



TECK GUAN PERDANA BERHAD

(COMPANY NO: 307097 - A)

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE THIRD QUARTER ENDED
31 OCTOBER 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 31/10/2013 RM'000	Preceding Year Corresponding Quarter 31/10/2012 RM'000	Current Year To date 31/10/2013 RM'000	Preceding Year Corresponding Period 31/10/2012 RM'000
Revenue	45,876	50,537	139,991	133,598
Cost of sales	(39,798)	(53,866)	(121,940)	(133,848)
Gross profit/ (Loss)	6,078	(3,329)	18,051	(250)
Other income	1,587	250	2,277	874
Selling & distribution costs	(2,218)	(1,764)	(6,782)	(4,699)
Administrative expenses	(1,850)	(1,135)	(5,389)	(4,251)
Interest income	41	321	459	617
Finance cost	(427)	(372)	(1,776)	(2,003)
Profit / (Loss) before taxation	3,211	(6,029)	6,840	(9,712)
Income tax	(1,389)	(1,357)	(1,604)	(1,571)
Profit/ (Loss) for the period	1,822	(7,386)	5,236	(11,283)
Other comprehensive income				
Assets revaluation reserve realised upon depreciation charged	467	36	1,402	107
Total comprehensive income / (loss) for the period	2,289	(7,350)	6,638	(11,176)

TECK GUAN PERDANA BERHAD

(Company No. 307097-A)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (continued)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31/10/2013 RM'000	Preceding Year Corresponding Quarter 31/10/2012 RM'000	Current Year To date 31/10/2013 RM'000	Preceding Year Corresponding Period 31/10/2012 RM'000
Profit / (Loss) attributable to: Equity holders of the company	1,822	(7,386)	5,236	(11,283)
Total comprehensive income/ (loss) attributable to: Equity holders of the company	2,289	(7,350)	6,638	(11,176)
Earnings/(loss) per Share Attributable to Equity Holders:				
Basic, for the period (Sen)	4.54	(18.42)	13.06	(28.14)
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 2013 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 31/10/2013 RM'000	As At Preceding Financial Year End 31/01/2013 RM'000
<u>ASSETS</u>		
Non-current assets		
Property, plant & equipment	61,559	62,165
Biological assets	42,823	44,860
Deferred tax assets	94	6
	<hr/> 104,476	<hr/> 107,031
Current assets		
Inventories	25,930	33,861
Derivative	78	-
Trade and other receivables	27,413	4,634
Amount due from holding company	-	1,530
Tax recoverable	161	262
Cash and bank balances	2,191	29,361
	<hr/> 55,773	<hr/> 69,648
TOTAL ASSETS	<hr/> 160,249	<hr/> 176,679
<u>EQUITY & LIABILITIES</u>		
Equity		
Share capital	40,097	40,097
Share premium	7	7
Reserves	54,991	56,393
Accumulated losses	(19,715)	(26,353)
Total Equity	<hr/> 75,380	<hr/> 70,144
Non-current liability		
Term loan	18,408	25,547
Deferred tax liabilities	18,571	17,955
	<hr/> 36,979	<hr/> 43,502
Current liabilities		
Borrowings	16,519	29,969
Trade and other payables	31,371	32,748
Derivative	-	316
	<hr/> 47,890	<hr/> 63,033
Total liabilities	<hr/> 84,869	<hr/> 106,535
TOTAL EQUITY & LIABILITIES	<hr/> 160,249	<hr/> 176,679
NET ASSETS PER SHARE (SEN)	187.99	174.94

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 2013 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
	Non-Distributable			Distributable	
	Share Capital RM'000	Share Premium RM'000	Reserves RM'000	Accumulated Profits/ (Losses) RM'000	
At 1 February 2012	40,097	7	17,255	(1,926)	55,433
Total comprehensive income for the year	-	-	39,138	(24,427)	14,711
At 31 January 2013	40,097	7	56,393	(26,353)	70,144
Total comprehensive income for the period	-	-	(1,402)	6,638	5,236
At 31 October 2013	40,097	7	54,991	(19,715)	75,380

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 2013 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 CASH FLOWS

