United Malacca Berhad

(1319-V)

CONTINUOUS GROWTH

ANNUAL REPORT

2013

CONTENTS

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Ninety-ninth Annual General Meeting of members will be held at the United Malacca Berhad Building, 6th Floor, No. 61, Jalan Melaka Raya 8, Taman Melaka Raya, 75000 Melaka on Friday, 30 August 2013 at 11.00 a.m. for the following business:-

AGENDA

ORDINARY BUSINESS

1. To receive and adopt the Directors' Report and Audited Financial Statements for the financial year ended 30 April 2013 and the Report of the Auditors thereon. **[Resolution 1]**

2. To approve payment of Directors' fees for the financial year ending 30 April 2014 to be payable on quarterly basis in arrears. *(Please refer to Explanatory note A)* **[Resolution 2]**

3. To re-elect Tan Sri Dato' Ahmad Bin Mohd Don, a Director retiring by rotation in accordance with Article 118 of the Company's Articles of Association. **[Resolution 3]**

4. To consider and, if thought fit, to pass the following resolution pursuant to Section 129(6) of the Companies Act, 1965:- **[Resolution 4]**

   "That pursuant to Section 129(6) of the Companies Act, 1965, Datuk Boon Weng Siew be and is hereby re-appointed a Director of the Company to hold office until the conclusion of the next Annual General Meeting."

5. To re-appoint Messrs Ernst & Young as Auditors of the Company and to authorize the Directors to fix their remuneration. **[Resolution 5]**

SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolutions with or without amendment :-

6. **ORDINARY RESOLUTION**
   Continuing In Office as Independent Non-Executive Director by Datuk Boon Weng Siew

   "THAT subject to the passing of Ordinary Resolution 4, approval be and is hereby given to Datuk Boon Weng Siew who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Non-Executive Director of the Company." **[Resolution 6]**

NOTICE OF ANNUAL GENERAL MEETING

7. **ORDINARY RESOLUTION**
   Continuing In Office as Independent Non-Executive Director by Ms. Tan Siok Choo

   "THAT approval be and is hereby given to Ms. Tan Siok Choo who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Non-Executive Director of the Company." **[Resolution 7]**

8. To transact any other business of which due notice shall have been given.

By Order of the Board

Leong Yok Mui (MAICSA 0809324)
Yong Yoke Hiong (MAICSA 7021707)
Company Secretaries
Melaka

Date: 6 August 2013

NOTES:

(1) The right of Foreign Depositors to vote in respect of their deposited securities with Bursa Malaysia Depository Sdn. Bhd. is subject to Section 41(1)(e) and Section 41(2) of the Securities Industry (Central Depositories) Act, 1991 and Securities Industry (Central Depositories)(Foreign Ownership) Regulations, 1996. The position of Depositors in this regard will be determined based on The General Meeting Record of Depositors. Depositors whose shares exceed the prescribed limit as at the date of The General Meeting Record of Depositors may attend the above Meeting but are not entitled to vote. Consequently, a proxy appointed by a Depositor who is not entitled to vote will also not be entitled to vote at the above meeting.

(2) The instrument appointing a proxy must be deposited at the Registered Office of the Company at United Malacca Berhad Building, 6th Floor, No. 61, Jalan Melaka Raya 8, Taman Melaka Raya, 75000 Melaka not less than forty-eight hours before the time appointed for holding the Meeting or any adjournment thereof for the proxy to be valid.

(3) Only members whose names appear in the Register of Members or registered in the General Meeting Record of Depositors on or before 5.00 p.m. on 20 August 2013 shall be eligible to attend the Annual General Meeting.

EXPLANATORY NOTE A RELATING TO RESOLUTION NO.2

Resolution 2, if passed, will allow the Company to pay Directors' fees in a timely manner on a quarterly basis in arrears, for services rendered during the course of the financial year ending 30 April 2014. The quantum of fees payable will be based on the existing remuneration structure for directors at RM80,000 per annum for the Chairperson and RM40,000 per annum for each of the Independent Non-Executive Directors.

EXPLANATORY NOTE B RELATING TO RESOLUTION NOS. 6 AND 7

The Board of Directors had via the Nomination Committee conducted an annual performance evaluation and assessment of Datuk Boon Weng Siew and Ms Tan Siok Choo, who had served as Independant Non-Executive Directors for a cumulative term of more than nine (9) years and recommend them to continue to act as Independent Non-Executive Directors on the ground that they are able to bring independent and objective judgement to the Board deliberations and their positions in the Board have not been compromised by their familiarity and long relationship with other Board members.

STATEMENT ACCOMPANYING NOTICE OF NINETY-NINTH ANNUAL GENERAL MEETING

PURSUANT TO PARAGRAPH 8.27(2), APPENDIX 8A OF THE BURSA MALAYSIA SECURITIES BERHAD'S MAIN MARKET LISTING REQUIREMENTS

The Directors who are standing for Re-appointment or Re-election are as follows:-

(1) Datuk Boon Weng Siew
(2) Tan Sri Dato' Ahmad Bin Mohd Don

Further details of individual Directors standing for re-appointment or re-election can be found in the Profile of Directors in pages 6 to 11 of this Annual Report. The holding of shares, direct or indirect in United Malacca Berhad by the Directors can be found in the Analysis of Shareholdings in page 138 of this Annual Report. The Directors do not have any interest in shares, direct or indirect in the subsidiaries of United Malacca Berhad.

The following Directors are seeking for continuation as Independent Non-Executive Director::

(1) Datuk Boon Weng Siew
(2) Ms. Tan Siok Choo

Profile of the two Directors appear on pages 6 to 7 of this Annual Report.

The details of Directors' attendance at Board Meetings held during the financial year ended 30 April 2013 are as follows:-

Directors	Attendance
Ms. Tan Siok Choo	5 of 5 Meetings
Datuk Boon Weng Siew	5 of 5 Meetings
Tan Sri Dato' Ahmad Bin Mohd Don	5 of 5 Meetings
Mr. Tan Jiew Hoe	5 of 5 Meetings
Mr. Teo Leng	5 of 5 Meetings
Dato' Tan Ang Meng	5 of 5 Meetings

GROUP HIGHLIGHTS

	2013	2012
PRODUCTION		
	tonne	**tonne**
Crude palm oil	**66,299**	58,191
Palm kernel	**15,621**	13,801
Fresh fruit bunches	**336,734**	283,296
FINANCIAL		
	RM'000	**RM'000**
Revenue	**206,090**	231,382
Profit:		
Before tax	**82,704**	108,647
Net of tax	**68,709**	85,881
	sen	**sen**
Earnings per share:		
Basic	**33.64**	42.36
Diluted	**33.63**	42.36
Dividend per share:		
Gross/Net	**21.00**	26.00
	RM'000	**RM'000**
Total assets	**1,772,981**	1,162,775
	RM	**RM**
Net assets per share	**7.52**	5.20

CORPORATE INFORMATION

BOARD OF DIRECTORS

Ms. Tan Siok Choo
(Chairperson)

Datuk Boon Weng Siew

Tan Sri Dato' Ahmad Bin Mohd Don

Mr. Tan Jiew Hoe

Mr. Teo Leng

Dato' Tan Ang Meng

AUDIT COMMITTEE

Tan Sri Dato' Ahmad Bin Mohd Don *
(Chairman)

Ms. Tan Siok Choo *

Mr. Teo Leng *

Dato' Tan Ang Meng *

* *Independent Non-Executive Director*

SECRETARIES

Madam Leong Yok Mui

Ms. Yong Yoke Hiong

AUDITORS

Ernst & Young
Level 23A, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
50490 Kuala Lumpur
Tel : 03-74958000
Fax : 03-20955332

DATE AND PLACE OF INCORPORATION

Incorporated on 27 April 1910 in Malaysia

SENIOR MANAGEMENT

Dr. Leong Tat Thim
Chief Executive Officer

Mr. Chong Seong Hoe
General Manager (Plantations)

Madam Leong Yok Mui
General Manager
(Administration & Corporate Affairs)

Ms. Susan Lai Swee Kee
Chief Financial Officer

Mr. Sim Leong Teik
General Manager (Plantations)

Mr. Ng Say Bock
General Manager (Oil Mills)

HEAD OFFICE/REGISTERED OFFICE

6th Floor, No. 61, Jalan Melaka Raya 8
Taman Melaka Raya
75000 Melaka
P.O.Box 117, 75720 Melaka
Tel : 06-2823700
Fax : 06-2834599
E-Mail : umb@unitedmalacca.com.my
Website : www.unitedmalacca.com.my

SHARE REGISTRAR

Symphony Share Registrars Sdn. Bhd.
Level 6, Symphony House
Block D13, Pusat Dagangan Dana 1
Jalan PJU 1A/46, 47301
Petaling Jaya, Selangor
Tel : 03-78418000
Fax : 03-78418008

STOCK EXCHANGE LISTING

Bursa Malaysia Securities Berhad

Sector	**: Plantation**
Stock Short Name	**: UMCCA**
Stock Code	**: 2593**

PROFILE OF DIRECTORS

MS. TAN SIOK CHOO

(Chairperson & Independent Non-Executive Director)

A Malaysian, Ms Tan Siok Choo, aged 61, is the Chairperson and an Independent Non-Executive Director. She joined the Board on 8 December 1988 and was appointed as Chairperson in 2011. She is a member of the Audit Committee, Remuneration Committee, Nomination Committee, Employee Share Scheme Committee, Board Tender Committee and United Malacca University Scholarship Committee. She also sits on the Board of several subsidiaries of the Group, one of which is South-East Pahang Oil Palm Berhad.

She holds a Bachelor of Law degree from the University of Bristol, U.K. and was admitted as a Barrister at Lincoln's Inn, London in 1976 and to the Malaysian Bar in 1977.

She has had a varied career in corporate finance, stockbroking, executive search and journalism. She was head of Corporate Finance in Southern Bank Berhad, worked as an investment analyst for two stockbroking firms – Rashid Hussain Securities as well as Morgan Grenfell Asia & Partners' Securities, did a short stint with the world's largest executive search firm, Korn Ferry International, and was employed as a business and economic journalist with Business Times and The Sunday Star.

She was appointed a Visiting Fellow of the Institute of Strategic and International Studies (ISIS) Malaysia on 1st September 1998 and was appointed a Director of OCBC Bank (Malaysia) Berhad on 27th July 2000 and a Director of OCBC AL-AMIN Berhad on 1 August 2008. She is currently a Director of several private companies.

She is a not related to any Director and/or major shareholder of United Malacca Berhad and has no personal interest in any business arrangement involving the Company. She has attended all the five Board Meetings held during the financial year ended 30 April 2013. She has never been convicted of any offence.

