



TECK GUAN PERDANA BERHAD

(COMPANY NO: 307097 - A)

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FOURTH QUARTER ENDED
31 JANUARY 2013**

TECK GUAN PERDANA BERHAD

(Company No. 307097-A)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31/01/2013 RM'000	Preceding Year Corresponding Quarter 31/01/2012 RM'000	Current Year Todate 31/01/2013 RM'000	Preceding Year Corresponding Period 31/01/2012 RM'000
Revenue	35,774	76,367	169,372	205,219
Cost of sales	(45,719)	(67,306)	(179,567)	(184,608)
Gross (loss) / profit	(9,945)	9,061	(10,195)	20,611
Other income / (expense)	18	(173)	891	26
Selling & distribution costs	(1,337)	(2,876)	(6,035)	(5,534)
Administrative expenses	(4,181)	(2,436)	(8,432)	(5,885)
Interest income	174	118	791	674
Finance cost	(603)	(592)	(2,606)	(3,291)
(Loss) / profit before taxation	(15,874)	3,102	(25,586)	6,601
Income tax	(39)	(1,471)	(1,610)	(2,821)
(Loss) / profit for the period	(15,913)	1,631	(27,196)	3,780

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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (cont')

Other comprehensive income

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31/01/2013 RM'000	Preceding Year Corresponding Quarter 31/01/2012 RM'000	Current Year Todate 31/01/2013 RM'000	Preceding Year Corresponding Period 31/01/2012 RM'000
Revaluation of land, buildings and biological assets	52,373	-	52,373	-
Tax effect on revaluation	(13,093)	-	(13,093)	-
Other comprehensive income for the period, net of tax	39,280	-	39,280	-
Assets revaluation reserve realised upon depreciation charged	36	36	142	142
Total comprehensive income for the period	23,403	1,667	12,226	3,922
(Loss) / Profit attributable to: Equity holders of the company	23,367	1,631	12,084	3,780
Earnings per Share Attributable to Equity Holders:				
Basic, for the period (Sen)	(39.69)	4.07	(67.82)	9.43
Diluted, for the period (Sen)	na	na	na	na

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Statements of the Company for the year ended 31 January 2012 and the accompanying explanatory notes attached to the interim financial statements.

TECK GUAN PERDANA BERHAD

(Company No. 307097-A)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As At End Of Current Quarter 31/01/2013 RM'000	As At Preceding Financial Year End 31/01/2012 RM'000
<u>ASSETS</u>		
Non-current assets		
Property, plant & equipment	62,165	44,050
Biological assets	44,860	12,636
Goodwill on consolidation	-	2,624
Deferred tax assets	87	8
	<hr/> 107,112	<hr/> 59,318
Current assets		
Inventories	33,861	38,330
Trade and other receivables	4,635	5,743
Amount due from holding company	1,530	-
Taxation recoverable	343	287
Cash and bank balances	29,361	30,205
	<hr/> 69,730	<hr/> 74,565
TOTAL ASSETS	<hr/> 176,842	<hr/> 133,883
<u>EQUITY & LIABILITIES</u>		
Equity		
Share capital	40,097	40,097
Share premium	7	7
Reserves	17,113	17,255
Accumulated profit/(loss)	10,300	(1,926)
Total Equity	<hr/> 67,517	<hr/> 55,433
Non-current liability		
Term loan	25,547	35,229
Deferred tax liabilities	20,737	7,408
	<hr/> 46,284	<hr/> 42,637
Current liabilities		
Borrowings	29,969	29,695
Trade and other payables	32,756	6,118
Derivative	316	-
	<hr/> 63,041	<hr/> 35,813
Total liabilities	109,325	78,450
TOTAL EQUITY & LIABILITIES	<hr/> 176,842	<hr/> 133,883
NET ASSETS PER SHARE (SEN)	168.38	138.25

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements of the Company for the year ended 31 January 2012 and the accompanying explanatory notes attached to the interim financial statements.