	Current Year Todate 31/10/2013 RM'000	Preceding Year Corresponding Period 31/10/2012 RM'000
Operating activities		
Profit / (Loss) before taxation	6,840	(9,712)
<u>Adjustments for:</u>		
Depreciation of property, plant and equipment	1,561	1,300
Amortisation of biological assets	2,037	571
Plant and equipment written off	-	2
Gain on disposal of property, plant and equipment	(8)	(34)
Interest income	(459)	(617)
Interest expense	1,776	2,003
Total adjustments	<u>4,907</u>	<u>3,225</u>
Operating cash flows before changes in working capital	11,747	(6,487)
Decrease/(Increase) in inventories	7,931	(12,512)
Increase in trade and other receivables	(21,327)	(3,331)
(Decrease)/Increase in trade and other payables	(1,693)	21,003
Total changes in working capital	<u>(15,089)</u>	<u>5,160</u>
Cash flows used in operations	(3,342)	(1,327)
Interest paid	(1,776)	(2,003)
Income tax paid	(1,172)	(1,545)
Income tax refunded	197	184
Interest received	459	617
Net cash flows used in operating activities	<u>(5,634)</u>	<u>(4,074)</u>
Investing activities		
Purchase of property, plant and equipment	(956)	(523)
Proceeds from disposal of property, plant and equipment	9	260
Net cash flows used in investing activities	<u>(947)</u>	<u>(263)</u>

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

	Current Year Todate 31/10/2013 RM'000	Preceding Year Corresponding Period 31/10/2012 RM'000
Financing Activities		
Proceeds from bankers' acceptances	-	-
Repayment of bankers' acceptances	(13,297)	(5,739)
Repayment of term loan	(7,259)	(7,448)
Net cash flows used in financing activities	<u>(20,556)</u>	<u>(13,187)</u>
Net decrease in cash & cash equivalents	(27,137)	(17,524)
Cash & cash equivalents at beginning of the period	29,328	28,367
Cash & cash equivalents at end of the period	<u>2,191</u>	<u>10,843</u>
	As At 31/10/2013 RM'000	As At 31/10/2012 RM'000
*Cash & cash equivalents at end of the period consists of:		
Cash and Bank Balances	2,191	10,843
Bank Overdrafts	-	-
	<u>2,191</u>	<u>10,843</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 2013 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 2013. 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 2013.

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 2013 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 FRS 9 (IFRS 9(2009))	Presentations of Items of Other Comprehensive Income Financial Instruments (IFRS 9 issued by IASB in November 2009)

Accounting policies (continued)

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 (continued)

(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 October 2013 is set out below:

	Palm Oil Products RM'000	Cocoa Products RM'000	Elimination RM'000	Consolidated RM'000
Revenue				
External sales	132,144	7,847	-	139,991
Inter-segments sales	-	35	(35)	-
Total revenue	132,144	7,882	(35)	139,991
Results				
Segment results	8,693	778		9,471
Unallocated corporate expenses				(855)
Finance Cost, net				(1,776)
Profit Before Tax				<u>6,840</u>
Assets				
Segment assets	95,787	64,363		160,150
Unallocated assets				99
				<u>160,249</u>
Liabilities				
Segment liabilities	80,962	3,569		84,531
Unallocated liabilities				338
				<u>84,869</u>
Other information				
Capital expenditure	955	1		956
Depreciation	1,285	277		1,562
Amortisation	2,037	-		2,037

Segmental Reporting (continued)

Palm Oil Products

The palm oil products segment remained the Group's main source of revenue, which contributed 97.6% of the revenue of the Group in the current quarter.

Fresh fruit bunches yield recorded a decrease of approximately 2.7% as compared with preceding year corresponding quarter. Sales volume for crude palm kernel oil had registered a decrease by 4.2% while sales volume for palm kernel expeller had increased by 20.5%.

For the quarter under review, revenue for this segment decreased slightly from RM 45.1 million in preceding year corresponding quarter to RM 44.8 million in current quarter. The decrease was mainly attributed to decrease in both sales volume and selling price for crude palm kernel oil.

The palm oil products segment turned in an operating profit of RM1.9 million in the current quarter compared to a loss of RM4.3 million in the preceding year corresponding quarter. The increase was mainly attributed to overall improvement in operating dynamics in the current quarter.