PROFILE OF DIRECTORS (cont'd)

DATUK BOON WENG SIEW

(Independent Non-Executive Director)

Datuk Boon Weng Siew, aged 89 and a Malaysian, is an Independent Non-Executive Director who joined the Board since 26 September 1989. He is the Chairman of the Board Tender Committee, a member of the Remuneration Committee, Employee Share Scheme Committee and Diversification & Strategic Investment Committee. He is also the Senior Independent Non-Executive Director to whom concerns may be conveyed.

He has vast experience in the plantation industry from his present and previous appointments in a public listed company and various planting organizations and statutory bodies. He is a life member of the Agricultural Institute of Malaysia and Fellow of the Incorporated Society of Planters.

He is currently the President of Malaysian Estate Owner's Association, the Vice Chairman of the Malaysian Palm Oil Association and was a member of the Board of RISDA from 1984 to 2005.

He is also a Director of several private companies. He was Chairman of The Malaysian Rubber Producers' Council in 1988. He has also served as Council member of The United Planting Association of Malaysia and was its President in 1987/1988, a member of the National Economic Consultative Council in 1988 to 1990 and a member of the Johor State Pardon Board from 1984 to 2000 and re-appointed from June 2003 to May 2006.

He is not related to any Director and/or major shareholder of United Malacca Berhad and has no personal interest in any business arrangement involving the Company. He has attended all the five Board Meetings held during the financial year ended 30 April 2013. He has never been convicted of any offence.

PROFILE OF DIRECTORS (cont'd)

TAN SRI DATO' AHMAD BIN MOHD DON

(Independent Non-Executive Director)

Tan Sri Dato' Ahmad Bin Mohd Don, aged 66 and a Malaysian was appointed as an Independent Non Executive Director on 1 October 2006. He is the Chairman of the Audit Committee and the Nomination Committee.

Tan Sri Dato' Ahmad graduated with a Bsc. Econ. Honours Degree from the University of Wales, Aberystwyth, United Kingdom in 1969. He is a Fellow of The Institute of Chartered Accountants in England and Wales and a Member of the Malaysian Institute of Certified Public Accountants.

Tan Sri Dato' Ahmad started his career with the Corp of Accountants, Government of Malaysia between 1972 and 1973 before joining the private sector. He served as the Financial Controller between 1973 and 1980 in companies such as Syarikat Jengka Sdn. Bhd., Mansfield Berhad and Pernas Securities Sdn. Bhd. where he was also the Company Secretary. In November 1980, he joined Permodalan Nasional Berhad as the Deputy General Manager and was involved in the planning and launching of the National Unit Trust Scheme in 1981. Subsequently in April 1982, he joined Malayan Banking Berhad as General Manager, Treasury. During his service with Malayan Banking Berhad, he rose through the ranks of Senior General Manager and Board Member, then as Executive Director and in January 1991 he was appointed the Group Managing Director and Chief Executive Officer, a position which he held until 1994.

He was the Governor of Bank Negara Malaysia, from May 1994 to August 1998. He is currently a Director of MAA Group Berhad (formerly known as MAA Holdings Berhad), Zurich Insurance Malaysia Berhad, KAF Investment Bank Berhad, Hap Seng Plantations Holdings Berhad and J.P. Morgan Chase Bank Berhad.

He is not related to any Director and/or major shareholder of United Malacca Berhad and has no personal interest in any business arrangement involving the Company. He has attended all the five Board Meetings held during the financial year ended 30 April 2013. He has never been convicted of any offence.

PROFILE OF DIRECTORS (cont'd)

MR. TAN JIEW HOE

(Independent Non-Executive Director)

Mr. Tan Jiew Hoe, aged 66 and a Singaporean, joined the Board as Alternate Director on 9 June 1997 and was subsequently appointed as Director on 30 March 2007. He is the Chairman of the Employee Share Scheme Committee and Diversification & Strategic Investment Committee, a member of the Remuneration Committee and United Malacca University Scholarship Committee.

In 2000, he was awarded a silver medal for his 10-19 years' service as a Director of Singapore Chinese Girls School by Ministry of Education.

Once again, in 2010 he was awarded a gold medal for more than 20 years of service as a Director of Singapore Chinese Girls School by Ministry of Education.

He is currently a Director of several private companies in Malaysia and Singapore and also a keen plantsman and is not related to any Director and/or major shareholder of United Malacca Berhad. He has no personal interest in any business arrangement involving the Company.

He has attended all the five Board Meetings held during the financial year ended 30 April 2013. He has never been convicted of any offence.

PROFILE OF DIRECTORS (cont'd)

MR. TEO LENG

(Independent Non-Executive Director)

Mr. Teo Leng, aged 61 and a Malaysian, was appointed as an Independent Non-Executive Director on 1 September 2009. He is the Chairman of United Malacca University Scholarship Committee, a member of the Audit Committee, Nomination Committee, Board Tender Committee and Diversification & Strategic Investment Committee.

Mr. Teo Leng graduated with First Class Honours in Bachelor of Agriculture Science in 1976 from University of Malaya and holds a Master of Science (Soil Chemistry) from University of Wisconsin @ Madison, USA.

He joined the Malaysian Agricultural Research and Development Institute (MARDI) in 1976 as a Research Officer and began his career at EPA Management Sdn Bhd, a subsidiary of Kulim (Malaysia) Berhad, as an Agronomist in 1983, rising in ranks to the position of Director of Research and Development in January 1996, and in January 2002, he was appointed Estate Director (Malaysia), a position which he held until his retirement in April 2008. He was a Consulting Advisor (Plantations) with Kulim (Malaysia) Berhad until March 2011.

During his 28 years' career at EPA Management Sdn. Bhd., he was responsible for the full implementation of requirements pertaining to certification under Roundtable for Sustainable Palm Oil (RSPO) and also involved in the development and commercialization of Mill Integrated Waste Management System (MIWAMAS), a green technology converting empty fruit bunches and palm oil mill effluent to biocompost.

He has been an active committee member of national associations involved in oil palm, rubber and cocoa industry in various agricultural organizations. He was a past Board member of Malaysian Palm Oil Board (MPOB). He was also a Council member of Malaysian Palm Oil Association (MPOA), The Malayan Agricultural Producers Association (MAPA) and Environmental Quality Council (EQC) of Kementerian Sumber Asli & Alam Sekitar. He is currently a member of the MPOA Research and Development main committee.

He is currently an Independent Non-Executive Director of Southern Acids (M) Berhad and several private companies in Malaysia.

He is not related to any Director and/or major shareholder of United Malacca Berhad and has no personal interest in any business arrangement involving the Company. He has attended all the five Board Meetings held during the financial year ended 30 April 2013. He has never been convicted of any offence.

PROFILE OF DIRECTORS (cont'd)

DATO' TAN ANG MENG

(Independent Non-Executive Director)

Dato' Tan Ang Meng, aged 57 and a Malaysian, was appointed as an Independent, Non-Executive Director on 16 December 2010. He is the Chairman of Remuneration Committee, a member of the Audit Committee, Board Tender Committee and Diversification & Strategic Investment Committee. He has served on the Board of Niro Ceramic (M) Sdn. Bhd., an associate of the Group until June 2013.

He is a Certified Public Accountant and was admitted to the membership of the Malaysian Institute of Certified Public Accountants in 1980.

Dato' Tan started his career in 1975 with PriceWaterhouseCoopers, Kuala Lumpur in the audit division. He left the firm in 1981 to join UMW. In 1983, he joined Guinness Malaysia Bhd. Following the merger between Guinness Malaysia Berhad and Malayan Breweries (M) Sdn Bhd, he was transferred to Malayan Breweries Limited in 1991 (which later changed its name to Asia Pacific Breweries Ltd) and served within the Group until January 2001. During that period, he held various senior management positions with his last position as Regional Director based in Singapore with responsibility for the brewery operations in China, Vietnam, Cambodia and Myanmar.

In March 2001, he was appointed Chief Executive Officer of the Fraser and Neave Holdings Berhad (F&N) a position which he held until his retirement in 30 November 2010. Dato' Tan is also a director of Mega First Corporation Berhad and icapital.biz Berhad, both of which are listed on Bursa Malaysia.

He is not related to any Director and/or major shareholder of United Malacca Berhad and has no personal interest in any business arrangement involving the Company. He has attended all the five Board Meetings held during the financial year ended 30 April 2013. He has never been convicted of any offence.

MANAGEMENT TEAM

Dr. Leong Tat Thim
Chief Executive Officer

Mr. Chong Seong Hoe
General Manager
(Plantations)

Madam Leong Yok Mui
General Manager
(Administration &
Corporate Affairs)

Ms. Susan Lai Swee Kee
Chief Financial Officer

Mr. Sim Leong Teik
General Manager
(Plantations)

Mr. Ng Say Bock
General Manager
(Oil Mills)

Profile of Chief Executive Officer

Dr. Leong Tat Thim

Dr. Leong Tat Thim, aged 69 and a Malaysian, is the Chief Executive Officer. He joined United Malacca Berhad on 1 March 2001. He was a Guthrie scholar, obtained his Diploma in Agriculture from Serdang College in 1968 (now known as University Putra Malaysia) and subsequently obtained his Bachelor of Agriculture Science degree (Honours) in 1972. He continued with his post graduate studies in University Malaya while working as a Research Officer with Guthrie Research Chemara and subsequently obtained his Master of Agriculture Science degree and later his Ph.D. in 1982.

He started his career as a planting assistant in Kumpulan Guthrie estates, went on to become a Research Officer in Guthrie Research Chemara and was subsequently promoted as Head of Rubber Research. He specialized in rubber exploration and agronomy and developed a new technique of rubber tapping called “Puncture Tapping” that does not require skill in tapping, unlike that of the conventional tapping. He also assisted the Company in providing rubber consultancy services to some Plantation Companies in Sri Langka and Vietnam.

In 1995, he joined IOI as a Research Controller, overseeing the IOI Research Station that was actively involved in oil palm breeding, DxP seed production, sale of elite DxP planting materials, tissue culture and clonal trials, rubber and oil palm advisory services, leaf sampling, fertilizer recommendation and monitoring, laboratory services in palm oil, latex and soil analysis.

He has published and presented several research papers at local and international conferences and has patented two research findings.

He is currently a council member in Malaysian Palm Oil Association (MPOA) and also in The Malaysian Estate Owners’ Association (MEOA). He was Chairman of Malaysian Rubber Producers Council (MRPC 1998/99) and was also an Ex-editor of MEOA’s monthly bulletin. He also sits on the Board of several subsidiaries of the Group, one of which is South-East Pahang Oil Palm Berhad.

