

## Quarterly rpt on consolidated results for the financial period ended 30/4/2014

SELANGOR PROPERTIES BERHAD

Financial Year End	31/10/2014
Quarter	2
Quarterly report for the financial period ended	30/04/2014
The figures	have not been audited



# UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 30 APRIL 2014

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**SELANGOR PROPERTIES BERHAD**

(Company Number: 5199-X)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
SECOND QUARTER ENDED 30 APRIL 2014**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.04.2014 RM'000	Preceding Year Corresponding Quarter 30.04.2013 RM'000	Current Year To Date 30.04.2014 RM'000	Preceding Year Corresponding Period 30.04.2013 RM'000
<b>Revenue</b>	28,145	60,764	50,200	121,837
Investment income/(loss)	2,764	979	3,525	530
Cost of sale of development properties	(4,768)	(2,363)	(5,056)	(7,602)
Operating expenses	(13,486)	(52,561)	(28,879)	(84,388)
Other operating income	(1,960)	16,519	152,130	21,191
<b>Profit from operations</b>	10,695	23,338	171,920	51,568
Financing costs	(3,490)	(4,124)	(7,526)	(8,693)
<b>Profit before taxation</b>	7,205	19,214	164,394	42,875
Share of result of joint control entity	-	5	-	(12)
Taxation	(1,613)	(9,904)	(3,009)	(13,269)
<b>Profit from continuing operations</b>	5,592	9,315	161,385	29,594
Loss from discontinued operation	-	-	(1,685)	-
<b>Profit for the financial period</b>	5,592	9,315	159,700	29,594
Foreign currency translation	2,434	(1,614)	619	(636)
Fair value changes on hedging instrument	(29)	531	(7)	494
Other comprehensive income for the period (net of tax)	2,405	(1,083)	612	(142)
<b>Total comprehensive income for the period</b>	7,997	8,232	160,312	29,452
<b>Profit attributable to:</b>				
Owners of the parent				
- Continuing operations	5,592	6,830	161,385	26,192
- Discontinued operation	-	-	(527)	-
Minority interest	-	2,485	(1,158)	3,402
<b>Profit for the financial period</b>	5,592	9,315	159,700	29,594
<b>Total comprehensive income attributable to:</b>				
Owners of the parent				
- Continuing operations	7,997	5,747	161,997	26,050
- Discontinued operation	-	-	(527)	-
Minority interest	-	2,485	(1,158)	3,402
<b>Total comprehensive income for the period</b>	7,997	8,232	160,312	29,452
Basic EPS (sen)	1.63	1.99	46.81	7.62

*The Unaudited Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 October 2013*

**SELANGOR PROPERTIES BERHAD**

(Company Number: 5199-X)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>Unaudited As At 30.04.2014 RM'000</b>	<b>Audited As At 31.10.2013 RM'000</b>	<b>Audited As At 01.11.2012 RM'000</b>
<b>ASSETS</b>			
Non-current assets			
Property, plant and equipment	1,672	204,409	181,471
Land held for development	434,876	433,633	432,210
Long term receivables	16,258	17,280	15,805
Investment properties	1,123,086	1,032,762	998,502
Other Investment	9,327	-	-
Intangible assets	-	6,035	6,252
Deferred tax assets	10,538	26,680	30,354
	<u>1,595,757</u>	<u>1,720,799</u>	<u>1,664,594</u>
Total non-current assets			
Current assets			
Inventories	59,172	63,118	75,723
Trade receivables	1,215	8,508	6,851
Other receivables	4,779	15,133	21,703
Tax recoverable	5,065	5,669	4,752
Held for trading investments	393,250	329,589	270,977
Cash and bank balances	427,884	398,797	455,231
	<u>891,365</u>	<u>820,814</u>	<u>835,237</u>
Total Current Assets			
	<u>2,487,122</u>	<u>2,541,613</u>	<u>2,499,831</u>
<b>TOTAL ASSETS</b>			
<b>EQUITY AND LIABILITIES</b>			
Equity attributable to owners of the parent			
Share capital	343,617	343,617	343,617
Reserves	1,664,179	1,605,794	1,544,003
	<u>2,007,796</u>	<u>1,949,411</u>	<u>1,887,620</u>
Minority interests	-	77,390	72,489
	<u>2,007,796</u>	<u>2,026,801</u>	<u>1,960,109</u>
Total equity			