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	← Attributable to owners of the parent →				Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Reserves RM'000	Accumulated Distributable Profit/(Loss) RM'000	
At 1 February 2011	40,097	7	17,397	(5,848)	51,653
Total comprehensive income for the year	-	-	(142)	3,922	3,780
At 31 January 2012	40,097	7	17,255	(1,926)	55,433
Total comprehensive income for the year	-	-	(142)	12,226	12,084
At 31 January 2013	40,097	7	17,113	10,300	67,517

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements of the Company for the year ended 31 January 2012 and the accompanying explanatory notes attached to the interim financial statements.

TECK GUAN PERDANA BERHAD

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Current Year ToDate 31/01/2013 RM'000	Preceding Year Corresponding Period 31/01/2012 RM'000
Operating activities		
(Loss)/profit before taxation	(25,586)	6,601
<u>Adjustments for:</u>		
Depreciation of property, plant and equipment	1,731	1,609
Amortisation of biological assets	763	759
Plant and equipment written off	-	35
Gain on disposal of property, plant and equipment	(33)	(79)
Goodwill written off	2,624	-
Net fair value adjustment on derivatives	-	200
Interest income	(791)	(674)
Interest expense	2,606	3,291
Total adjustments	<u>6,900</u>	<u>5,141</u>
Operating cash flows before changes in working capital	(18,686)	11,742
Decrease/(Increase) in inventories	4,469	(8,906)
(Increase)/Decrease in trade and other receivables	(421)	67,684
Increase/(Decrease) in trade and other payables	<u>26,954</u>	<u>(80,415)</u>
Total changes in working capital	<u>31,002</u>	<u>(21,637)</u>
Cash flows generated from / (used in) operations	12,316	(9,895)
Interest paid	(2,606)	(3,291)
Income tax paid	(1,900)	(2,608)
Income tax refunded	389	130
Interest received	<u>791</u>	<u>674</u>
Net cash flows generated from / (used in) operating activities	<u>8,990</u>	<u>(14,990)</u>
Investing activities		
Purchase of property, plant and equipment	(733)	(1,750)
Proceeds from disposal of property, plant and equipment	<u>307</u>	<u>79</u>
Net cash flows used in investing activities	<u>(426)</u>	<u>(1,671)</u>

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (Cont')

	Current Year Todate 31/01/2013 RM'000	Preceding Year Corresponding Period 31/01/2012 RM'000
Financing Activities		
Drawdown / (Repayment) of bankers' acceptances (Repayment)/Advance of term loans	1,768 <u>(9,372)</u>	(5,732) <u>39,317</u>
Net cash flows (used in)/generated from financing activities	<u>(7,604)</u>	<u>33,585</u>
Net increase in cash & cash equivalents	960	16,924
Cash & cash equivalents at beginning of the period	<u>28,367</u>	<u>11,443</u>
Cash & cash equivalents at end of the period	<u><u>29,327</u></u>	<u><u>28,367</u></u>
	As At 31/01/2013	As At 31/01/2012
*Cash & cash equivalents at end of the period consists of:		
Cash and Bank Balances	29,361	30,205
Bank Overdrafts	<u>(34)</u>	<u>(1,838)</u>
	<u><u>29,327</u></u>	<u><u>28,367</u></u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Statements of the Company for the year ended 31 January 2012 and the accompanying explanatory notes attached to the interim financial statements.

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NOTES TO INTERIM FINANCIAL STATEMENTS

1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134 - Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

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

2. Accounting policies

The accounting policies and methods of computation adopted consistent with those adopted in the financial statements for the year ended 31 January 2012 except for the adoption of the following new Financial Reporting Standards ("FRSs"), Amendments and Issues Committee ("IC") Interpretations with effect from 1 January 2012.

FRSs, Amendments and IC Interpretations

IC Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments
Amendments to IC Interpretation 14	Prepayments of a Minimum Funding Requirement
Amendments to FRS 1	Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters
Amendments to FRS 7	Transfers of Financial Assets
Amendments to FRS 112	Deferred Tax: Recovery of Underlying Assets
FRS 124	Related Party Disclosures

The adoption of the above did not have any significant effects on the interim financial report upon their initial application.