His shareholding in the Company is 25,000 shares and he does not have any shareholding in the Company’s subsidiaries.

He is not related to any Director or/and major shareholder of United Malacca Berhad and also has no personal interest in any business arrangement involving the Company. He has never been convicted of any offence.

CHAIRPERSON'S STATEMENT

"On behalf of the Board of Directors of United Malacca Berhad, it is my pleasure to present the Annual Report and Audited Financial Statements of the Group and the Company for the financial year ended 30 April 2013."

CHAIRPERSON'S STATEMENT (cont'd)

Financial Performance

2012 was a challenging year for all oil palm growers, including United Malacca.

Although crude palm oil (CPO) price averaged a healthy RM3,068 per tonne in the first quarter ended July 2012, it fell by 15% to RM2,596 in the second quarter ended October 2012 and eased by a further 16% to RM2,169 in the third quarter ended January 2013 before recovering slightly to RM2,347 in the fourth quarter.

Consequently, for the financial year ended 30 April 2013, CPO prices averaged RM2,516 per tonne – a significant 20% lower than the preceding year's average of RM3,152 per tonne.

Despite a 19% jump in output of fresh fruit bunches (FFB), the lower average CPO coupled with higher costs of fertilizer, labour and transportation caused United Malacca's pre-tax profit to fall by 24% to RM82.70 million.

Higher FFB production, however, helped United Malacca to mitigate its production cost to RM267 per tonne of FFB – this is 2% lower than the cost of RM273 per tonne incurred in the previous financial year ended April 2012.

For similar reasons, at the Company level, pre-tax profit tumbled by 36% to RM63.43 million during the year under review compared with RM98.41 million in the preceding year.

United Malacca's earnings per share were 21% lower at 33.64 sen compared with 42.36 sen in the preceding year.

During the financial year, the Company's paid up capital increased from RM203,472,801 to RM205,109,201 due to the issue of 1,636,400 ordinary shares under the Employees Share Scheme.

In the April 2013 quarter, a revaluation of United Malacca's land, buildings, biological assets and investment property generated a revaluation surplus of RM459 million; this boosted the Group's net assets by RM2.24 per share.

Dividends

Despite lower net tax profit, on 27 June 2013 the Board declared a second interim single-tier dividend of 11 sen for the financial year ended 30 April 2013 paid on 2 August 2013.

Together with the first interim single-tier dividend of 10 sen paid on 31 January 2013, the total single-tier dividend for the financial year ended 30 April 2013 is 21 sen or RM43.1 million.

For the previous financial year, United Malacca paid a total single-tier dividend of 26 sen amounting to a cumulative RM52.9 million.

United Malacca directors do not recommend any final dividend for the financial year ended 30 April 2013.

Review of Operations

For the financial year ended 30 April 2013, United Malacca has fully planted Millian-Labau estate in Sabah, a contiguous block of 10,000 hectares (25,000 acres) of partially planted oil palm land that was acquired in December 2009.

CHAIRPERSON'S STATEMENT (cont'd)

Millian-Labau's planted area totals 7,945 hectares (19,632 acres). Constituting 37% of United Malacca's planted area of 21,661 hectares (53,525 acres), Millian-Labau's contribution to group profits will increase substantially as the planted oil palms mature.

Given Millian-Labau's status as United Malacca's biggest estate coupled with its size and increasingly significant contribution to group profit, I would like to reiterate United Malacca has no intention of selling the Millian-Labau estate.

Despite placing newspaper advertisements in Peninsular Malaysia and Sabah in June and July 2012, United Malacca continues to receive enquiries from many parties regarding its intention to sell the Millian-Labau estate.

This year, United Malacca was informed about the existence of two forged documents:

- a purported power of attorney that purportedly authorised a third party to sell the Millian-Labau estate and to collect the proceeds of sale; and
- a letter purportedly signed by some United Malacca directors confirming the validity of the purported power of attorney.

United Malacca directors whose signatures were forged have made police reports regarding these forgeries, advertisements were again placed in Peninsular Malaysia on 29 April 2013 and in Sabah on 23 and 29 April 2013. An announcement was made to Bursa Malaysia on 22 April 2013.

By end-December 2012, United Malacca has also completed all infrastructure work, including housing for all employees, workshops, stores, three kindergartens/pre-schools and five creches.

Another estate in Sabah, Meridian Plantations, recently acquired an additional 442 hectares (1,093 acres) in March 2013. Planting of oil palm seedlings in this additional area has begun and is expected to be completed by end-December 2013.

This flat parcel of land is strategic as it connects Paitan Estate with Tengkarasan Estate; it will also boost Meridian Plantations' planted area to 7,122 hectares (17,598 acres).

Age Profile of Oil Palms

At end-April 2013, 93% of United Malacca's oil palms have yet to attain peak productivity, of which 38% are in prime production (8 to 15 years), 27% are on an increasing yield trend (4 to 7 years) and 28% are immature palms of less than 4 years old.

Directors and Management at Meridian Palm Oil Mill

Nursery at Millian - Labau Plantations

CHAIRPERSON'S STATEMENT (cont'd)

Only 2% of palms are between 21 to 25 years of age and 1% of palms are more than 25 years. Going forward, this means replanting cost will be minimal.

As the weighted average age of oil palms in United Malacca is 7.6 years, there will be sustained increase in FFB output.

Management estimates by 30 April 2017, Millian-Labau will produce an average of 8,871 tonnes of FFB per month, a volume of output that merits considering the establishment of a 35-tonne oil mill.

Build-up of Oil Palm Stocks

Indonesia's change in palm oil export duty in September 2011, Malaysia's slowing export volume and high-crop production in this country from August 2012 to October 2012 caused Malaysian palm oil stocks to surge, reaching a peak of 2.62 million tonnes in December 2012.

High palm oil inventories in August 2012 prompted many Malaysian refineries with limited tank space to impose restrictions on CPO delivery and higher price discounting. Additionally, CPO freight charges in Sabah increased from RM40 per tonne to RM100 per tonne and PK freight charges from RM45 per tonne to RM70 per tonne.

Furthermore, in November 2012, Oil Mills in Keningau, Sabah also imposed a holding cost of RM20 per tonne on their FFB suppliers. United Malacca's Millian Labau estate in Keningau had to bear this extra cost. In Sandakan, the holding cost of RM20 per tonne was implemented in December 2012.

Since December 2012, higher volume of exports and the onset of the low-yielding period, palm oil stocks have fallen marginally to 1.646 million tonnes in June 2013.

Current Year Prospects

Uncertainty in the global economy makes predicting CPO price trends extremely hazardous. In the near term, prices should be supported by Ramadan-related buying from Pakistan and other Muslim countries.

However, CPO prices may be negatively affected by a bigger harvest of soya beans in the US and Latin America in the third quarter of this year while a top-grade crystal ball is needed to estimate the impact of Egypt's political instability on prices of oil and its over spill effect on palm oil.

Challenge Trophy for football match winner team at Millian - Labau Plantations

Football teams for final match at Millian - Labau Plantations

CHAIRPERSON'S STATEMENT (cont'd)

Compounding the high production cost is the implementation of the minimum wage.

The Minimum Wages Order 2012 that came into effect on 1 January 2013 has exacerbated production cost by another 6%. This excludes the ripple effect on other costs such as transportation, repair and maintenance.

Corporate Social Responsibility

Since its inception, in the financial year ended 30 April 2006, scholarships totalling RM310,000 have been awarded by United Malacca Berhad to 12 students pursuing agricultural science and engineering. Not only are scholarships a corporate social responsibility, it also helps to enhance agricultural skill sets in the oil palm industry.

Last year, three students received scholarships and six graduates are now serving their bonds by working for United Malacca in its estates and palm oil mill.

In conjunction with its 100th anniversary on 27 April 2010, United Malacca established a research endowment fund of RM2 million at Universiti Putra Malaysia. Five research projects are currently under way in four major areas:

- to develop high-yielding oil palm planting material;
- to enrich the soil to improve yields;
- to detect and manage basal stem rot and
- to mechanise the harvesting of oil palms.

Acknowledgements

On behalf of the Board, I would like to thank all employees for their hard work and endeavours in financial year ended 30 April 2013.

I would also like to thank my fellow directors for their expertise and commitment to United Malacca, particularly in terms of time – often well above the statutory requirement. Their frank views expressed at committee and board meetings have also resulted in a thorough ventilation of all issues, thereby enhancing United Malacca's decision-making process.

Ms. Tan Siok Choo
Chairperson

Researchers from Universiti Putra Malaysia visiting Machap Estate

PENYATA PENGERUSI

Bagi pihak Lembaga Pengarah United Malacca Berhad, saya dengan sukacitanya membentangkan Laporan Tahunan dan Penyata Kewangan Kumpulan dan Syarikat yang telah diaudit bagi tahun kewangan berakhir 30 April 2013.

Prestasi Kewangan

Tahun 2012 merupakan tahun yang mencabar bagi para penanam kelapa sawit termasuk United Malacca.

Walaupun harga purata minyak sawit mentah (MSM) yang baik iaitu RM 3,068 setan pada suku pertama berakhir Julai 2012, ia jatuh sebanyak 15% kepada RM 2,596 pada suku kedua berakhir Oktober 2012 dan menurun lagi sebanyak 16% kepada RM 2,169 pada suku ketiga berakhir Januari 2013 sebelum meningkat sedikit kepada RM 2,347 pada suku keempat.

Ini mengakibatkan pada tahun kewangan berakhir 30 April 2013, harga purata MSM ialah sebanyak RM 2,516 setan iaitu penurunan ketara 20% lebih rendah berbanding harga purata MSM tahun sebelumnya iaitu RM 3,152 setan metrik.

Walaupun pengeluaran buat tandan segar (BTS) meningkat 19%, harga purata MSM yang rendah serta peningkatan harga baja, upah kerja dan pengangkutan telah menyebabkan keuntungan sebelum cukai United Malacca telah menurun 24% kepada RM 82.70 juta.

Peningkatan pengeluaran BTS telah membantu mengurangkan kos pengeluaran United Malacca kepada RM 267 setan BTS iaitu 2% lebih rendah berbanding kos pengeluaran pada tahun kewangan berakhir April 2012 iaitu RM 273 setan BTS.

Atas alasan yang sama, pada peringkat Syarikat, keuntungan sebelum cukai jatuh 36% kepada RM 63.43 juta pada tahun semasa berbanding dengan RM 98.41 juta pada tahun sebelumnya.

Perolehan sesaham United Malacca adalah 21% lebih rendah iaitu 33.64 sen berbanding dengan 42.36 sen pada tahun sebelumnya.

