

KIM LOONG RESOURCES BERHAD

(Company Number : 22703-K)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/07/2013 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/07/2012 RM'000	CURRENT YEAR TO-DATE 31/07/2013 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/07/2012 RM'000
Revenue	142,031	154,484	279,341	312,246
Cost of sales	<u>(120,762)</u>	<u>(126,328)</u>	<u>(225,572)</u>	<u>(250,024)</u>
Gross profit	21,269	28,156	53,769	62,222
Other income	2,213	2,152	4,083	3,812
Operating expenses	(6,642)	(7,765)	(16,676)	(14,544)
Finance costs	<u>(325)</u>	<u>(326)</u>	<u>(592)</u>	<u>(668)</u>
Profit before tax	16,515	22,217	40,584	50,822
Tax	<u>(4,081)</u>	<u>(5,641)</u>	<u>(10,208)</u>	<u>(12,530)</u>
Profit for the period	<u>12,434</u>	<u>16,576</u>	<u>30,376</u>	<u>38,292</u>
Other comprehensive income:				
Cash flow hedge	5	(750)	7	(838)
Tax relating to other comprehensive income	(2)	187	(2)	209
Other comprehensive income for the period, net of tax	3	(563)	5	(629)
Total comprehensive income for the period	<u>12,437</u>	<u>16,013</u>	<u>30,381</u>	<u>37,663</u>
Profit for the period attributable to :				
Owners of the Company	11,363	13,682	25,491	31,072
Non-controlling interests	<u>1,071</u>	<u>2,894</u>	<u>4,885</u>	<u>7,220</u>
	<u>12,434</u>	<u>16,576</u>	<u>30,376</u>	<u>38,292</u>
Total comprehensive income for the period attributable to :				
Owners of the Company	11,365	13,219	25,494	30,568
Non-controlling interests	<u>1,072</u>	<u>2,794</u>	<u>4,887</u>	<u>7,095</u>
	<u>12,437</u>	<u>16,013</u>	<u>30,381</u>	<u>37,663</u>
Earnings per share (sen) :				
- Basic	3.68	4.44	8.26	10.10
- Diluted	3.68	4.43	8.26	10.09
Dividends per share (sen)	5.00	5.00	5.00	5.00

(The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the financial year ended 31 January 2013)

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	AS AT CURRENT QUARTER ENDED 31/07/2013 RM'000	AS AT PRECEDING FINANCIAL YEAR ENDED 31/01/2013 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	373,803	371,360
Biological assets	79,471	78,028
Land use rights	2,535	2,593
Deferred tax assets	8,332	8,358
	464,141	460,339
Current assets		
Inventories	29,146	42,776
Receivables	22,463	26,184
Prepayments	6,486	6,635
Tax recoverable	3,379	3,166
Derivative financial asset	-	622
Deposits with licensed banks and other financial institutions	185,191	126,768
Cash and bank balances	54,209	64,137
	300,874	270,288
TOTAL ASSETS	765,015	730,627
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	308,783	308,667
Reserves	213,751	209,542
Treasury shares	(217)	(60)
	522,317	518,149
Non-controlling interests	78,637	77,510
Total equity	600,954	595,659
Non-current liabilities		
Interest bearing borrowings (secured)	31,913	24,234
Other payables	2,397	2,314
Deferred tax liabilities	50,708	49,254
	85,018	75,802
Current liabilities		
Payables and accruals	42,188	42,952
Interest bearing borrowings (secured)	13,419	14,229
Dividend payable	21,607	-
Derivative financial liability	408	21
Tax payable	1,421	1,964
	79,043	59,166
Total liabilities	164,061	134,968
TOTAL EQUITY AND LIABILITIES	765,015	730,627
Net assets per share (RM)	1.69	1.68

(The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the financial year ended 31 January 2013)