At the date of authorisation of these interim financial statements, the following new FRSs, Amendments to FRSs and Interpretations were issued but not yet effective and have not been applied by the Group (for the FRS Framework) :

FRSs, Amendments to FRSs and Interpretations

Amendments to FRS 9 (IFRS 9(2009), FRS 9 (IFRS 9(2010)), and FRS 7	Mandatory Effective Date of FRS 9 and Transition Disclosures
Amendments to FRS 101	Presentations of Items of Other Comprehensive Income

Accounting policies (con't)

FRS 9 (IFRS 9(2009))	Financial Instruments (IFRS 9 issued by IASB in November 2009)
FRS 9 (IFRS 9(2010))	Financial Instruments (IFRS 9 issued by IASB in October 2010)
FRS 10	Consolidated Financial Statements
FRS 11	Joint Arrangements
FRS 12	Disclosure of interests in Other Entities
FRS 13	Fair Value Measurement
FRS 119	Employee Benefits
FRS 127	Separate Financial Statements
FRS 128	Investments in Associate and Joint Ventures
IC Interpretation 20	Stripping Costs in the Production Phase of a Surface Mine
Amendments to FRS 7	Disclosure - Offsetting Financial Assets and Financial Liabilities
Amendments to FRS 132	Offsetting Financial Assets and Financial Liabilities
FRS 9	Financial Instruments

The directors expect that the adoption of the standards and interpretations above will have no material impact on the financial statements in the period of initial application, except as disclosed below:

(a) Amendments to FRS 101: Presentation of Items of Other Comprehensive Income

The amendments to FRS 101 change the grouping of items presented in Other Comprehensive Income. Items that could be reclassified (or “recycled”) to profit or loss at a future point in time (for example, upon derecognition or settlement) would be presented separately from items that will never be reclassified. The amendment affects presentation only and has no impact on the Group’s financial position or performance.

(b) FRS 9: Financial Instruments

FRS 9 reflects the first phase of work on the replacement of FRS 139 and applies to classification and measurement of financial assets and financial liabilities as defined in FRS 139. The adoption of this first phase of FRS 9 will have an effect on the classification and measurement of the Group’s financial assets but will potentially have no impact on classification and measurements of financial liabilities.

(c) FRS 10: Consolidated financial statements

FRS 10 replaces the portion of FRS 127 Consolidated and Separate Financial Statements that addresses the accounting for consolidated financial statements. FRS 10 establishes a single control model that applies to all entities including special purpose entities. The changes introduced by FRS 10 will require management to exercise significant judgement to determine which entities are controlled, and therefore, are required to be consolidated by a parent, compared with the requirements that were in FRS 127.

Accounting policies (con't)

(d) FRS 13: Fair Value Measurement

FRS 13 establishes a single source of guidance under FRS for all fair value measurements. FRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under FRS when fair value is required or permitted.

Malaysian Financial Reporting Standards (MFRS Framework).

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

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

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

The Group falls within the scope definition of Transitioning Entities and accordingly, will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 January 2015. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained earnings.

Accordingly, the consolidated financial performance and financial position as disclosed in these financial statements for the year ended 31 January 2013 could be different if prepared under the MFRS Framework.

3. Audit report

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

4. Seasonal and cyclical factors

The Group's operations are affected by seasonal crop production, weather conditions and fluctuating commodity prices.

5. Unusual items due to their nature, size of incidence

There were no items affecting the assets, liabilities, net income or cash flows that are unusual because of their nature, size or incidence for the interim period.

6. Changes in estimates

There were no significant changes in the amount of estimates that have had a material effect in the current financial results.

7. Debt and equities securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equities securities for the current financial period under review.

8. Dividend paid

There was no dividend payment during the current financial period-to-date.