Pada tahun kewangan semasa, modal berbayar Syarikat meningkat kepada RM 205,109,201 daripada RM 203,472,801 disebabkan pengeluaran 1,636,400 saham biasa di bawah Skim Saham Pekerja.

Pada suku tahunan April 2013, penilaian semula tanah United Malacca, bangunan, aset biologikal dan hartanah pelaburan telah menghasilkan lebihan penilaian sebanyak RM 459 juta. Ia telah meningkatkan aset bersih Kumpulan sebanyak RM 2.24 sesaham.

Penanaman sayur-sayuran di Meridian Plantations

Buah-buahan dan sayur-sayuran segar dari estet

PENYATA PENGERUSI (samb.)

Dividen

Walaupun dengan keuntungan bersih yang rendah, pada 27 Jun 2013, Lembaga Pengarah telah mengumumkan dividen "single tier" yang kedua iaitu 11 sen untuk tahun kewangan berakhir 30 April 2013 yang dibayar pada 2 Ogos 2013. Bersama-sama dengan dividen "single tier" yang pertama sebanyak 10 sen yang di bayar pada 31 Januari 2013, jumlah dividen "single tier" untuk tahun kewangan berakhir 30 April 2013 ialah 21 sen atau RM 43.1 juta.

Pada tahun kewangan tahun sebelumnya, United Malacca membayar dividen "single tier" sebanyak 26 sen dengan jumlah terkumpul keseluruhan RM 52.9 juta.

Lembaga Pengarah United Malacca tidak mencadangkan pembayaran dividen akhir untuk tahun kewangan berakhir 30 April 2013.

Penilaian Operasi

Pada tahun kewangan berakhir 30 April 2013, United Malacca telah menanam keseluruhan estet Millian Labau di Sabah iaitu 10,000 hektar (25,000 ekar) tanah perladangan yang diambilalih pada Disember 2009.

Kawasan penanaman kelapa sawit di Millian Labau merangkumi 7,945 hektar (19,632 ekar). Ia meliputi 37% kawasan penanaman United Malacca yang telah ditanam daripada 21,661 hektar (53,525 ekar). Sumbangan dari Millian Labau kepada keuntungan Kumpulan akan meningkat dengan ketara apabila kelapa sawit yang ditanam ini mencapai usia matang.

Mengambilkira status Millian Labau sebagai estet terbesar United Malacca berserta dengan saiz dan sumbangan ketara kepada keuntungan Kumpulan, saya ingin menegaskan bahawa United Malacca tidak bercadang untuk menjual estet Millian Labau.

Walaupun telah menyiarkan iklan di akhbar-akhbar di Semenanjung Malaysia dan Sabah pada Jun dan Julai 2012, United Malacca masih menerima pertanyaan dari pelbagai pihak berkenaan mengenai cadangan penjualan estet Millian Labau.

Pada tahun ini, United Malacca telah dimaklumkan dengan pemalsuan 2 dokumen.

- Surat Kuasa yang dipalsukan bagi memberi gambaran membenarkan pihak ketiga menjual estet Millian Labau dan mengambil wang perolehan dari jualan tersebut.
- Surat palsu yang ditandatangani oleh beberapa orang Pengarah United Malacca bagi mengesahkan Surat Kuasa yang dipalsukan itu.

Para Pengarah United Malacca yang tandatangan mereka telah dipalsukan telah membuat laporan polis berkenaan pemalsuan tersebut dan pengiklanan mengenai perkara di atas telah dilakukan di Semenanjung Malaysia pada 29 April 2013 and di Sabah pada 23 and 29 April 2013. Pengumuman mengenai perkara di atas juga telah di buat kepada Bursa Malaysia pada 22 April 2013.

Millian - Labau Plantations

PENYATA PENGERUSI (samb.)

Setakat penghujung Disember 2012, United Malacca telah melengkapkan semua kerja-kerja infrastruktur termasuk perumahan untuk semua perkerja, stor, bengkel kenderaan, 3 tadika/pra-sekolah dan 5 pusat jagaan kanak-kanak.

Sebuah lagi estet di Sabah iaitu Meridian Plantations telah mengambilalih 442 hektar (1,093 ekar) sebagai kawasan tanaman tambahan pada Mac 2013. Penanaman benih baru pada kawasan tanaman tambahan ini telah dimulakan and dijangka selesai pada penghujung Disember 2013. Kawasan tanah ini adalah sangat strategik kerana ia menghubungkan Ladang Paitan dengan Ladang Tengkarasan bagi meningkatkan kawasan penanaman Meridian Plantations kepada 7,122 hektar (17,598 ekar).

Profil Usia Pokok Kelapa Sawit

Setakat akhir April 2013, 93% daripada pokok kelapa sawit United Malacca masih belum mencapai produktiviti puncak yang mana 38% adalah dalam pengeluaran utama (8 hingga 15 tahun), 27% adalah pada aliran hasil meningkat (4 hingga 7 tahun) dan 28% adalah pokok belum matang yang mana pokok berusia kurang dari 4 tahun.

Hanya 2% pokok kelapa sawit berusia antara 21 hingga 25 tahun manakala pokok kelapa sawit berusia melebihi 25 tahun cuma 1%. Melangkah ke hadapan, ini menunjukkan kos penanaman semula akan menjadi minimum.

Memandangkan purata usia pokok kelapa sawit di United Malacca adalah 7.6 tahun, ia akan mengekalkan peningkatan dalam pengeluaran BTS. Pihak pengurusan menganggarkan pada 30 April 2017, Millian-Labau akan berupaya menghasilkan purata 8,871 tan BTS setiap bulan yakni satu jumlah keluaran yang “merit” bagi pertimbangan untuk penubuhan sebuah kilang minyak sawit berkapasiti 35 tan.

Membangunkan Stok Kelapa Sawit

Bersama-sama Indonesia di dalam perubahan duti eksport minyak sawit pada September 2011, jumlah volum eksport Malaysia yang lebih perlahan serta peningkatan pengeluaran BTS di negara ini dari Ogos 2012 hingga Oktober 2012 telah menyebabkan stok minyak sawit Malaysia melonjak sehingga mencapai kemuncak sebanyak 2.62 juta tan pada Disember 2012.

Inventori minyak sawit yang tinggi pada Ogos 2012 telah menyebabkan banyak kilang penapisan MSM di Malaysia dengan tangki simpanan yang terhad telah mengenakan sekatan ke atas penghantaran MSM dan mengenakan diskaun harga yang lebih tinggi. Tambahan pula, caj pengangkutan MSM di Sabah juga telah meningkat daripada RM 40 kepada RM 100 setan manakala caj pengangkutan isirong sawit daripada RM 45 kepada RM 70 setan.

Sementara itu, pada November 2012, kilang-kilang sawit di Keningau, Sabah juga telah mengenakan kos pegangan RM 20 setan kepada para pembekal BTS. Estet Millan-Labau di Keningau terpaksa menanggung kos tambahan ini. Di Sandakan, kos pegangan RM 20 setan metrik telah dilaksanakan pada Disember 2012.

Sejak Disember 2012, stok minyak sawit telah menurun sedikit kepada 1.646 juta tan metrik pada Jun 2013 disebabkan jumlah volum eksport yang lebih tinggi dan permulaan tempoh pengeluaran yang rendah.

Prospek Tahun Semasa

Ketidaktentuan dalam ekonomi global menjadikan ramalan aliran harga MSM berada dalam situasi tidak menentu. Dalam tempoh terdekat, harga MSM adalah di dorong oleh pembelian di bulan Ramadhan dari Pakistan dan negara-negara Islam yang lain.

PENYATA PENGERUSI (samb.)

Walau bagaimanapun, harga MSM boleh terjejas oleh hasil tuaian yang lebih besar dari kacang soya di Amerika dan Amerika Latin pada suku ketiga tahun ini manakala bola kristal kelas atas diperlukan untuk menganggar kesan ketidakstabilan politik Mesir pada harga minyak mentah dan kesannya kepada minyak sawit.

Perlaksanaan gaji minimum juga memberi kesan kepada kos pengeluaran yang tinggi. Arahan gaji minimum 2012 yang mula berkuatkuasa pada 1 Januari 2013 telah meningkatkan lagi kos pengeluaran sebanyak 6%. Ini tidak termasuk kesan sampingan pada kos-kos lain seperti pengangkutan, pembaikan dan penyelenggaraan.

Tanggungjawab Sosial Korporat

Sejak penubuhannya, pada tahun kewangan berakhir 30 April 2006, United Malacca Berhad telah memberi biasiswa berjumlah RM 310,000 kepada 12 pelajar bagi mengikuti kursus sains pertanian dan kejuruteraan. Bukan sahaja biasiswa sebagai tanggungjawab sosial korporat malah ia juga membantu untuk meningkatkan kemahiran pertanian dalam industri kelapa sawit.

Pada tahun lepas, tiga orang pelajar telah menerima biasiswa dan enam graduan kini berkhidmat secara terikat perjanjian dengan United Malacca di ladang-ladang dan kilang minyak sawit.

Sempena ulang tahun ke 100 pada 27 April 2010, United Malacca telah menubuhkan dana permulaan penyelidikan sebanyak RM 2 juta di Universiti Putra Malaysia. Lima projek penyelidikan yang sedang dijalankan dalam empat bidang utama:

- Untuk membangunkan benih kelapa sawit yang berhasilan tinggi
- Untuk memperkayakan tanah bagi meningkatkan hasil
- Untuk mengesan dan menguruskan masalah reput pangkal batang, dan
- Untuk menggunakan jentera dalam penuaian kelapa sawit.

Penghargaan

Bagi pihak Lembaga Pengarah, saya ingin mengucapkan terima kasih kepada semua kakitangan di atas kerja keras dan usaha mereka pada tahun kewangan berakhir 30 April 2013. Saya ingin mengucapkan terima kasih kepada rakan-rakan Lembaga Pengarah di atas kepakaran dan komitmen untuk United Malacca, terutamanya dari segi masa yang sering melebihi keperluan tata syarat undang-undang. Pandangan jujur mereka dinyatakan pada jawatankuasa dan mesyuarat Lembaga Pengarah yang telah mewujudkan suasana penelitian dan menyeluruh berkenaan semua isu, dan dengan itu meningkatkan proses membuat keputusan di United Malacca.

Ms. Tan Siok Choo
Pengerusi

Penggunaan kerbau untuk memungut buah kelapa sawit di estet

Lawatan estet oleh Pengerusi dan Pengurusan Atasan

CORPORATE SOCIAL RESPONSIBILITY

The Group is committed to Corporate Social Responsibility (CSR) by integrating it into the way the business is run. The key CSR initiatives undertake by United Malacca Berhad Group in 2012/2013 are as follows:-

At the workplace, safety-related programmes for employees and training programmes to upgrade employees' skills and competency were conducted. The Group provides its employees and families in the estates with quality facilities and amenities to live and work comfortably. Medical care and hospitalization insurance cover for employees and families are also provided.