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the Company							Non-controlling interests	Total equity	
	Non-distributable				Distributable					
	Share capital	Share premium	Revaluation reserve	Hedging reserve	Other reserve	Retained profits	Treasury shares			Total
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
6 months ended										
31 July 2013										
Balance as at 1 February 2013	308,667	2,110	41,218	(10)	435	165,789	(60)	518,149	77,510	595,659
Changes in equity for the period:										
Realisation of revaluation reserve to retained earnings	-	-	(412)	-	-	412	-	-	-	-
Profit or loss	-	-	-	-	-	25,491	-	25,491	4,885	30,376
Other comprehensive income	-	-	-	3	-	-	-	3	2	5
Total comprehensive income for the period	-	-	-	3	-	25,491	-	25,494	4,887	30,381
Dividends	-	-	-	-	-	(21,607)	-	(21,607)	(3,760)	(25,367)
Share-based payment under ESOS	-	-	-	-	197	-	-	197	-	197
Transfer of reserve arising from exercise of ESOS	-	43	-	-	(43)	-	-	-	-	-
Issuance of shares pursuant to: - exercise of ESOS	116	127	-	-	-	-	-	243	-	243
Buy-back of shares	-	-	-	-	-	-	(157)	(157)	-	(157)
Expenses in relation to issuance of shares	-	(2)	-	-	-	-	-	(2)	-	(2)
Total for transactions with owners	116	168	-	-	154	(21,607)	(157)	(21,326)	(3,760)	(25,086)
Balance as at 31 July 2013	<u>308,783</u>	<u>2,278</u>	<u>40,806</u>	<u>(7)</u>	<u>589</u>	<u>170,085</u>	<u>(217)</u>	<u>522,317</u>	<u>78,637</u>	<u>600,954</u>

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(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the Company							Non-controlling interests	Total equity	
	Non-distributable				Distributable					
	Share capital	Share premium	Revaluation reserve	Hedging reserve	Other reserve	Retained profits	Treasury shares			Total
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
6 months ended										
31 July 2012										
Balance as at 1 February 2012	306,555	1,449	42,044	(23)	325	157,029	(23)	507,356	71,180	578,536
Changes in equity for the period:										
Realisation of revaluation reserve to retained earnings	-	-	(413)	-	-	413	-	-	-	-
Profit or loss	-	-	-	-	-	31,072	-	31,072	7,220	38,292
Other comprehensive income	-	-	-	(504)	-	-	-	(504)	(125)	(629)
Total comprehensive income for the period	-	-	-	(504)	-	31,072	-	30,568	7,095	37,663
Dividends	-	-	-	-	-	(30,699)	-	(30,699)	(2,140)	(32,839)
Share-based payment under ESOS	-	-	-	-	152	-	-	152	-	152
Transfer of reserve arising from exercise of ESOS	-	148	-	-	(148)	-	-	-	-	-
Issuance of shares pursuant to:										
- exercise of ESOS	435	342	-	-	-	-	-	777	-	777
- exercise of Warrants	1,508	-	-	-	-	-	-	1,508	-	1,508
Dilution of interest in subsidiary company	-	-	-	-	-	121	-	121	(61)	60
Issuance of shares to non-controlling interests of subsidiary company	-	-	-	-	-	-	-	-	613	613
Acquisition from non-controlling interests	-	-	-	-	-	(1)	-	(1)	(29)	(30)
Buy-back of shares	-	-	-	-	-	-	(26)	(26)	-	(26)
Expenses in relation to issuance of shares	-	(23)	-	-	-	-	-	(23)	-	(23)
Reversal of non-controlling interests' share of loss previously setoff against their advances	-	-	-	-	-	-	-	-	(137)	(137)
Total for transactions with owners	1,943	467	-	-	4	(30,579)	(26)	(28,191)	(1,754)	(29,945)
Balance as at 31 July 2012	<u>308,498</u>	<u>1,916</u>	<u>41,631</u>	<u>(527)</u>	<u>329</u>	<u>157,935</u>	<u>(49)</u>	<u>509,733</u>	<u>76,521</u>	<u>586,254</u>

(The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the financial year ended 31 January 2013)

