(591)	61,155
Foreign currency translation	-	-	(937)	-	-	-	-	(937)	(209)	(1,146)
Movement in revaluation of property, plant and equipment, net of tax	-	-	-	3,700	-	-	-	3,700	-	3,700
Total comprehensive income for the period	-	-	(937)	3,700	-	-	61,746	64,509	(800)	63,709
Acquisition of a subsidiary	-	-	-	-	-	-	-	-	1,745	1,745
Share options exercised	577	347	-	-	-	-	-	924	-	924
Transfer to share premium for share options exercised	-	485	-	-	(485)	-	-	-	-	-
Share-based payments	-	-	-	-	1,930	-	-	1,930	-	1,930
Issue of ordinary shares	15,839	32,252	-	-	-	-	-	48,091	-	48,091
Dividends to shareholders	-	-	-	-	-	-	(10,749)	(10,749)	-	(10,749)
<b>As at 31 December 2012</b>	<b>106,000</b>	<b>36,440</b>	<b>(64)</b>	<b>15,025</b>	<b>1,999</b>	<b>(21)</b>	<b>182,308</b>	<b>341,687</b>	<b>4,501</b>	<b>346,188</b>

The unaudited Condensed Consolidated Statement 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.

**FAVELLE FAVCO BHD** (249243-W)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2013 (4TH QUARTER)  
(The figures have not been audited)**

	Current Year To date 31.12.2013 RM'000	Preceding Year To date 31.12..2012 RM'000
<b>Cash flows from operating activities</b>		
Profit before tax	79,988	66,684
Adjustments for:		
Impairment loss on receivables	-	2,147
Impairment loss on receivables written back	(301)	(2,830)
Allowance for slow moving inventories	709	1,514
Amortisation of intangible assets	1,614	2,220
Depreciation of property, plant and equipment	15,153	12,424
Loss/(Gain) on disposal of property, plant and equipment	(37)	(367)
Finance costs	2,185	2,581
Finance costs under MFRS 139	5,482	859
Provision for warranties	8,328	35,852
Interest income	(1,387)	(1,584)
Interest income under MFRS 139	(1,450)	(6,270)
Property, plant and equipment written off	77	31
Unrealised loss/(gain) on foreign exchange	1,001	(1,005)
Share-based payments	989	1,930
Share of loss/(profit) of equity accounted associates	(89)	836
Reversal of provision for warranties	(6,001)	(2,087)
Operating profit/(loss) before changes in working capital changes	106,261	112,935
Changes in working capital:		
Development costs	-	(806)
Inventories	(19,382)	(2,230)
Payables and accruals	(8,447)	83,273
Receivables, deposits and prepayments	19,961	(146,020)
Cash generated from operations	98,393	47,152
Interest received	1,387	7,854
Interest paid	(1,577)	(1,948)
Provisions paid	(5,358)	(1,138)
Taxes (paid)/refund	(12,474)	(9,353)
<b>Net cash generated from/(used in) operating activities</b>	80,371	42,567
<b>Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(13,875)	(33,094)
Acquisition of a subsidiary, net cash inflow	493	1,745
Acquisition of share in an associate	(4,165)	(8,389)
Proceeds from disposal of property, plant and equipment	3,775	2,041
<b>Net cash generated from/(used in) investing activities</b>	(13,772)	(37,697)

**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2013 (4TH QUARTER)  
(cont'd)**

	Current Year To date 31.12.2013 RM'000	Preceding Year To date 31.12..2012 RM'000
<b>Cash flows from financing activities</b>		
Dividend paid to shareholders of the Company	(16,394)	(10,749)
Interest paid	(608)	(633)
Proceeds from issue of shares under ESOS scheme	2,629	924
Net proceeds from/(repayment of) revolving credit and overdraft	(1,694)	(301)
Payment of finance lease liabilities	(197)	(198)
Repayment of term loans	(591)	(1,922)
<b>Net cash generated from/(used in) financing activities</b>	<b>(16,855)</b>	<b>(12,879)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>49,744</b>	<b>(8,009)</b>
<b>Cash and cash equivalents at 1 January</b>	<b>100,117</b>	<b>114,896</b>
<b>Currency translation differences</b>	<b>(4,287)</b>	<b>(6,770)</b>
<b>Cash and cash equivalents at 31 December</b>	<b>145,574</b>	<b>100,117</b>

Cash and cash equivalents included in the cash flow statements comprise the following balance sheet amounts:

	31.12.2013 RM'000	31.12..2012 RM'000
Cash and bank balances	53,786	88,072
Deposit placed with licensed banks	92,164	14,795
Cash and cash equivalents per balance sheet	145,950	102,867
Bank overdrafts	(376)	(2,750)
	<b>145,574</b>	<b>100,117</b>