9. Segmental reporting

Segment analysis for the period ended 31 January 2013 is set out below:

	Oil Palm Products RM'000	Cocoa Products RM'000	Elimination RM'000	Consolidated RM'000
Revenue				
External sales	151,152	18,220	-	169,372
Inter-segments sales	-	3,703	(3,703)	-
Total revenue	151,152	21,923	(3,703)	169,372
Results				
Segment results	(6,527)	(12,295)		(18,822)
Unallocated corporate expenses				(4,158)
Finance Cost, net				(2,606)
Loss Before Tax				<u>(25,586)</u>
Assets				
Segment assets	95,009	80,019		175,028
Unallocated assets				1,814
				<u>176,842</u>
Liabilities				
Segment liabilities	96,213	12,560		108,773
Unallocated liabilities				552
				<u>109,325</u>
Other information				
Capital expenditure	716	17		733
Depreciation	1,316	415		1,731
Amortisation	763	-		763

Segmental Reporting (Con't)

Oil Palm Products

The oil palm products segment remained the Group's main source of revenue, which contributed 89.2% of the revenue of the Group in the current quarter.

All planted areas of the Group have attained maturity, with average crop age of 10 years and yield for fresh fruit bunches achieved an increase of approximately 40.9% as compared with preceding year corresponding quarter. On the other hand, sales volume for crude palm kernel oil had registered a decrease by 27.5% as compared with preceding year corresponding quarter.

For the quarter under review, turnover for this segment decreased from RM 72.9 million in preceding year corresponding quarter to RM 30.4 million in current quarter.

Due to sudden decrease in prices for oil palm products in the current quarter, this segment incurred a loss of RM3.1 million in current quarter as compared with a profit of RM5.2 million in the preceding year quarter. The increase in loss was mainly attributed to lower margin of oil palm products in the current quarter.

Cocoa Products

Cocoa products segment contributed 10.8% of the revenue of the Group. Revenue for this segment increased from RM3.5 million in preceding year corresponding quarter to RM 5.4 million in current quarter, an increase of 54.6%. The increase was mainly attributed to an increase for both production and sales volume for cocoa butter and cocoa powder.

Due to sudden decrease in prices for cocoa products in the current quarter, this segment incurred a loss of RM9.0 million as compared with a loss of RM 1.0 million in the preceding year corresponding quarter.

10. Valuations of property, plant and equipment

During the current quarter, the Group has performed its latest revaluation on its property, plant and equipment and biological assets to conform with the Group policy and the revaluation increase has been credited to other comprehensive income as revaluation surplus.

11. Changes in composition of the Group

There are no changes in the composition of the Company and the Group for the financial quarter ended 31 January 2013.

12. Discontinued operation

There was no discontinued operation during the quarter ended 31 January 2013.

13. Capital commitment

There were no material capital commitments as at the end of the quarter under review.

14. Contingent liabilities

There were no material contingent liabilities since the last annual balance sheet date.

15. Material related party transactions

Significant transactions between the Group and its jointly controlled entities are as follows:

	12 months ended 31 January 2013 RM'000
Sale of crude palm kernel oil	120,503
Purchase of palm kernel	63,750
Sale of fresh fruit bunches	9,010
Purchase of fertilizers, chemicals, etc.	2,416
Sale of cocoa powder	1,183
Rental on factory building and infrastructures	2,169
Sale of chocolate products	1,070

16. Subsequent Events

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

17. Review of Group's Performance

For the quarter under review, revenue for the Group decreased by 53% from RM76.4 million to RM35.8 million as compared with preceding year corresponding quarter. The decrease was mainly attributed to the decrease in selling price in the oil palm segment.

18. Comment On Material Changes In Profit Before Taxation

The Group registered a loss before taxation of RM15.9 million as compared with a loss of RM6.0 million in the immediate preceding quarter. The increase in loss was mainly attributed to lower margin for both oil palm and cocoa products.

19. Current Year Prospects

Barring unforeseen circumstances, oil palm crop yields for the current financial year are expected to be encouraging with more palms attaining prime age and the adoption of comprehensive fertilizing program. Although prices for oil palm products went down recently due to record high stock globally and global economic uncertainty, short term crude palm oil price is expected to be sustainable at the current level, supported by accelerated demand from China and India.

The cocoa products segment is viewed to remain uncertain and the management will adopt a cautious view in the operation of this segment.