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	6 months ended 31/07/2013 RM'000	6 months ended 31/07/2012 RM'000
Cash flows from operating activities		
Cash receipts from customers	282,705	319,337
Rental received	22	22
Interest received	3,013	2,824
Cash paid to suppliers and employees	(213,126)	(253,732)
Cash generated from operations	72,614	68,451
Interest paid	(482)	(571)
Tax paid	(9,485)	(14,704)
Net cash from operating activities	62,647	53,176
Cash flows from investing activities		
Additional investment in existing subsidiary company	-	(30)
Proceeds from disposal of interest in subsidiary company	-	60
Proceeds from disposal of property, plant and equipment	311	311
Acquisition of biological assets and property, plant and equipment	(17,153)	(13,666)
Interest paid	(504)	(346)
Net cash used in investing activities	(17,346)	(13,671)
Cash flows from financing activities		
Proceeds from issuance of shares	243	2,285
Proceeds from issuance of shares to non-controlling interests (NCI) in subsidiary companies	-	613
Expenses paid in relation to issuance of shares	(2)	(24)
Drawdown of bank borrowings	9,800	-
Repayments of bank borrowings	(1,116)	(1,116)
Other borrowings	-	(165)
Dividend paid to NCI in subsidiary companies	(3,760)	(1,690)
Purchase of treasury shares	(157)	(26)
Net cash from/(used in) financing activities	5,008	(123)
Net increase in cash and cash equivalents	50,309	39,382
Cash and cash equivalents at beginning of period	186,409	185,194
Cash and cash equivalents at end of period (Note a)	<u>236,718</u>	<u>224,576</u>
Note a : Cash and cash equivalents at end of period		
Cash and bank balances	54,209	55,758
Deposits with licensed banks and other financial institution	185,191	171,867
Bank overdrafts	(2,682)	(3,049)
	<u>236,718</u>	<u>224,576</u>

(The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the financial year ended 31 January 2013)

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EXPLANATORY NOTES

A1. Basis of preparation

The interim financial report is unaudited and has been prepared in accordance with Financial Reporting Standard (FRS) 134 : Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial report should be read in conjunction with the audited financial statements for the financial 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 the understanding of the changes in the financial position and performance of the Group since the financial year ended 31 January 2013.

The accounting policies and methods of computation adopted by the Group in these interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 31 January 2013 except for the adoption of the new and amended FRSs which are relevant to the Group’s operations with effect from 1 February 2013 as set out below:

Amendments to FRS 101 Presentation of Items of Other Comprehensive Income	
FRS 10	Consolidated Financial Statements
FRS 11	Joint Arrangements
FRS 12	Disclosures of Interests in Other Entities
FRS 13	Fair Value Measurement
FRS 119	Employee Benefits
FRS 127	Separate Financial Statements
FRS 128	Investment in Associates and Joint Ventures
Amendments to FRS 7 Disclosures – Offsetting Financial Assets and Financial Liabilities	
Improvements to FRSs issued in 2012	
Amendments to FRS 10, FRS 11 and FRS 12 – Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance	

The Directors do not expect any material impact on the financial statements arising from adoption of the above standards and interpretations.

The Group has not elected for early adoption of the following new and amended FRSs relevant to the current operations of the Group, which were issued but not yet effective for the financial year ended 31 January 2014:

	Effective for financial periods beginning on or after
Amendments to FRS 10, FRS 12 and FRS 127 – Investment Entities	1 January 2014
Amendments to FRS 132 Offsetting Financial Assets and Financial Liabilities	1 January 2014
Amendments to FRS 136 Recoverable Amount Disclosures for Non-Financial Assets	1 January 2014
Amendments to FRS 139 Novation of Derivatives and Continuation of Hedge Accounting	1 January 2014
FRS 9 Financial Instruments	1 January 2015

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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 have been allowed to defer adoption of the new MFRS Framework for an additional three years. Consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2015.

The Group falls within the scope definition of Transitioning Entities and has opted to defer adoption of the new MFRS Framework. Accordingly, the Group will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 January 2016. 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 profits.