**SELANGOR PROPERTIES BERHAD**

(Company Number: 5199-X)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>Unaudited As At 30.04.2014 RM'000</b>	<b>Audited As At 31.10.2013 RM'000</b>	<b>Audited As At 01.11.2012 RM'000</b>
<b>LIABILITIES</b>			
Non-current liabilities			
Long term loan	245,025	267,919	318,089
Long term payable	-	-	9,000
Deferred taxation	81,757	103,869	90,363
	<u>326,782</u>	<u>371,788</u>	<u>417,452</u>
Total non-current liabilities			
Current liabilities			
Provision for liabilities	1,243	1,232	3,016
Short term borrowings	12,028	50,307	26,038
Trade payables	60	27,000	25,373
Other payables	137,718	62,406	66,062
Taxation	1,495	2,079	1,781
	<u>152,544</u>	<u>143,024</u>	<u>122,270</u>
Total current liabilities			
	<u>479,326</u>	<u>514,812</u>	<u>539,722</u>
Total liabilities			
	<u>2,487,122</u>	<u>2,541,613</u>	<u>2,499,831</u>
<b>TOTAL EQUITY AND LIABILITIES</b>			
Net assets per share attributable to owners of the parent (RM)	5.84	5.67	5.49

*The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Audited Financial Statement for the year ended 31 October 2013*

**SELANGOR PROPERTIES BERHAD**

(Company Number: 5199-X)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
SECOND QUARTER ENDED 30 APRIL 2014**

← Attributable to equity holders of the Company →

	Share Capital RM'000	Non- Distributable Reserve RM'000	Retained earnings RM'000	Total RM'000	Minority Interest RM'000	Total Equity RM'000
<b>Current Year To Date</b>						
As at 1 November 2013	343,617	266,020	1,339,774	1,949,411	77,390	2,026,801
Total comprehensive income	-	612	160,858	161,470	(1,158)	160,312
Dividend	-	-	(103,085)	(103,085)	-	(103,085)
Disposal of Subsidiaries	-	-	-	-	(76,232)	(76,232)
As at 30 April 2014	<u>343,617</u>	<u>266,632</u>	<u>1,397,547</u>	<u>2,007,796</u>	<u>-</u>	<u>2,007,796</u>
<b>Preceding Year Corresponding Period</b>						
At 1 November 2012	343,617	300,284	1,243,719	1,887,620	72,489	1,960,109
Total comprehensive income	-	(142)	26,192	26,050	3,402	29,452
Dividend	-	-	(32,641)	(32,641)	(1,044)	(33,685)
As at 30 April 2013	<u>343,617</u>	<u>300,142</u>	<u>1,237,270</u>	<u>1,881,029</u>	<u>74,847</u>	<u>1,955,876</u>

*The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 October 2013*

**SELANGOR PROPERTIES BERHAD**

(Company Number: 5199-X)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW  
FOR THE 6 MONTHS ENDED 30 APRIL 2014**

	Period ended 30.04.2014 RM'000	Period ended 30.04.2013 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax		
- From continuing operations	164,417	42,875
- From discontinued operation	(1,708)	-
	<u>162,709</u>	<u>42,875</u>
Adjustments for non-cash item	(144,751)	(8,935)
Working capital changes	645	8,636
	<u>18,603</u>	<u>42,576</u>
Net cash generated from operation	18,603	42,576
Interest received	4,308	5,923
Taxes paid	(3,170)	(6,398)
	<u>19,741</u>	<u>42,101</u>
Net cash generated from operating activities	19,741	42,101
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of FVTPL financial assets	(53,712)	(127,236)
Proceeds from disposal of FVTPL financial assets	2,363	5,981
Net cash inflow from disposal of subsidiaries	154,681	-
Additions of investment properties	(26,259)	-
Additions of other investment	(9,077)	-
Purchase of PPE and Intangibles	(93)	(15,650)
Payment of development expenses	(1,243)	(119)
Dividends received from shares quoted outside Malaysia	2,744	1,366
	<u>69,404</u>	<u>(135,658)</u>
Net cash generated from / (used in) investing activities	69,404	(135,658)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of borrowings	(63,279)	(13,041)
Interest paid	(7,506)	(7,573)
	<u>(70,785)</u>	<u>(20,614)</u>
Net cash used in financing activities	(70,785)	(20,614)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	18,360	(114,171)
EFFECTS OF EXCHANGE RATE CHANGES	10,727	(6,983)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD/YEAR	<u>398,797</u>	<u>455,231</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>427,884</u>	<u>334,077</u>