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

**FAVELLE FAVCO BHD (249243-W)**

(Incorporated in Malaysia)

**ANNOUNCEMENT OF THE UNAUDITED RESULTS OF THE GROUP  
FOR THE PERIOD ENDED 31 DECEMBER 2013 (4TH QUARTER)****A NOTES TO THE INTERIM FINANCIAL STATEMENTS****A1. BASIS OF PREPARATION**

The interim financial statements are unaudited and have been prepared in accordance with the applicable disclosure provisions of the Listing Requirements of the Bursa Malaysia Securities Berhad ("Listing Requirements"), including compliance with Malaysian Financial Reporting Standards ("MFRS") 134 Interim Financial Reporting, issued by the Malaysian Accounting Standards Board ("MASB").

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

The significant accounting policies and methods of computation adopted by the Group in the interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2012, except for the accounting policy changes that are expected to be reflected in the 2013 audited financial statements.

Details of these changes in accounting policies are set out in Note A2. 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 year ended 31 December 2012.

**A2. CHANGES IN ACCOUNTING POLICIES**

The Group has adopted the Malaysian Financial Reporting Standards ("MFRS") framework issued by the Malaysian Accounting Standards Board ("MASB") with effect from 1 January 2012. The significant accounting policies adopted by the Group are consistent with those of the audited financial statements for the year ended 31 December 2012 except for the adoption of the following MFRSs, Amendments to MFRSs and IC Interpretations ("IC Int.") issued by the MASB which are effective for annual periods beginning on or after 1 July 2012 or 1 January 2013:

		<u>Effective date</u>
• MFRS 7	Disclosure – Offsetting Financial Assets and Financial Liabilities	1 January 2013
• MFRS 10	Consolidated Financial Statements	1 January 2013
• MFRS 11	Joint Arrangements	1 January 2013
• MFRS 12	Disclosure of Interest in Other Entities	1 January 2013
• MFRS 13	Fair Value Measurement	1 January 2013
• MFRS 119	Employee Benefits (revised)	1 January 2013
• MFRS 127	Separate Financial Statements	1 January 2013
• MFRS 128	Investments in Associates and Joint Ventures	1 January 2013
• Amendments to MFRS 101	Presentation of Items of Other Comprehensive Income	1 July 2012
• Amendments to MFRS 116	Property, Plant and Equipment	1 January 2013
• Amendments to MFRS 132	Financial Instrument: Presentation	1 January 2013
• Amendments to MFRS 134	Interim Financial Reporting	1 January 2013
• IC Int. 20	Stripping Costs in the Production Phase of a Surface Mine	1 January 2013

## A NOTES TO THE INTERIM FINANCIAL REPORT (Cont'd)

### A2. CHANGES IN ACCOUNTING POLICIES (Cont'd)

The Group has not adopted the following MFRSs and Amendments to MFRSs were in issued but not yet effective:

		<u>Effective Date</u>
• MFRS 9	Financial Instruments	1 January 2015
• Amendments to MFRS 10	Consolidated Financial Statements: Investment Entities	1 January 2014
• Amendments to MFRS 12	Disclosure of Interests in Other Entities: Investment Entities	1 January 2014
• Amendments to MFRS 127	Separate Financial Statements (2011): Investment Entities	1 January 2014
• Amendments to MFRS 132	Offsetting Financial Assets and Financial Liabilities	1 January 2014

The initial application of a standard which will be applied prospectively or which requires extended disclosures, is not expected to have any financial impacts to the current and prior periods financial statements upon their first adoption.

### A3. QUALIFICATION OF PRECEDING YEAR'S AUDITED FINANCIAL STATEMENTS

The audited financial statements of the Company for the preceding year ended 31 December 2012 were not subject to any qualification.

### A4. EXPLANATORY COMMENT ON SEASONALITY OR CYCLICALITY

We expect to ride fairly with the current cycle.

### A5. EXCEPTIONAL/UNUSUAL ITEMS

There are no exceptional/unusual items affecting assets, liabilities, equity, net income or cash flows of the Group for the current quarter.

### A6. CHANGE IN ESTIMATES

There are no material changes in estimates of amounts that have material effect in the current quarter.

### A7. DEBT AND EQUITY SECURITIES

There were no issuances, cancellation, repurchases, resale and repayments of debts and equity securities for the current quarter under review except for the following:-

#### Employees' Share Option Scheme ("ESOS")

- During the current quarter ended 31 December 2013, a total of 1,169,000 new ordinary shares of RM0.50 each were issued at RM0.80 each, pursuant to the exercise of ESOS granted in 2011.
- During the current quarter ended 31 December 2013, a total of 78,000 new ordinary shares of RM0.50 each were issued at RM1.57 each, pursuant to the exercise of ESOS granted in 2012.