Cocoa Products

The contribution of the Cocoa products segment to the revenue of the Group, at 2.4%, is insignificant. This segment still achieved positive operating results up to the current quarter.

10. Valuations of property, plant and equipment

The valuations of property, plant and equipment have been brought forward without amendment from the previous financial statements.

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 October 2013.

12. Discontinued operation

There was no discontinued operation during the quarter ended 31 October 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:

	9 months ended 31 October 2013 RM'000
Sale of crude palm kernel oil	61,518
Purchase of palm kernel	40,134
Sale of fresh fruit bunches	6,192
Purchase of fertilizers, chemicals, etc.	967
Sale of cocoa powder	578
Rental on factory building and infrastructures	1,662
Sale of chocolate products	725

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 9.1% from RM50.5 million to RM45.9 million as compared with preceding year corresponding quarter. The decrease was mainly attributed to the decrease in sales volume and selling price for both crude palm kernel oil and cocoa products.

18. Comment On Material Changes In Profit Before Taxation

The Group registered a profit before taxation of RM3.2 million as compared with a profit of RM1.4 million in the immediate preceding quarter. The increase was mainly attributed to an increase in sales volume and selling price for crude palm kernel oil in the current quarter.

19. Current Year Prospects

Barring unforeseen circumstances, fresh fruit bunches yield for the current financial year is expected to be comparable to previous financial year. However, average selling price for the year is expected to be less favourable than previous financial year.

The recent improvement in palm oil products price is expected to maintain for the rest of the financial year.

The market for the cocoa products segment, although its contribution to the group basis is insignificant, still remains uncertain.

For the remaining period of this financial year, the management remains cautiously positive in the operation of the Group.

20. Profit Forecast

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

21. Profit Before Tax

The following items have been included in arriving at profit before tax:

	Quarter Ended 31.10.2013 RM'000	Year-to-date 31.10.2013 RM'000
Interest Income	(41)	(459)
Interest Expenses	427	1,776
Rental Income	(42)	(125)
Depreciation and amortisation	1,203	3,599
Net foreign exchange loss/ (gain)	(787)	(845)
Rental of premises	12	35
Rental of equipment	24	50
Rental of land and factory	549	1,647

22. Taxation

	Current Quarter 31/10/2013 RM'000	Year-To- Date 31/10/2013 RM'000
Taxation for the current period	469	986
Deferred taxation for the current period	920	618
	<u>1,389</u>	<u>1,604</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	16,519
Long-term borrowings – secured	18,408
	<u>34,927</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		
	Great Britain Pound	United States Dollar	Total
	RM'000	RM'000	RM'000
Trade and other receivables	94	26,165	26,259
Cash and bank balances	1	664	665
Borrowings	-	(27,243)	(27,243)
Total	95	(414)	(319)

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/ (loss) for the period by the weighted average number of ordinary shares in issue.

	Current Year Quarter 31/10/2013	Preceding Year Corresponding Quarter 31/10/2012	Current Year To Date 31/10/2013	Preceding Year Corresponding Period 31/10/2012
Profit / (Loss) for the period (RM'000)	1,822	(7,386)	5,236	(11,283)
Weighted average number of ordinary shares in issue ('000)	40,097	40,097	40,097	40,097
Basic earnings per share (Sen)	<u>4.54</u>	<u>(18.42)</u>	<u>13.06</u>	<u>(28.14)</u>

Basic earnings per ordinary share is calculated by dividing the profit/(loss) for the quarter attributable to ordinary equity holders of the 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 profits/ (losses) of the Group is analysed as follows:

	As at 31.10.2013 RM'000	As at 31.01.2013 RM'000
Total accumulated profits/ (losses) of TGPB and its subsidiaries		
- Realised	5,435	(3,179)
- Unrealised	(18,832)	(17,948)
	(13,397)	(21,127)
Less: Consolidation adjustments	(6,318)	(5,226)
Total group accumulated losses as per consolidated accounts	(19,715)	(26,353)

By Order of the Board

Chan Kin Dak @ Tan Kin Dak
Company Secretary
27 December 2013