*The Unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction  
with the Annual Financial Report for the year ended 31 October 2013*



## **PART A**

### **Explanatory Notes Pursuant to MFRS 134 “Interim Financial Reporting”**

#### **1. Basis of Preparation**

The condensed consolidated interim financial statements for the period ended 30 April 2014 of the Group have been prepared in accordance with the International Financial Reporting Standards compliant framework, Malaysian Financial Reporting Standards (“MFRS”), MFRS 134 “Interim Financial Reporting”, Paragraph 9.22 and Appendix 9B of the Bursa Malaysia Securities Berhad (“Bursa Securities”) Main Market Listing Requirements (“Main LR”), and should be read in conjunction with the Group’s audited financial statements for the financial year ended 31 October 2013.

The explanatory notes attached to these condensed consolidated 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 financial year ended 31 October 2013.

#### **2. Accounting Policies**

The accounting policies and methods of computation and presentation adopted by the Group in this quarterly report are consistent with those adopted in the audited financial statements for the financial year ended 31 October 2013 except for the adoption of the following new MFRSs, Amendments to MFRSs and IC Interpretations which are applicable for the Group's financial period beginning 1 November 2013:-

- MFRS 10: Consolidated Financial Statements
- MFRS 11: Joint Arrangements
- MFRS 12: Disclosure of Interests in Other Entities
- MFRS 13: Fair Value Measurement
- Amendment to MFRS 7 Disclosures – Offsetting Financial Assets and Financial Liabilities
- Amendment to MFRS 116 Property, Plant and Equipment (Annual Improvements 2009 – 2011 Cycle)
- Amendment to MFRS 132 Financial Instruments Presentation (Annual Improvements 2009 – 2011 Cycle)
- Amendment to MFRS 134 Interim Financial Reporting (Annual Improvements 2009 – 2011 Cycle)
- Amendment to MFRS 10 Consolidated Financial Statements: Transition Guide
- Amendment to MFRS 101 Presentation of Financial Statements (Annual Improvements 2009-2011 Cycle)
- MFRS 119 Employee Benefits (IAS 19 as amended by IASB in June 2011)
- MFRS 127 Separate Financial Statements (IAS 27 as amended by IASB in May 2011)
- MFRS 128 Investment in Associates and Joint Ventures
- Amendments to IC interpretation 2 Member’s shares in Co-operative Entities and Similar Instruments (Improvements to FRSS (2012))

The adoption of the above MFRSs and amendments to MFRSs does not have any significant impact on the financial statements of the Group.

#### **3. Annual Audited Financial Statements**

The audited financial statements of the Company for the preceding financial year ended 31 October 2013 were not subject to any qualification.

#### **4. Comments on the Seasonality or Cyclicity of Operations**

The operations of the Group were not affected by any seasonal or cyclical factors.

## 5. Unusual Items

Save for the information disclosed in this interim financial report, there were no unusual items affecting assets, liabilities, equity, net income or cash flow.

## 6. Changes in Estimates of Amounts Reported Previously

There were no material changes in estimates of amounts used in the preparation of the financial statements in the current financial quarter and current financial period as compared to the previous corresponding financial quarterly and financial period.

## 7. Issuances, Cancellations, Repurchases, Resale and Repayments of Debt and Equity

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the current quarter and the financial year-to-date.

## 8. Dividends Paid

There were no dividends paid during the financial quarter ended 30 April 2014. A final dividend in respect of financial year ended 31 October 2013, of 10.0 sen single tier exempt dividend per ordinary share amounting to RM34,361,676 and a special single tier exempt dividend of 20.0 sen per ordinary share amounting to RM68,723,352 on 343,616,761 ordinary shares, was approved by shareholders on 24 April 2014 and was paid on 15 May 2014.