20. Profit Forecast

The Group did not announce any profit forecast or profit guarantee during the current financial period.

21. Loss Before Tax

The following (gain)/loss have been included in arriving at loss before tax:

	Quarter Ended 31.01.2013 RM'000	Year-to-date 31.01.2013 RM'000
Interest Income	(174)	(791)
Interest Expenses	603	2,606
Rental Income	(41)	(151)
Depreciation and amortisation	618	2,494
Net foreign exchange loss	244	938
Rental of premises	12	31
Rental of equipment	17	92
Rental of land and factory	549	2,196

22. Taxation

	Current Quarter 31/01/2013 RM'000	Year-To- Date 31/01/2013 RM'000
Taxation for the current period	(12,997)	(11,719)
Deferred taxation for the current period	13,036	13,329
	<u>39</u>	<u>1,610</u>

23. Profit or Loss on Sale of Unquoted Investment and/or Properties

There was no sale of unquoted investments and/or properties during the current quarter and financial year-to-date.

24. Quoted Securities

There was no purchase or disposal of quoted securities during the current quarter and financial year-to-date and there were no investment in quoted shares as at the end of the quarter.

25. Corporate Proposals

There are no corporate proposals announced but not completed as at the date of this report.

26. Borrowings

The Group borrowings, which are denominated in Ringgit Malaysia, as at the end of the reporting period were as follows:

	RM'000
Short-term borrowings – secured	29,969
Long-term borrowings – secured	25,547
	<u>55,516</u>

27. Financial Instruments

There have been no significant changes to the Group's exposure credit risk, market risk and liquidity risk from the previous financial year. Also, there have been no changes to the Group's risk management objectives, policies and processes since the previous financial year end.

There were no financial instruments with off balance sheet risk as at the date of announcement.

The un-hedged financial assets and liabilities of the Group that are not denominated in their functional currencies as at the current quarter ended are as follows:-

Functional currency of the Group	Un-hedged financial assets/(liabilities) held in non-functional currencies		
	Sterling Pound	United States Dollar	Total
	RM'000	RM'000	RM'000
Trade and other receivables	91	3,241	3,332
Cash and bank balances	4,474	16,962	21,436
Borrowings	-	(34,866)	(34,866)
Total	4,565	(14,663)	(10,098)

28. Material Litigation

There were no pending material litigations at the date of this report.

29. Dividends

No dividend has been declared for the financial quarter under review.

30. Earnings Per Share

The earnings per share for the current quarter and financial year-to-date are calculated by dividing the profit for the period by the weighted average number of ordinary shares in issue.

	Current Year Quarter 31/01/2013	Preceding Year Corresponding Quarter 31/01/2012	Current Year To Date 31/01/2013	Preceding Year Corresponding Period 31/01/2012
(Loss)/Profit for the period (RM'000)	(15,913)	1,631	(27,196)	3,780
Weighted average number of ordinary shares in issue ('000)	40,097	40,097	40,097	40,097
Basic earnings per share (Sen)	<u>(39.69)</u>	<u>4.07</u>	<u>(67.82)</u>	<u>9.43</u>

Basic earnings per ordinary share is calculated by dividing the profit for the quarter attributable to ordinary equity holders of the parent company by the weighted average number of ordinary shares in issue during the quarter.

Diluted earnings per share is not disclosed as the Company does not have any dilutive potential on ordinary shares.

31. Disclosure of realised and unrealised profits and losses

Realised and unrealised accumulated profit/(loss) of the Group is analysed as follows:

	As at 31.01.2013 RM'000	As at 31.01.2012 RM'000
Total accumulated profit/(loss) of TGPB and its subsidiaries		
- Realised	39,338	(21)
- Unrealised	(20,965)	(7,560)
	18,373	(7,581)
Less: Consolidation adjustments	(8,073)	5,655
Total group accumulated profit/(loss) as per consolidated accounts	10,300	(1,926)

By Order of the Board

Chan Kin Dak @ Tan Kin Dak
Company Secretary
26 March 2013