Vegetables planting for estate employees

Sport day at Meridian Plantations, Sabah

Employee receiving prize at Family Cum Sport Day event organized by Bukit Senorang Palm Oil Mill

Directors and Management meeting school children at Millian - Labau Plantations

CORPORATE SOCIAL RESPONSIBILITY

The Group's contributions to the community are by way of donations to charitable organizations, offer of scholarships for higher education, construction of road & electricity supply to villages, and providing job opportunities offered to local community particularly in Sabah.

The Group is aware of the importance of conserving and preserving our natural environment.

The Group's business responsibility, while geared towards increasing profitability, is also to implement good agricultural practices in an endeavour to protect the environment and adhere to the national environmental policies. Proper soil and water conservation measures coupled with sound agronomic practices will ensure the sustainability and environmental friendly nature of oil palm cultivation.

Fire and emergency response training for workers

Concrete quarters being constructed for workers in Marmahat Estate, Sabah

Pre-school at Millian - Labau Plantations

Routine health and safety briefings to estate workers

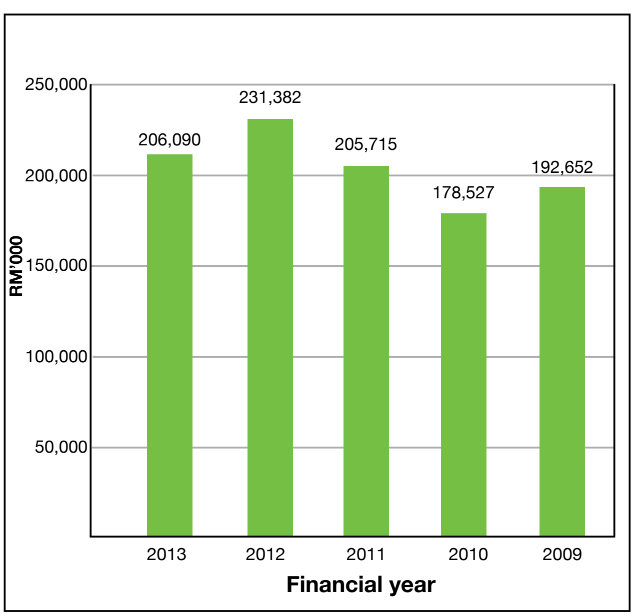
FIVE YEARS' FINANCIAL STATISTICS

	2013 RM'000	2012 RM'000	2011 RM'000	2010 RM'000	2009 RM'000
REVENUE					
Plantation	**206,090**	231,382	205,715	170,609	178,304
Investment holding *	-	-	-	7,918	14,348
	206,090	231,382	205,715	178,527	192,652
GROUP PROFIT					
Oil palm products	**72,788**	102,061	97,788	70,974	81,034
Replanting expenses	**(2,870)**	(3,266)	(3,798)	(5,675)	(7,962)
Profit from plantation activities	**69,918**	98,795	93,990	65,299	73,072
Gain on disposal of an associate	-	365	-	-	-
Development expenditure written off	-	-	-	(1,295)	-
Investment income	**3,617**	1,634	3,245	5,565	1,155
Interest income	**4,797**	5,051	3,754	6,695	12,351
Operating profit	**78,332**	105,845	100,989	76,264	86,578
Share of results of associates	**4,372**	2,802	4,720	5,413	4,393
Profit before tax	**82,704**	108,647	105,709	81,677	90,971
Income tax expense	**(13,995)**	(22,766)	(24,264)	(18,372)	(20,427)
Profit net of tax	**68,709**	85,881	81,445	63,305	70,544
Earnings per share (sen) ^	**33.6**	42.4	40.4	31.5	35.1

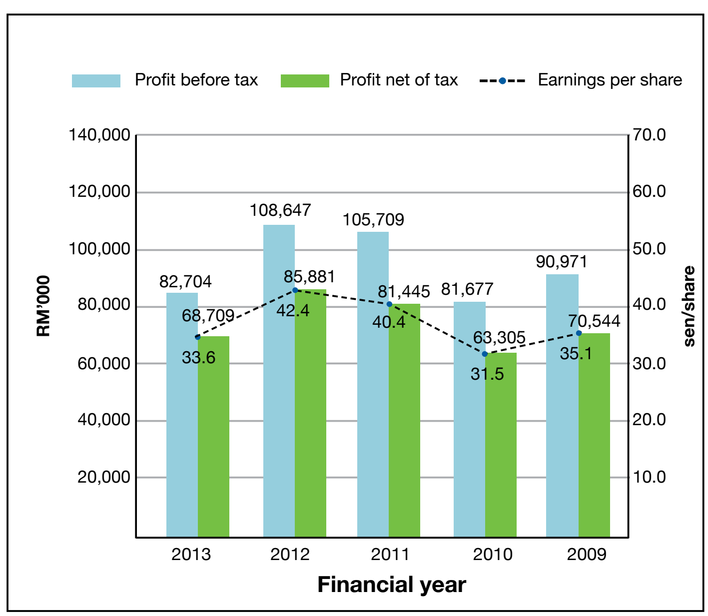
* With effective from financial year ended 30 April 2011, interest and dividend income of the Group are classified as OTHER INCOME instead of REVENUE as such income have become insignificant.

^ Earnings per share is calculated based on the enlarged share capital after bonus issue of 1 for 2 which was completed on 2 November 2010.

Revenue



Profit and Earnings per Share



FIVE YEARS' FINANCIAL STATISTICS (cont'd)

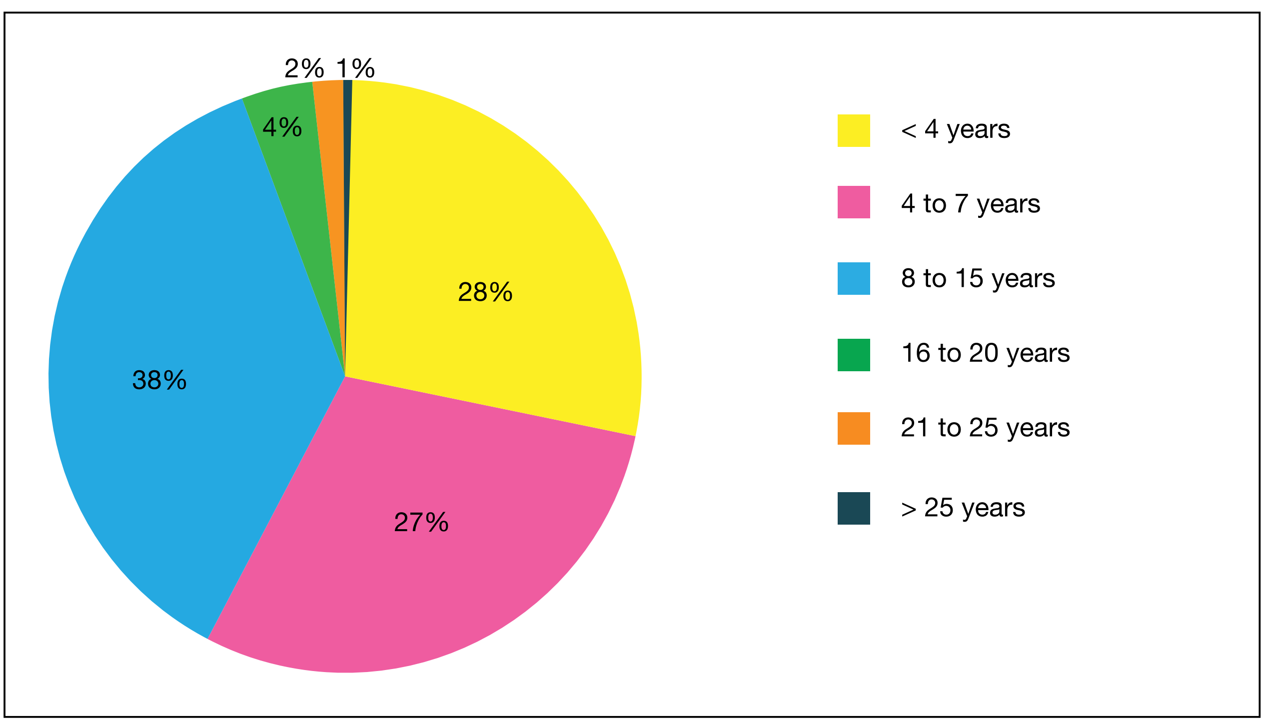
	2013 RM'000	2012 RM'000	2011 RM'000	2010 RM'000	2009 RM'000
ASSETS					
Property, plant and equipment	**685,060**	446,825	436,981	430,467	296,230
Biological assets	**803,422**	427,981	406,144	392,229	274,961
Prepaid land lease payments	**10,254**	4,037	4,231	4,426	4,621
Investment property	**960**	-	-	-	-
Development expenditure	**-**	-	-	-	1,295
Goodwill on consolidation	**18,628**	18,628	18,628	18,628	18,628
Investment in associates	**-**	28,403	28,199	24,798	20,376
Available-for-sale investments	**57,105**	41,756	50,264	15,822	15,962
Current assets	**166,016**	195,145	174,203	154,752	382,281
Non-current assets held for sale	**31,536**	-	1,675	-	-
Total assets	**1,772,981**	1,162,775	1,120,325	1,041,122	1,014,354
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Issued and paid-up share capital	**205,109**	203,473	202,358	134,005	134,005
Capital reserves	**774,720**	309,862	301,357	276,791	278,016
Revenue reserves	**561,706**	544,801	513,361	529,026	504,697
Total equity	**1,541,535**	1,058,136	1,017,076	939,822	916,718
Liabilities					
Deferred tax liabilities	**209,821**	81,872	81,839	80,863	79,763
Current liabilities	**21,625**	22,767	21,410	20,437	17,873
Total liabilities	**231,446**	104,639	103,249	101,300	97,636
Total equity and liabilities	**1,772,981**	1,162,775	1,120,325	1,041,122	1,014,354
FINANCIAL STATISTICS ^					
Earnings per share (sen)	**33.6**	42.4	40.4	31.5	35.1
Gross dividend per share (sen)	**21.0**	26.0	25.0	23.3	26.7
Net dividend per share (sen)	**21.0**	26.0	25.0	19.8	20.0
Net dividend yield per share (%)	**2.9**	3.4	3.6	3.8	4.8
Return on average total assets (%)	**4.7**	7.5	7.5	6.2	7.0
Return on average equity (%)	**5.3**	8.3	8.3	6.8	7.8
Price earnings ratio (times)	**21.7**	18.0	17.4	16.6	11.9
Net assets per share (RM)	**7.5**	5.2	5.0	4.7	4.6
Share price as at financial year end (RM)	**7.30**	7.64	7.02	5.24	4.17

^ Financial statistics are calculated based on the enlarged share capital after bonus issue of 1 for 2 which was completed on 2 November 2010.