The Group has not completed its assessment of the financial effects of the differences between Financial Reporting Standards and accounting standards under the MFRS Framework.

A2. Seasonal or cyclical factors

The production of Fresh Fruit Bunches ("FFB") from the estates and palm oil from the mill is normally low during the first quarter of each year and will rise in the second quarter, peak in the third quarter and then slowly decline in the fourth quarter. The production of FFB for the current quarter dropped by 22% compared to the preceding quarter. It is noted a shift in cropping pattern since last year as the peak crop season was delayed to the 4th quarter instead of 3rd quarter and the low crop season had shifted to the 2nd quarter in this financial year which normally fall in 1st quarter.

A3. Unusual items

There were no unusual items that have material effects on the assets, liabilities, equity, net income or cash flows for the current financial year-to-date.

A4. Material changes in estimates

There were no changes in estimates that have had material effects in the current quarter.

A5. Debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the first half year ended 31 July 2013 except for the following:

- (a) Issuance of 115,800 new ordinary shares of RM1 each under the Company's Employees' Share Option Scheme ("ESOS"); and

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- (b) Repurchase of 65,000 ordinary shares of RM1 each of its issued share capital from the open market for a total consideration of RM156,972 at the average price of RM2.40 per share.

A6. Dividends paid

No dividends have been paid during the current financial year-to-date.

A7. Segmental information

Major segments by activity:-

	Revenue		Results	
	6 months ended		6 months ended	
	31/07/2013	31/07/2012	31/07/2013	31/07/2012
	RM'000	RM'000	RM'000	RM'000
Plantation operations	55,018	61,770	18,567	28,054
Milling operations	271,813	310,388	15,943	18,138
	326,831	372,158	34,510	46,192
Less:				
Inter-segment eliminations	(47,490)	(59,912)	5,053	4,525
	279,341	312,246	39,563	50,717
Less:				
Unallocated expenses			(1,458)	(2,166)
Finance income			3,071	2,939
Finance costs			(592)	(668)
Profit before tax			40,584	50,822
Tax expenses			(10,208)	(12,530)
Profit for the period			30,376	38,292

A8. Material subsequent events

As at 24 September 2013, there were no material subsequent events that have not been reflected in the financial statements for the current financial period.

A9. Changes in the composition of the Group

There were no changes in the composition of the Group during the current financial year-to-date, including business combination, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinuing operations.

A10. Contingent liabilities or Contingent assets

As at 24 September 2013, there were no material changes in contingent liabilities or contingent assets at Group level since the end of last annual reporting period at 31 January 2013. Save for disclosed in Note B9, there were no contingent liabilities or contingent assets, which upon becoming enforceable, may have material effect on the net assets, profits or financial position of our Group.

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ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES

B1. Review of the performance of the Company and its principal subsidiaries

The revenue and profit before tax (“PBT”) of the Group were RM279.34 million and RM40.58 million respectively for the half year ended 31 July 2013, as compared to RM312.25 million and RM50.82 million respectively for the corresponding period last year.

The 11% and 20% drops in revenue and PBT respectively were mainly due to lower crude palm oil (“CPO”) and palm kernel oil (“PKO”) prices which were about 26% and 39% respectively lower than the corresponding period last year despite 32% higher FFB production achieved.

Performance analysis by segments:

	Revenue			
	Quarter ended		Year-to-date ended	
	31/07/2013	31/07/2012	31/07/2013	31/07/2012
	RM'000	RM'000	RM'000	RM'000
Plantation operations	24,257	28,759	55,018	61,770
Milling operations	139,007	154,006	271,813	310,388
	163,264	182,765	326,831	372,158

	Results			
	Quarter ended		Year-to-date ended	
	31/07/2013	31/07/2012	31/07/2013	31/07/2012
	RM'000	RM'000	RM'000	RM'000
Plantation operations	5,261	13,176	18,567	28,054
Milling operations	8,013	8,471	15,943	18,138
	13,274	21,647	34,510	46,192

Plantation operations

The revenue from plantation operations dropped by 16% and 11% for the current quarter and year-to-date respectively as compared to the corresponding periods in last year. In terms of profit, the plantation operation recorded RM5.26 million and RM18.57 million for the current quarter and year-to-date respectively, representing a drop of 60% and 34% respectively as compared to the corresponding periods in last year. The drop in revenue and profit were due to lower palm oil prices but cushioned by higher FFB production. The FFB production for the current quarter and year-to-date were 58,100 MT and 132,300 MT which were 21% and 32% higher than the corresponding periods last year.