## 9. Segment Revenue and Segment Result

The analysis of the Group operations for the period ended 30 April 2014 is as follows: -

	Revenue RM'000	Segment Results RM'000	Total Assets Employed RM'000
By Industries			
Property Investment Holding	21,909	134,208	797,270
Property Development	512	(1,189)	450,279
Education	-	-	-
Investment holding	5,633	24,036	662,288
Australia Operations	22,146	7,403	561,674
Others	-	(64)	7
Unallocated Corporate Assets	-	-	15,604
	<u>50,200</u>	<u>164,394</u>	<u>2,487,122</u>

## 10. Valuation of Property, Plant and Equipment

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

## 11. Material Events Subsequent to the End of the Interim Period

There were no material events subsequent to the end of the financial period reported that have not been reflected in this financial statements except for the announcement on 3 March 2014 on the proposed disposal of a parcel of freehold land under Geran 70133 Lot 56495 Mukim/ Daerah Kuala Lumpur by its subsidiaries namely Bungsar Hill Holdings Sdn Bhd, Oriseven Sdn Bhd, Orieight Sdn Bhd and Orinine Sdn Bhd to Jendela Mayang Sdn Bhd for a cash consideration of RM450 million. Bungsar Hill Holdings Sdn Bhd has received an earnest deposit of RM5 million and the sale is pending the execution of the sale and purchase agreement which is to be executed within 2 months from 3 March 2014. The deadline for the parties to execute the sale and purchase agreement has been extended to 31 July 2014. Subject to completion, the proposed disposal will contribute a net gain of RM376.2 million to the Group and is expected to be completed in the next financial year.

## 12. Changes in the Composition of the Group

During the financial period, the Group had disposed off the equity interest in Help International Corporation Berhad (“Help”) and its subsidiaries for a cash consideration of RM183,276,292. The sale was completed on 15 January 2014.

There were no other changes in the composition of the Group for the financial period ended 30 April 2014.

## 13. Derivatives

The Group has the following derivative agreement to hedge against interest rate risk:

Type of Derivatives	Notional Value AUD'000	Fair Value AUD'000
Interest rate swap		
28/05/2012 – 28/05/2014	25,000	(144)
28/05/2012 – 27/02/2015	25,000	(144)

The rationale of this interest rate swap is to have certainty of interest payment and cash flow. The fair value of the interest rate swap is the estimated amount that the company would receive or pay to terminate the swap. It represents the difference between the fixed and floating rate of the swap as at 30 April 2014.

## 14. Changes in Contingent Liabilities or Contingent Assets since the Last Annual Reporting Date

There were no material changes in contingent liabilities or contingent assets since the last audited reporting date.

## 15. Capital Commitments

The capital and development expenditure approved and contracted for amounted to RM7,597,000 (2013 : RM17,334,000)

## PART B

### Explanatory Notes Pursuant to Appendix 9B of the Bursa Malaysia Securities Berhad Main Market Listing Requirements

#### 1. Review of Performance

The Group recorded a profit before tax of RM7.2 million for the current quarter under review as compared to RM19.2 million for the preceding year corresponding quarter.

The performances of the respective business sectors are as follows:

	2Q 2014 RM'000	2Q 2013 RM'000	PTD2014 RM'000	PTD2013 RM'000
Revenue				
Property Investment Holding	11,346	10,532	21,909	20,647
Property Development	171	1,159	512	1,732
Education	-	33,712	-	62,396
Investment Holding	3,100	1,113	5,633	5,876
Australia Operation	13,528	14,248	22,146	31,186
Others	-	-	-	-
	<b>28,145</b>	<b>60,764</b>	<b>50,200</b>	<b>121,837</b>
	2Q 2014 RM'000	2Q 2013 RM'000	PTD2014 RM'000	PTD2013 RM'000
Profit before tax				
Property Investment Holding	5,456	5,705	134,208	11,111
Property Development	(440)	(44)	(1,189)	(707)
Education	-	8,463	-	12,886
Investment Holding	(6,779)	(12,567)	24,036	(3,067)
Australia Operation	9,014	17,722	7,403	22,727
Others	(46)	(65)	(64)	(75)
	<b>7,205</b>	<b>19,214</b>	<b>164,394</b>	<b>42,875</b>

#### Property Investment Holding

Higher profit achieved for the period ended to 30 April 2014 of RM134.2 million as compare to the preceding year corresponding period of RM11.1 million was mainly due to a gain of RM113.1 million from the disposal of Help. The current investment properties still enjoy high occupancy and will continue to contribute positively to the Group.

#### Property Development

The delay in the new launches has resulted in lower revenue and currently the property development division is incurring some losses. New launches for Bukit Permata is expected to be in the 1<sup>st</sup> quarter of 2015.

#### Education

The sale of Help was completed on 15 January 2014 and thus the Group is only reporting the revenue and expenditure for 2 months as discontinued operation. For the 2 months Help has incurred a loss of RM1.7 million.