GROUP TITLED AREA STATEMENT
AS AT 30 APRIL 2013

	HECTARAGE	%
OIL PALM		
Mature		
4 to 7 years	5,886	27
8 to 15 years	8,320	38
16 to 20 years	926	4
21 to 25 years	396	2
> 25 years	86	1
	15,614	72
Immature		
< 4 years	6,047	28
TOTAL OIL PALM PLANTED AREA	21,661	100
Development in progress	442	
Unplanted area	255	
Reserve land, roads, swap, hilly area, building sites, etc	2,217	
TOTAL GROUP TITLED AREA	24,575	

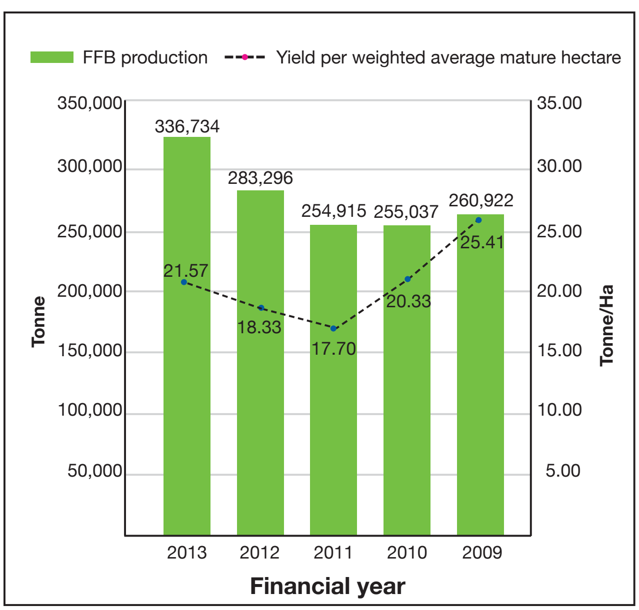
Oil Palm Planted Area by Age Profile



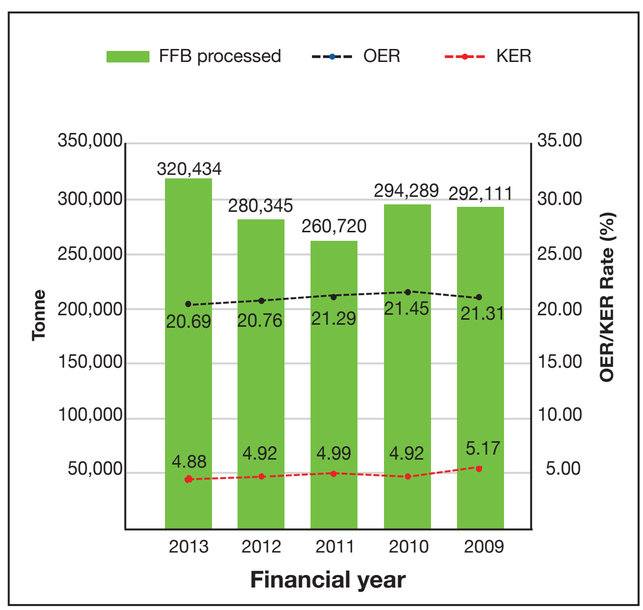
FIVE YEARS' PLANTATION STATISTICS

	2013	2012	2011	2010	2009
ESTATES					
FFB production (tonne)	**336,734**	283,296	254,915	255,037	260,922
Yield per weighted average mature hectare (tonne/ha)	**21.57**	18.33	17.70	20.33	25.41
MILLS					
FFB processed (tonne)	**320,434**	280,345	260,720	294,289	292,111
Production					
- Crude palm oil (tonne)	**66,299**	58,191	55,512	63,133	62,251
- Palm kernel (tonne)	**15,621**	13,801	13,011	14,472	15,095
Oil extraction rate (%)	**20.69**	20.76	21.29	21.45	21.31
Kernel extraction rate (%)	**4.88**	4.92	4.99	4.92	5.17
AVERAGE SELLING PRICE					
Crude palm oil (RM/tonne)	**2,516**	3,152	2,971	2,390	2,420
Palm kernel (RM/tonne)	**1,337**	2,005	2,195	1,256	1,234
FFB (RM/tonne)	**484**	657	640	477	477

FFB Statistics



Oil Mill Statistics



AUDIT COMMITTEE REPORT

1.0 Introduction

The Board of Directors of United Malacca Berhad is pleased to present the Audit Committee Report for the financial year ended 30th April 2013 in accordance with Paragraph 15.15 of the Bursa Malaysia Securities Berhad's Listing Requirement.

2.0 Composition

The Audit Committee of the Board of Directors was established since January 1991 and comprises the following members:

Chairman : Tan Sri Dato' Ahmad Bin Mohd Don
(Independent Non - Executive Director)

Members : Ms Tan Siok Choo
(Independent Non - Executive Director)
Mr Teo Leng
(Independent Non - Executive Director)
Dato' Tan Ang Meng
(Independent Non - Executive Director)

(i) The Audit Committee shall be appointed by the Board of Directors from amongst the Directors and comprise not less than three (3) members. All the Audit Committee members must be Non - Executive Directors, with a majority of them being Independent Directors.

(ii) The members of the Audit Committee shall elect the Chairman, who is an Independent Director from among the members.

(iii) If the number of members for any reason falls below three (3), the Board of Directors shall, within three (3) months of that event, appoint such number of new members required to fulfil the minimum requirement.

(iv) At least one (1) member of the Audit Committee:

a. Must be a member of The Malaysian Institute of Accountants (MIA); or

b. If he or she is not a member of MIA, he or she must have at least three (3) years' working experience and;

i. must have passed the examinations specified in Part I of the 1st Schedule of the Accountants Act 1967; or

ii. must be a member of one (1) of the associations of accountants specified in Part II of the 1st Schedule of the Accountants Act 1967.

c. Fulfils such other requirements as prescribed or approved by the Bursa Malaysia Securities Berhad.

AUDIT COMMITTEE REPORT (cont'd)

3.0 Objectives

(i) The Audit Committee is to serve as a focal point for communication between Directors, External Auditors, Internal Auditors and the Senior Management on matters pertaining to financial accounting, reporting and controls.

(ii) The Audit Committee is to assist the Board of Directors in fulfilling its fiduciary responsibilities as to accounting policies and reporting practices of the Company and all subsidiaries, and the sufficiency of auditing of the Group.

(iii) It is to be the Board of Directors principal agent in ensuring the independence of the Company's External Auditors and the adequacy of disclosures to shareholders.

4.0 Authority

The Audit Committee shall have the following authority as empowered by the Board of Directors:

(i) To investigate any activity within its objectives and functions.

(ii) Unrestricted access to all information and documents relevant to its activities as well as direct communication to External Auditors, Internal Auditors and the Senior Management of the Group.

(iii) To obtain external legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

(iv) The Audit Committee shall have the resources, which are required to perform its duties.

(v) The Audit Committee shall have direct communication channels with the External and Internal Auditors.

(vi) The Audit Committee shall have the authority to convene meetings with the External Auditors, Internal Auditors or both excluding the attendance of others Directors and employees of the Company, whenever deemed necessary.

5.0 Functions

In accordance with Paragraph 15.15 (3) (b) of the Bursa Malaysia Securities Berhad's Listing Requirement, the summary of key functions of the Audit Committee shall be:

(i) To keep under review the quality and effectiveness of the accounting and systems of internal control as well as the efficiency of the Group's operations.

(ii) To review the audit plan, scope of examination and audit observations of the External and Internal Auditors, and ensure that Management takes appropriate action in respect of the audit observations and the Audit Committee's recommendations.

(iii) To review the quarterly and annual consolidated financial statement of the Group before submit to the Board of Directors for approval. The review should focus primarily on compliance with accounting standards as well as other regulatory requirements and the adequacy of information disclosure for a fair and full presentation of the financial affairs of the Group.

AUDIT COMMITTEE REPORT (cont'd)

(iv) To recommend to the Board the appointment of the External Auditors, the audit fees, other terms of engagement and to consider any letter of resignation from the External Auditors (if any).

(v) To consider whether there is reason (supported by grounds) to believe that the External Auditors are not suitable for re-appointment.

(vi) To approve the appointment of Head of Internal Audit and ensure the adequacy of the scope, functions, competency and resources of the internal audit functions, and that it has the necessary authority to carry out its work.

(vii) To review financial information and press releases relating to financial matters of importance.

(viii) To review any related party transactions and conflict of interest situation that may arise within the Group including any transaction, procedure or course of conduct that raises questions of Management integrity.

(ix) To ensure employees of the Company extend their assistance to the External Auditors.

(x) To meet at least twice a year with the External Auditors in a private session to discuss any matters without the presence of Management and any executive members of the Board of Directors.

(xi) To perform any other related duties as directed by the Board of Directors.

6.0 Meetings

The Audit Committee met on four (4) occasions during the FY 2012/2013 and the attendance of each member of the Audit Committee is as follows:

Directors	No Of Meetings Attended During Director's Tenure In Office
Tan Sri Dato' Ahmad bin Mohd Don	4 out of 4
Ms Tan Siok Choo	4 out of 4
Mr Teo Leng	4 out of 4
Dato' Tan Ang Meng	4 out of 4

The Company Secretary acts as Secretary to the Audit Committee. Minutes of each meeting are circulated to the Audit Committee members and to all other members of the Board of Directors. The Chairman may call for additional meeting at any time at his discretion. The Chairman of the Audit Committee reports on key issues discussed at each meeting to the Board of Directors.

(i) Meeting

Meetings shall be held not less than four (4) times a year. The Chairman may call for additional meeting at any time at his discretion.

(ii) Quorum

The quorum for a meeting shall be two (2) members and the majority of members present must be Independent Directors.

AUDIT COMMITTEE REPORT (cont'd)

(iii) Attendance At Meeting

The Chief Executive Officer, Group Financial Controller, Company Secretary, Internal Auditor and External Auditors shall attend meetings by invitation of the Audit Committee.