The plantation operations did not face problem in selling its FFB production as most of the produce was supplied to mills within the Group. Average FFB prices were 31% and 33% lower for the current quarter and the year-to-date respectively as compared to the corresponding periods in last year.

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Palm oil milling operations

The revenue from the milling operations dropped by 10% and 12% for the current quarter and year-to-date respectively as compared to the corresponding period in last year. The milling operations achieved profit of RM8.01 million and RM15.94 million in the current quarter and year-to-date respectively which were 5% and 12% lower compared the corresponding periods in last year. The lower revenue and profit were mainly due to lower palm oil prices.

Total CPO production for the current quarter and year-to-date were 46,900 MT and 94,600 MT respectively which were 2% and 13% higher than production in the corresponding period in last year.

The market condition and demand for the Group's milling products has been good and steady for the current quarter and year-to-date. The sale of CPO, the main product, for the current quarter and year-to-date were 53,800 MT and 105,400 MT respectively, representing increase of 24% compared to the corresponding periods in last year.

B2. Comparison of profit before tax for the quarter reported on with the immediate preceding quarter

The PBT for the current quarter was RM16.52 million which was 31% lower than RM24.07 million achieved in the preceding quarter ended 30 April 2013. The drop in PBT was mainly due to lower FFB production from plantation operations in the current quarter. The FFB production for the current quarter dropped by 22% to 58,100 MT as compared to 74,200 MT achieved in the preceding quarter. As for the milling operations, FFB processed during the current quarter was 213,400 MT which was about same as the preceding quarter. There were no significant movements in average prices for CPO and PKO for the current quarter as compared to the preceding quarter.

B3. Current financial year prospects

For the financial year ending 31 January 2014, we expect the CPO production quantity of the milling operations to be slightly higher than the quantity achieved in the financial year 2013. For the plantation operations, we expect the FFB production to increase and project to achieve about 10% higher than the FFB production achieved in the financial year 2013.

We expect the CPO price to be stable at the current level of RM2,300 per MT in the financial year 2014.

Based on the above, we expect the Group's performance to be satisfactory for the financial year 2014.

B4. Variance of actual profit from forecast profit and shortfall in profit guarantee

This is not applicable.

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B5. Income tax

	Current Quarter Ended 31/07/2013 RM'000	Financial Year-to-date Ended 31/07/2013 RM'000
Malaysian Income Tax		
- Current year	2,855	8,729
Deferred tax		
- Current year	1,298	1,623
- Realisation of revaluation surplus on land	(72)	(144)
	1,226	1,479
	<u>4,081</u>	<u>10,208</u>

B6. Status of corporate proposals

There is no outstanding corporate proposal as at 24 September 2013.

B7. Group borrowings and debt securities

As at 31 July 2013, the total secured borrowings, which are denominated in Ringgit Malaysia, are as follows:

	RM'000
Short term borrowings :	
Overdrafts	2,682
Revolving credit	7,500
Term loans	3,237
	<u>13,419</u>
Long term borrowings :	
Term loans	<u>31,913</u>

There were no unsecured interest bearing borrowings as at 31 July 2013.