### A8. DIVIDENDS PAID

There is no dividend paid for the financial quarter under review.

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## A NOTES TO THE INTERIM FINANCIAL REPORT (Cont'd)

### A9. SEGMENT REVENUE

The financial information by business segment is not presented as the Group's activities are primarily in the manufacturing and supplying of cranes.

	Inside Malaysia RM'000	Outside Malaysia RM'000	Conso- lidated RM'000
<b>GEOGRAPHICAL SEGMENTS</b>			
<b>Revenue</b>	<b>353,190</b>	<b>410,995</b>	<b>764,185</b>
<b>Results from operating activities</b>			<b>84,729</b>
Finance income			2,837
Finance costs			(7,667)
Share of profit/(loss) of associates, net of tax			89
<b>Profit before tax</b>			<b>79,988</b>
Segment assets			932,246
Investments in associates			17,539
<b>Total assets</b>			<b>949,785</b>
<b>Segments liabilities</b>			<b>548,419</b>

### A10. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

There were no changes to the valuation of property, plant & equipment brought forward from the previous annual financial statements.

### A11. MATERIAL SUBSEQUENT EVENT

There were no material subsequent event from the end of the quarter to 18 February 2014, which is likely to substantially affect the results of the operations of the Company.

### A12. CHANGES IN THE GROUP'S COMPOSITION

There were no change in the Group's composition in the current quarter under review.

### A13. CONTINGENT LIABILITIES/ASSETS AS AT 31 DECEMBER 2013

#### Contingent liabilities - unsecured

Corporate guarantee for credit facilities granted to subsidiary companies	<b>RM'000</b> <u>110,267</u>
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In the ordinary course of business, the Group and the Company also issue bank and performance guarantees to customers who awarded contracts to the Group.

#### Contingent liabilities - litigation

Please refer to note B11.

#### Contingent assets

There were no contingent assets as at 31 December 2013.

### A14. CAPITAL COMMITMENTS

There were no material capital commitments as at 31 December 2013 and up to 18 February 2014.



## **B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS**

### **B1. REVIEW OF THE GROUP PERFORMANCE (YTD Q4 2013 vs YTD Q4 2012)**

The Group operates only in one business segment. Accordingly, detailed analysis of the performance of each business segment is not presented.

For the current quarter ended 31 December 2013, the Group recorded revenue of RM764.2 million with profit before tax of RM80.0 million as compared with revenue of RM696.7 million with profit before tax of RM66.7 million in the preceding quarter ended 31 Decemeber 2012. The improvement in net profit for the Group is mainly contributed by increase in revenue.

### **B2. COMPARISON WITH PRECEDING QUARTER RESULT (2013 Q4 vs 2013 Q3)**

The Group recorded revenue of RM257.1 million with a profit before tax of RM28.4 million for the current quarter as compared with revenue of RM177.7 million with the profit before tax of RM22.0 million in the preceding quarter. The higher profit before tax is maily contributed by increase in revenue.

### **B3. GROUP'S CURRENT YEAR PROSPECT**

As at 18 February 2014, outstanding order book of the group is RM1,064.2 million of which majority is from the oil and gas cranes for the offshore oil and gas exploration and production activities. Remaining are from the shipyard, construction and wind turbine industry. This is all time high to the group.

The Group will continue to execute and deliver its existing order book secured in hand.

### **B4. PROFIT FORECAST**

The Group has not issued any profit forecast to the relevant authorities and is not subject to any profit guarantee.

### **B5. OPERATING PROFIT**

	Current Quarter 31.12.2013 RM'000	Cumulative Qtr To-date 31.12.2013 RM'000
<b>Operating profit is arrived at after (crediting)/charging the following:</b>		
Depreciation and amortization	4,129	16,767
Provision for and write off of inventories	709	709
Foreign exchange (gain)/loss	2,177	1,302
(Gain)/loss on derivatives	55	2,202
Finance costs	555	2,185
Finance costs under MFRS 139	5,481	5,482
Interest income	(608)	(1,387)
Interest income under MFRS 139	(1,414)	(1,450)

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**B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS (Cont'd)**

**B6. TAX EXPENSE**

	Current Quarter 31.12.2013 RM'000	Cumulative Qtr To-date 31.12.2013 RM'000
<b>Current tax expense</b>		
Malaysian Tax	(3,279)	(10,032)
Overseas	(946)	(3,170)
	(4,225)	(13,202)
<b>Deferred taxation expense</b>		
Malaysian Tax	(984)	(1,313)
Overseas	(478)	(478)
	(1,462)	(1,791)
<b>Total tax expense</b>	<b>(5,687)</b>	<b>(14,993)</b>

The Group's effective tax rate is lower than the local statutory tax rate mainly due to actual realisation of previous year unrecognized deferred tax assets.