7.0 Summary of Activities

Activities undertaken by the Audit Committee during FY 2012/2013 were:

(i) Reviewing and recommending for Board of Directors approval the quarterly financial statements for announcement to the Bursa Malaysia Securities Berhad in compliance with the Revamped Quarterly Reports pursuant to Bursa Malaysia Listing Requirements.

(ii) Reviewing the audit report and observations made by the External Auditors on the audited financial statements that require appropriate actions and the Management's response thereon and reporting them to the Board of Directors.

(iii) Reviewing and recommending for Board of Directors approval the overall presentation of the annual audited accounts in line with the spirit of the new framework for corporate governance to promote greater transparency and disclosure to enable the interested public and especially the stockholders to have a better insight into the operations of the Group.

(iv) Reviewing and approving the Annual Audit Plan for FY 2012/2013 and appraising the audit scope, audit reports and recommended actions to be taken by the Management.

(v) Reviewing the scope of work and audit plan of the External Auditors for FY 2012/2013.

(vi) Reviewing the impact of new or proposed changes in accounting standards and regulatory requirements to the Company.

(vii) Reviewing any related party transactions and conflict of interest situation that may arise within the Company or Group.

(viii) Reviewing and recommending for Board of Directors approval the draft Audit Committee Report for disclosure in the Group's Annual Report.

(ix) Reviewing and recommending for Board of Directors adoption the Group Risk Management Committee quarterly report on the risk profiles and Management action plans.

(x) Verifying and confirming the allocation of share options pursuant to the Employee Share Option Scheme (i.e. ESOS) as complying with the criteria established in the By-Laws of the ESOS.

For the financial year under review, the Audit Committee held two (2) private sessions with the External Auditors without the presence of the Management to discuss any issues or significant matters, which the External Auditors wished to raise.

AUDIT COMMITTEE REPORT (cont'd)

8.0 Internal Audit

The main role of the internal audit function is to review the effectiveness of the Group's systems of internal control and this is performed with impartiality, proficiency and due professional care. Internal Audit Department adopts a risk based auditing approach by focusing on reviewing identified high risk areas for compliance with control policies and procedures, identifying business risk which have not been appropriately addressed and evaluating the adequacy and integrity of controls.

Submission of the audit results to the Management and Audit Committee would ensure the Management is implementing the value added recommendations for continuous improvement.

As a result of Group's expansion operations in Sabah, 2 audit teams of Internal Audit Department had been established in Millian Labau Plantations, Keningau and Meridian Plantations, Sandakan respectively effective September 2012. Both audit teams are responsible to undertake normal audit works and special assignments (if any) in accordance with the Annual Audit Plan, which is approved by the Audit Committee.

In compliance with Paragraph 30, Appendix 9C of the Bursa Malaysia Securities Berhad's Listing Requirement, the Group has in place an Internal Audit Department headed by a Senior Manager and supported by seven (7) Executives. The Senior Manager and one (1) Executive are registered member of The Institute of Internal Auditors Malaysia.

The Internal Audit Department is responsible for the overall internal audit function of the Group, and reports directly to the Audit Committee to ensure its independence status within the Group. Total staff cost incurred in respect of the internal audit function during the financial year ended 30th April 2013 was RM 367,290 [2012: RM 296,542].

Internal Audit Department assists the Audit Committee in discharging its duties and responsibilities with respect to the adequacy and integrity of the systems of internal control within the Group. For FY 2012/2013, Internal Audit Department had undertaken the following activities in accordance with the approved Annual Audit Plan.

(i) Carrying out the audit of the Group's operating units including its subsidiaries by reviewing the unit's business activities and processes to ensure compliance with internal control procedures, highlighting control weaknesses and proposing appropriate value added recommendations for continuous improvements and to strengthen controls.

(ii) Facilitating the improvement of business processes within the Group and its subsidiary companies.

(iii) Establishing a follow up process in monitoring the implementation of audit recommendations by Management.

(iv) Monitoring the effectiveness of the Group's risk management systems by reviewing the implementation of the risk assessment action plans by Management.

(v) Drafting the Audit Committee Report and Statement on Internal Controls for disclosure in the Group's Annual Report.

(vi) Reviewing and verifying the allocation of share options under the Employee Share Option Scheme (i.e. ESOS).

(vii) Conducting investigation audits or special assignments from time to time as requested by the Management.

This report is made in accordance with a resolution of the Board of Directors dated 27 June 2013.

STATEMENT ON CORPORATE GOVERNANCE

INTRODUCTION

Recognizing good corporate governance is fundamental to continued success, the Board is committed to adopting the highest standards of corporate governance based on the Principles and Best Practices set out in the Malaysian Code on Corporate Governance 2012 ("the Code").

Pursuant to Paragraph 15.25 of the Bursa Malaysia Securities Berhad's ("Bursa Securities") Main Market Listing Requirements ("Listing Requirement"), the Board of Directors is pleased to report its application of the Principles of the Code and compliance with the Best Practices of the Code for the financial year ended 30 April 2013.

1. BOARD OF DIRECTORS

1.1 Board Responsibilities

The Board recognises the key role it plays in charting the Group's strategic direction and development and assumes six primary responsibilities. This includes reviewing and adopting strategic plans for the Group, overseeing the corporate governance and conduct of the Group's business, ensuring the implementation of appropriate systems to manage principal risks, reviewing the adequacy and integrity of the Group's internal control systems and implementing an investor relations programme.

The Board has fomulated and adopted a Board Charter, which provides guidance and clarity for Directors and Management in their stewardship of the Group and Company.

1.2 Board's Composition

The composition of the Board continues to provide the Group with a diversity of knowledge, experience and skills, including comprehensive mix of financial, corporate, economic, legal, accounting and plantation expertise.

Currently, there are six Directors, comprising the Chairperson who is an Independent Non-Executive Director and five other Independent Non-Executive Directors. The Board's composition complies with the requirements of the Code and paragraph 15.02 of the Bursa Malaysia Securities Berhad's Main Market Listing Requirements. The Nomination Committee annually reviews the composition and size of the Board to ensure its appropriateness.

The roles of the Chairperson and Chief Executive Officer (CEO) are segregated and each has a clearly accepted division of responsibility. The Chairperson is responsible for ensuring the Board's effectiveness and conduct as well as the integrity and effectiveness of the governance process of the Board.

Every Board resolution is put to vote, if necessary, which reflects the collective decision of the Board and not individuals or an interest group.

She also maintains regular dialogues/meetings with the CEO, Senior Managers, heads of operating centres as well as Institutional investor and research analysts.

The CEO is responsible for the day to day management of the Group's operation and effective implementation of strategic business plan, annual operating plan, budget, policies and decisions as approved by the Board.

STATEMENT ON CORPORATE GOVERNANCE (cont'd)

Independent Non-Executive Directors ensure all business strategies proposed by Management are fully deliberated and take into account the long term interest of shareholders, employees and the local communities where the Group operates.

Datuk Boon Weng Siew, is the Senior Independent Non-Executive Director to whom concerns may be conveyed.

The profiles of the Directors are set out in this Annual Report on pages 6 to 11.

1.3 Tenure of Independent Directors

The Code recommends the tenure of an independent director should not exceed a cumulative term of 9 years. Two Directors, Ms. Tan Siok Choo and Datuk Boon Weng Siew have served on the Board for more than 9 years. Both Directors remain objective and independent in their deliberations and decision making of the Board and Board Committees. The length of their service does not interfere with their exercise of independent judgement and in discharging their roles as independent directors.

1.4 Board Meetings

All Board meetings are scheduled in advance at the beginning of each calendar year to enable Directors to maximise their attendance. At least four (4) Board meetings are held annually with additional meetings for special or major issues convened as and when deemed necessary.

During the financial year ended 30 April 2013, the Board has held five meetings. All the Directors have complied with the minimum 50% attendance as required by Paragraph 15.05 of the Bursa Malaysia Securities Berhad's Listing Requirements.

At Board meetings, the agenda includes approval of strategic business plans and budgets, acquisition and disposal of material assets, major investments, evaluating of the Group's performance against budgets, establishing and varying authority limits and approval of the Group's quarterly and annual financial statements for announcement to Bursa Malaysia Securities Berhad.

All matters arising from and deliberations and conclusions of the meetings of the Board are recorded in minutes of meetings by the Company Secretary, confirmed by the Board and signed as a correct record by the Chairperson.

1.5 Time Commitment

Directors' record of attendance at Board meetings are as follows:-

Name of Director	Held	Attended	Attendance %
Ms. Tan Siok Choo, Chairperson	5	5	100%
Datuk Boon Weng Siew	5	5	100%
Tan Sri Dato' Ahmad Bin Mohd Don	5	5	100%
Mr. Tan Jiew Hoe	5	5	100%
Mr. Teo Leng	5	5	100%
Dato' Tan Ang Meng	5	5	100%

An annual meeting calendar comprising scheduled dates for meetings of the Board and Board Committees, the Annual General Meeting is prepared and circulated to the Directors before the beginning of every calendar year to facilitate the Directors' time planning.

STATEMENT ON CORPORATE GOVERNANCE (cont'd)

1.6 Supply of Information

Prior to all meetings, Directors receive Board papers and relevant information to give Directors sufficient time to consider and deliberate on the issues to be discussed at the meetings, the papers are couried to all directors at least five working days in advance.

At each Board meeting, the CEO briefs the Board on the progress of the Group's operations and provides updates on developments in the plantation industry. Senior management staff or external advisors may be invited to provide the Directors with information needed on relevant issues.

In addition, monthly reports on financial performance of the Company and Group, updates on new statutory and regulatory requirements are also circulated to the Directors.

In between Board meetings, the CEO and Senior Management meets regularly with the Chairperson to review the performance of the Group's various operating units and to keep her informed of current developments affecting the Group. Directors also visit the Group's estates and mills to facilitate better assessments of the Group's operation.

Directors have full access to all company information and records and also have direct access to the services of the Company Secretaries and Senior Management.

Directors, who wish to seek independent professional advice in furtherance of their duties, may do so at the Company's expense.

1.7 Board Committees

In discharging its fiduciary duty, the Board is assisted by Board Committees, namely the Audit Committee, the Nomination Committee, the Remuneration Committee, the Tender Committee, the Employee Share Scheme Committee, the Diversification and Strategic Investment Committee and the Scholarship Committee.

Specific responsibilities have been delegated to these Board Committees which operate within clearly defined terms of reference and in compliance with the recommendations of the Code. The Chairman of the respective Committees will report to the Board on matters discussed at the Committee meetings. Minutes of these meetings are circulated to the full Board.

In addition the Group Risk Management Committee consisting of Senior Executives reports to the Board through the Audit Committee.