B8. Breakdown of realised and unrealised profits or losses of the Group

The breakdown of the retained profits of the Group is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25 March 2010 and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

	At as 31/07/2013 RM'000	At as 31/01/2013 RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	249,198	246,946
- Unrealised	(22,532)	(21,574)
	<u>226,666</u>	<u>225,372</u>
Less: Consolidation adjustments	(56,581)	(59,583)
Retained earnings as per consolidated accounts	<u>170,085</u>	<u>165,789</u>

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B9. Material litigation

As at 24 September 2013, there were no material litigations against the Group except for the following:

Prior to the acquisition of the subsidiary company, Tetangga Akrab Pelita (Pantu) Sdn. Bhd. (currently known as Winsome Pelita (Pantu) Sdn. Bhd.), announced by the Company on 1 December 2009, there were several legal claims made against that subsidiary company by natives for customary rights to land belonging to that subsidiary company.

On 18 February 2011, the Judgment for the High Court Civil Suit No. 22-10-2005-I (SG) against the subsidiary company was delivered at Kuching High Court, which had been announced to Bursa Securities on 22 February 2011.

On 9 March 2011, the Court of Appeal had granted a stay of execution of the Judgment delivered by the High Court.

The Group has filed our Memorandum and record of Appeal on 11 April 2011. Hearing of the Appeal has been carried out on 17 October 2012.

There is no significant progress on the case and our solicitor is of the view that we have a fair prospect of succeeding in this Appeal. Accordingly, the Directors are of the opinion that no liabilities are required to be accrued.

B10. Dividend

The Board is pleased to declare an interim single tier dividend of 5 sen per share in respect of the financial year ending 31 January 2014.

- (a) (i) amount per share: 5 sen single tier;
 - (ii) previous corresponding period: 5 sen single tier per share;
 - (iii) date of payment: 22 November 2013; and
 - (iv) in respect of deposited securities, entitlement to dividends will be determined on the basis of the record of the depositors as at 1 November 2013; and
- (b) total dividend for the current financial year: 5 sen single tier per share.

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B11. Earnings per share

Basic earnings per share (“Basic EPS”)

The Basic EPS is calculated by dividing the profit attributable to the owners of the Company for the current quarter and the first half year by the weighted average number of ordinary shares in issue during the current quarter and the first half year respectively, excluding treasury shares held by the Company:

		Current Quarter Ended 31/07/2013	Financial Year-to-date Ended 31/07/2013
Net profit for the period	(RM'000)	11,363	25,491
Weighted average number of ordinary shares in issue	('000)	308,629	308,604
Basic EPS	(sen)	3.68	8.26

Diluted earnings per share (“Diluted EPS”)

The Diluted EPS is calculated by dividing the profit attributable to the owners of the Company for the current quarter and the first half year by the weighted average number of ordinary shares in issue during the current quarter and the first half year respectively, which has been adjusted for the following:

- (i) the number of ordinary shares that could have been issued under the Company's ESOS.

Shares that are anti-dilutive are ignored in the computation of Diluted EPS.

		Current Quarter Ended 31/07/2013	Financial Year-to-date Ended 31/07/2013
Net profit for the period	(RM'000)	11,363	25,491
Weighted average number of ordinary shares in issue	('000)	308,629	308,604
Adjustment for dilutive effect of unexercised share options	('000)	159	125
Adjusted weighted average number of shares for Diluted EPS	('000)	308,788	308,729
Diluted EPS	(sen)	3.68	8.26

B12. Audit qualification

The auditors' report of the preceding annual financial statements of the Group did not contain any qualification.

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B13. Profit before tax

Profit before tax is arrived at after charging/(crediting) the following items:

	Current Quarter Ended 31/07/2013 RM'000	Financial Year-to-date Ended 31/07/2013 RM'000
(a) Interest income	(1,681)	(3,071)
(b) Other income including investment income	(532)	(1,012)
(c) Interest expense	325	592
(d) Depreciation and amortization	6,039	12,108
(e) Provision for and write off of receivables	-	-
(f) Provision for and write off of inventories	-	-
(g) Gain or loss on disposal of quoted or unquoted investment or properties	-	-
(h) Impairment of assets	-	-
(i) Foreign exchange gain or loss	-	-
(j) Gain or loss on derivatives	(150)	2,519
(k) Exceptional items	-	-