#### Investment Holding

For the 2nd quarter under review, it recorded a loss of RM6.8 million as compared to RM12.6 million in the preceding year corresponding quarter. The loss for the quarter was due to foreign exchange loss of RM12.5 million but was cushioned by a write back gain of RM2.6 million and a dividend of RM2.6 million. The preceding year corresponding quarter was also effected by a foreign exchange loss of RM15 million. For the 6 months under review, it recorded a profit of RM24.0 million as compared to RM3.1 million loss in preceding year corresponding period. The increase in profit was mainly due to foreign exchange gain of RM19.8 million as USD and SGD strengthen against Ringgit Malaysia.

#### Australian Operation

For the 6 months under review, it recorded a profit of RM7.4 million as compared to a profit of RM22.7 million in the preceding year corresponding period. During the period, there was an foreign exchange gain of RM6.3 million as AUD strengthen. Whereas the higher profit in the preceding year corresponding period was due to revaluation gain on Claremont Quarter of RM19.8 million and foreign exchange loss of RM5.9 million.

## **2. Comments on Material Changes in the Profit/(Loss) Before Taxation for the Quarter Reported as Compared with the Preceding Quarter**

For the quarter under review, the Group achieved a profit before tax of RM7.2 million as compared to RM155.5 million in the preceding quarter ended 31 January 2014.

The performance of the respective business sectors are as follows:

	2Q2014 RM'000	1Q2014 RM'000
Profit before tax		
Property Investment Holding	5,456	128,752
Property Development	(440)	(749)
Education	-	(1,708)
Investment Holding	(6,779)	30,815
Australia Operation	9,014	(1,611)
Others	(46)	(12)
	<u>7,205</u>	<u>155,487</u>

#### Property Investment Holding

For the quarter under review, it achieved a lower profit of RM5.5 million as compared to RM128.8 million in the preceding quarter. The increase in the preceding quarter was mainly due to the disposal of Help which reported a gain of RM113.1 million and revaluation gain for the investment properties of RM11.9 million.

#### Property Development

For the quarter under review, the property division incurred a loss of RM0.4 million as a result of delay in the new launches. New launches for Bukit Permata is expected to be in the 1<sup>st</sup> quarter of 2015.

#### Education

For the quarter under review, the Group has disposed off the education operation thus there is no more contribution to the result of the Group. The sale of Help was completed on 15 January 2014.

#### Investment Holding

For the quarter under review, it recorded a loss of RM6.8 million as compared to a profit of RM30.8 million in the preceding quarter. The loss for the quarter was mainly due to foreign exchange loss of RM12.5 million as a result of the strengthening of Ringgit Malaysia against USD and SGD. Whereas in the preceding quarter it incurred a foreign exchange gain of RM30.6 million as weakening of Ringgit.

### Australian Operation

For the quarter under review, it recorded a profit of RM9.0 million as compared to a loss of RM1.6 million in the preceding quarter. In the current quarter, it recorded a foreign exchange gain of RM6.3 million, whereas in the previous quarter, it incurred a foreign exchange loss of RM4.7 million as AUD weakened against Ringgit Malaysia. The high occupancy for Claremont Quarters will continue to contribute positively to the Australian operation.

### **3. Current Financial Year Prospects**

The property investment sector of the Group are expected to remain stable and will continue to contribute positively to the Group. The occupancy rate for Menara Milenium in Damansara Heights and Claremont Shopping Centre in Perth, Australia remain high. For property development in Bukit Permata and Selayang Mulia, the Group is reviewing its development plan and new launches are expected to be made in early 2015. For the Group Damansara Heights land, the proposed development of the land will be design to provide integration and connectivity with the Mass Rapid Transit project.

Barring unforeseen circumstances, the Group expects the operation in Malaysia and Australia to remain positive in 2014. However, the Group's profitability is subjected to currency fluctuations in view of our overseas investment.

### **4. Variances between Actual Profit and Forecast Profit**

Not applicable as no profit forecast was published.

### **5. Tax Expense**

Tax expense comprise of the following:

	As at 30.04.2014	
	Current Quarter	Financial Year To-Date
	RM'000	RM'000
Current year provision	123	8,979
Deferred Taxation	1,490	(5,970)
	<u>1,613</u>	<u>3,009</u>

The effective rate of taxation of the Group is lower than the statutory rate of taxation because of the gain from oversea subsidiary company, Allied Provincial Invest Ltd incorporated in the British Virgin Islands, is tax free and the gain from the disposal of long term quoted investment is not subject to tax.