**B7. CORPORATE PROPOSAL**

**(being a date not earlier than seven (7) days from the date of issue of the quarterly report)**

There is no other proposal announced but pending implementation as at the date of this report:

**B8. GROUP BORROWINGS AND DEBT SECURITIES**

	Foreign currency		RM'000
	Currency	Amount	
a) Short term borrowings			
Secured	RM	2,112	2,112
	AUD	1,460	4,280
	Sub-total		6,392
Unsecured	RM	49,676	49,676
	SGD	145	376
	Sub-total		50,052
b) Hire purchase and finance lease	DKK	-	-
	Sub-total		-
<b>Total short term borrowings</b>			<b>56,444</b>
a) Long term borrowings			
Secured	RM	1,571	1,571
	Sub-total		1,571
<b>Total long term borrowings</b>			<b>1,571</b>
<b>Total borrowings</b>			<b>58,015</b>

**B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS (Cont'd)**

**B9. CHANGES IN MATERIAL LITIGATION**

There are no material litigations that have material effect to the Group as at 18 February 2014 except for the following:-

**Litigation against the Company and Favelle Favco Cranes (USA) Inc**

**Supreme Court of the State of New York**

The Suits against the Company and its subsidiary, Favelle Favco Cranes (USA) Inc ("FFU"), commenced by persons/companies in New York vide suits instituted in the Supreme Court of the State of New York, as previously reported remain ongoing.

**Supreme Court of the State of New York, County of New York**

The Suit against Favelle Favco Cranes (USA) Inc ("FFU"), commenced by Mr. Robert Panarella ("the Plaintiff") in the Supreme Court of the State of New York, as previously reported remains ongoing.

**B10. PROPOSED DIVIDENDS**

The directors recommend a first and final tax exempt dividend of 20% (10 sen) per ordinary share in respect of the financial ended 31 December 2013 subject to approval of the shareholders at the forthcoming Annual General Meeting. The payable final dividend is amounted to RM21.5 million.

The first and final dividend for 2013 is computed based on the issued and paid up share capital (excluding treasury share) of 215,201,763 ordinary shares of RM0.50 each as at 31 December 2013.

**B11. EARNINGS PER ORDINARY SHARE ("EPS")**

a) Basic EPS

Basic EPS is calculated by dividing the net profit for the period by the weighted average number of ordinary shares in issue during the period

	Current Quarter 31.12.2013	Cumulative Qtr To-date 31.12.2013
Net profit attributable to the shareholders of the Company (RM'000)	24,133	67,400
Weighted average number of ordinary shares in issue (based on ordinary share of RM0.50 each) ('000)	216,947	213,255
Basic EPS (Sen)	11.12	31.61

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**B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS (Cont'd)**

**B11. EARNINGS PER ORDINARY SHARE ("EPS") (Cont'd)**

b) Diluted EPS

For the purpose of calculating diluted EPS, the weighted average number of ordinary shares in issue during the period have been adjusted for the dilutive effect of all potential ordinary shares, ie share options granted to employees.

	Current Quarter 31.12.2013	Cumulative Qtr To-date 31.12.2013
Net profit attributable to the shareholders of the Company (RM'000)	24,133	67,400
Weighted average number of ordinary shares in issue (based on ordinary share of RM0.50 each) ('000)	216,947	213,255
Effect of dilution ('000)	4,040	4,040
Adjusted weighted average number of ordinary shares in issue and issuales (based on ordinary share of RM0.50 each) ('000)	220,987	217,295
Diluted EPS (Sen)	10.92	31.02

**B12. REALISED AND UNREALISED PROFIT/LOSSES**

	As at 31.12.2013 RM'000	As at 31.12.2012 RM'000
Total retained profits / (accumulated losses) of Favelle Favco Berhad and its subsidiaries:		
- Realised	202,753	144,553
- Unrealised	(24,558)	(8,263)
Total share of retained profits / (accumulated losses) from associated companies:		
- Realised	(2,349)	(1,059)
- Unrealised	-	3
Less: Consolidation adjustments	175,846 57,468	135,234 47,074
Total group retained profits / (accumulated losses) as per consolidated accounts	233,314	182,308

**B13. COMPARATIVE FIGURES**

Comparative figures, where applicable, have been modified to conform with the current quarter presentation.

**B14. 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 24 February 2014.

**Date: 25 February 2014**