### **6. Profits/(losses) from Sale of Unquoted Investments and/or Properties Respectively for the Current Quarter and Financial Year-to-date**

There was no disposal of unquoted investments and/or properties outside the ordinary course of the Group's business for the current quarter and financial period-to-date.

## 7. Purchase or disposal of quoted securities other than securities in existing subsidiaries and associated companies

Particulars of the purchase or disposal of quoted securities for the year to date at 30 April 2014:-

### a) Summary of Dealings in Quoted Securities:

	RM'000
Cost of Disposal	1,174
Proceeds from Disposal	2,363
Total gain on disposal	<u>1,189</u>

### b) Total investments in quoted securities as at end of the reporting period: -

	RM' 000
i. At cost	423,187
ii. At book value (after provision for impairment)	393,250
iii. At market value	<u>393,250</u>

The sales and purchases of the securities as mentioned in note 7(a) were carried out by the subsidiary Company, Allied Provincial Invest Ltd., a company incorporated in The British Virgin Islands, during the period from 1 November 2013 to 30 April 2014 in the ordinary course of business. The principal activity of the said subsidiary company is that of investment holding and the transactions are of a revenue nature.

The sales and purchases of the above securities were in respect of quoted securities held overseas.

## 8. Status of Corporate Proposals

There were no outstanding corporate proposals as at the date of this report.

## 9. Group Borrowings

Total Group borrowings and debt securities as at 30 April 2014 are as follows: -

Security	Currency	Short Term RM'000	Long Term RM'000	Total RM'000
Secured	AUD	-	245,025	245,025
Unsecured	RM	12,028	-	12,028
Total		<u>12,028</u>	<u>245,025</u>	<u>257,053</u>

## 10. Derivatives

The Group has the following derivative agreement to hedge against interest rate risk:

Type of Derivatives	Notional Value AUD '000	Fair Value AUD '000
Interest rate swap (28/05/2012 – 28/05/2014)	25,000	(144)
(28/05/2012 – 27/02/2015)	25,000	(144)

The rationale of this interest rate swap is to have certainty of interest payment and cash flow. The fair value of the interest rate swap is the estimated amount that the company would receive or pay to terminate the swap. It represents the difference between the fixed and the floating rate of the swap as at 30 April 2014.

## 11. Material Litigation

There are no other changes in material litigation since the last annual reporting date.

## 12. Dividend

The Board of Directors does not recommend any dividend for the current quarter ended 30 April 2014.

## 13. Earnings Per Share

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter Ended 30.04.2014	Preceding Year Corresponding Quarter Ended 30.04.2013	Current Year To Date Ended 30.04.2014	Preceding Year Corresponding Period 30.04.2013
Net profit/(loss) for the period attributable to shareholders of the parent (RM'000)	5,592	6,830	160,858	26,192
Basic earnings/(loss) per share (sen)	1.63	1.99	46.81	7.62
Number of ordinary shares in issue ('000)	343,617	343,617	343,617	343,617



#### 14. Additional Disclosures

Notes to the Statement of Comprehensive Income comprises:-

	6 Months Ended 30/04/2014 RM'000	Year Ended 31/10/2013 RM'000
Interest income	4,308	11,086
Other income including investment income	152,130	31,368
Interest expense	(7,526)	(18,432)
Depreciation and amortization	(217)	(10,808)
Provision for and write off of receivables	N/A	(217)
Provision for and write off of inventories	N/A	N/A
Gain or (loss) on disposal of quoted or unquoted investments or properties	(1,189)	1,638
Impairment of assets	N/A	N/A
Foreign exchange gain/(loss)	19,788	3,244
Gain or loss on derivatives	N/A	N/A
Exceptional item	N/A	N/A

PART C

**1. Disclosure of Realised and Unrealised Profits or losses**

The breakdown of the retained profits of the Group as at the reporting date into realised and unrealised profits 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.

	As At 30.04.2014 RM'000	As At 31.10.2013 RM'000
Total retained profits of the Company and its subsidiaries		
- Realised	1,819,661	1,735,150
- Unrealised	<u>349,669</u>	<u>391,918</u>
	2,169,330	2,127,068
Less: Consolidated adjustments	<u>(771,783)</u>	<u>(787,294)</u>
Retained earnings as per financial statements	<u>1,397,547</u>	<u>1,339,774</u>