1.8 Appointments to the Board

The Nomination Committee is responsible for recommending new appointments to the Board and ensuring the appointments of individuals with the appropriate knowledge and experience to fulfil the duties of a Director.

On appointment, the new Director is provided with information about the Group and is encouraged to visit the Group's estates and meet with Senior Management.

The Nomination Committee meets annually to review the Board structure, size and composition as well the mix of core competencies required for the Board to discharge its duties effectively. The Nomination Committee is also responsible for assessing the effectiveness of the Board and all Board Committees, as well as the annual performance of the CEO.

STATEMENT ON CORPORATE GOVERNANCE (cont'd)

The Nomination Committee comprises three Independent Non-Executive Directors. Presently, its members are as follow:-

Chairman	Tan Sri Dato' Ahmad Bin Mohd Don *Independent Non-Executive Director*
Members	Ms. Tan Siok Choo *Independent Non-Executive Director*
	Mr. Teo Leng *Independent Non-Executive Director*

The Company Secretary ensures all appointments are properly effected and the necessary information is obtained from the Directors, both for the Company's records and to comply with regulatory and statutory obligations

1.9 Re-election and Re-appointment of Directors

Article 118 of the Company's Articles of Association provides at least one-third of the Directors or the number nearest to but not exceeding one third, are subject to retirement by rotation at each Annual General Meeting and that all Directors shall retire once in every three years.

Article 124 also provides that a Director who is appointed by the Board during the year shall be subject to election at the next Annual General Meeting to be held following his appointment.

Directors over seventy years of age are required to seek re-appointment annually in accordance with Section 129 (6) of the Companies Act 1965. Currently, there is one Director who is subject to such re-appointment.

The Nomination Committee reviews the independence, suitability, competencies and contributions of each inividual Directors for re-election and re-appointment before recommending them to the Board prior to submitting their names to shareholders for approval at the Annual General Meeting.

The names of Directors seeking for re-appointment and re-election at the forthcoming Annual General Meeting are disclosed in the Notice of Annual General Meeting in this Annual Report.

1.10 Directors' Training

During the year, the Directors visited the Group's estates/operating centres in Peninsular, Sabah and plantation lands elsewhere and participated in the following conferences, seminars and training programmes:-

Organizer	Conference/Seminar/Training Courses
Institute for New Economic Thinking (INET)	INET Annual Plenary Conference 2013: Changing of the Guard
Bank Negara Malaysia's invitation	ANL/CFT Conference 2013
Institute of Strategic and International Studies (ISIS) Malaysia	Asia Pacific Roundtable

STATEMENT ON CORPORATE GOVERNANCE (cont'd)

Organizer	Conference/Seminar/Training Courses
Institute of Strategic and International Studies (ISIS) Malaysia	Myanmar Roundtable 2012 – Theme "Understanding the Changes, Realising the Opportunities"
Bursa Malaysia Berhad	Bursa Malaysia Sustainability Training for Directors & Practitioners
Bursa Malaysia Derivatives Berhad	24th Annual Palm and Lauric Oils Conference & Exhibition: Price Outlook 2013/2014 (POC 2013)
Minority Shareholder Watchdog Group (MSWG)	Asean CG Scorecard – The Way Forward
The Incorporated Society of Planters	7th International Planters Conference 2012 – The Future Direction of the Plantations Business
Malaysian Palm Oil Board (MPOB)	18th Transfer of Technology Seminar 2012
Centre Management Technology	Workshop: A-Z Site Assessment for Plantations Myanmar – "Soil Assessment & Agronomic Specifications to Raise Yields"
Centre Management Technology	3rd RubberPlant Summit in Yangon
HRD Gateway Management Development Centre	Executive Stress Management

Directors also receive regular briefings by Ernst & Young on updates in financial reporting and new accounting standards. Information about new developments affecting the plantation industry are provided by two of its Directors who also sit on the Council of the Malaysian Palm Oil Association.

The Board will continue to assess the training needs of its Directors to ensure that they are equipped with the requisite knowledge and competences to contribute effectively to the Board.

1.11 Gender Diversity Policy

Presently, the Group does not have a formal gender diversity policy. The Board believes it is vital to recruit and retain the best available talent regardless of gender, taking into account the requisite skills, experience, knowledge and independence needed.

The Board of Directors comprise six members, out of which one is a woman Director, representing 16.7% of the Board composition.

STATEMENT ON CORPORATE GOVERNANCE (cont'd)

2. DIRECTORS' REMUNERATION

Remuneration for Directors is aimed at attracting and retaining individuals needed to successfully manage the Group's business. Additionally, the Remuneration Committee is responsible for reviewing and recommending to the Board every year the remuneration framework, policy and remuneration packages of the CEO and key senior management officers.

The Board also determines the remuneration of Non-Executive Directors and individuals concerned are required to abstain from discussion of their own remuneration at Board meetings. Fees paid to Directors are subject to approval of shareholders at the Annual General Meeting.

The Remuneration Committee comprises the following Directors: -

Chairman	Dato' Tan Ang Meng *Independent Non-Executive Director*
Members	Ms. Tan Siok Choo *Independent Non-Executive Director*
	Datuk Boon Weng Siew *Independent Non-Executive Director*
	Mr. Tan Jiew Hoe *Independent Non-Executive Director*

As recommended by the Remuneration Committee, the Board has decided to retain the current Remuneration Structure and quantum of fees for Directors payable on a quarterly basis in arrears for the financial year ending 30 April 2014.

Remuneration of the Directors for the financial year ended 30 April 2013 categorized into appropriate components and the number of Directors whose remuneration falls into each band of RM50,000 are set out on pages 87 to 89 of this Annual Report.

3. SHAREHOLDERS

3.1 Timely and High Quality Disclosures

The Board is committed to accurate and timely dissemination of information, including corporate announcements and release of quarterly financial results to Bursa Malaysia as well as the distribution of interim and annual reports to shareholders.

3.2 Annual General Meeting

At the Annual General Meeting, shareholders are given the opportunity to question directors and management and to vote on matters listed in the Agenda.

3.3 Communications and Investor Relations

A website www.unitedmalacca.com.my provides information on the Group, its businesses, the Board Charter, directors and management staff, financial data, annual reports, quarterly reports, announcements/disclosures made to Bursa Malaysia and other related activities.

Senior Management also meets institutional investors and research analysts to brief them about the Group's operations.

STATEMENT ON CORPORATE GOVERNANCE (cont'd)

4. ACCOUNTABILITY AND AUDIT

4.1 Financial Reporting

In discharging the Board's responsibility to ensure accurate and adequate quality financial reporting to shareholders and regulatory authorities, the Audit Committee scrutinises information for disclosure to ensure compliance with accounting standards, accuracy, adequacy and completeness.

4.2 Statement of Directors' Responsibility in respect of Audited Financial Statements

The Companies Act 1965 requires Directors to prepare financial statements that give a true and fair view of the state of affairs of the Company and of the Group as at the end of the financial year. In preparing the Group's financial statements, the Directors have ensured appropriate accounting policies are consistently applied, supported by reasonable and prudent judgment, all applicable approved accounting standards have been followed and any material departures from accounting standards have been disclosed and explained in the financial statements.

Directors are responsible for ensuring the Company and Group keeps proper accounting records which disclose with reasonable accuracy the Group's financial position and that the financial statements comply with the Companies Act 1965.

Directors also have a responsibility to take reasonable steps to safeguard the assets of the Group as well as to detect and prevent fraud and other irregularities.

4.3 Internal Control and Risk Management

The Board is responsible for ensuring the Group maintains a sound system of Internal Controls and risk management system including regular reviews of their adequacy and integrity.

The Group has instituted an internal audit unit and a risk management committee to ensure the on-going process for identifying, evaluating and managing the significant risks faced by the Group throughout the financial year.

The Statement on Risk Management and Internal Control as set out in pages 41 to 44 in this Annual Report provides an overview of the Group's state of internal controls.

4.4 Relationship with Auditors

Through the Audit Committee, the Group has established a transparent and appropriate relationship with internal and external auditors. Both internal and external auditors attend all Audit Committee meetings to present their audit plans as well as reports, findings and recommendations, including highlighting matters that require the attention of the Audit Committee and the Board.

A summary of the activities of the Audit Committee during the year, including evaluation of the independent audit process, is set out in the Audit Committee Report on pages 28 to 32 of this Annual Report.

The Statement is made in accordance with the resolution of the Board of Directors passed on 27 June 2013.

OTHER INFORMATION

PURSUANT TO THE LISTING REQUIREMENTS OF THE BURSA MALAYSIA SECURITES BERHAD

1. Utilisation of Proceeds

There were no rights issue or issuance of bonds carried out during the financial year ended 30 April 2013 to raise any cash proceeds. However, the Company has issued 1,636,400 ordinary shares under the Employee Share Scheme ("ESS") for a cash consideration of RM8,917,000 during the financial year. The Proceeds arising from the exercise of the share options pursuant to the ESS were utilised for working capital purposes.

2. Share Buy-Backs

There was no share buy-back by the Company during the financial year under review.

3. Options, Warrants, or Convertible Securities Exercised

There were no other options, warrants, or convertible securities exercised in respect of the financial year ended 30 April 2013.

4. American Depository Receipt ("ADR") or Global Depository Receipt ("GDR")

The Company has not sponsored any ADR or GDR programme for the financial year ended 30 April 2013.

5. Sanctions and/or Penalties

The Company and its subsidiaries, directors and management have not been imposed with any sanctions and/or penalties.

6. Non-Audit Fees

During the financial year under review, the Group's non-audit fees paid or payable to the external auditors amounted to RM127,000 (please refer to page 86 of the audited financial statements).

7. Variation in Results

There is no material variance between the results for the financial year ended 30 April 2013 and the unaudited results previously announced by the Company.

8. Profit Guarantee

The Company did not issue any profit forecast or profit guarantee for the financial year ended 30 April 2013.

9. Revaluation Policy

Revaluations are performed with sufficient regularity to ensure that the fair value of landed properties does not differ materially from that which would be determined using fair value at the reporting date.

10. Material Contracts Involving Directors and Major Shareholders

There is no material contract involving the Company and its subsidiaries with directors and major shareholders of the Company either still subsisting at the end of the financial year ended 30 April 2013 or entered into since the end of that financial year.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

1. Introduction

The Board of Directors of United Malacca Berhad is pleased to present the Statement on Risk Management and Internal Control pursuant to Paragraph 15.26 (b) of the Bursa Malaysia Securities Berhad Listing Requirements. This statement outlines the Group's key elements of internal control system for the financial year ended 30 April 2013.

2. Board Responsibility

The Board acknowledges its responsibility to maintain a sound system of internal controls and risk management as well as to review its adequacy and integrity. However, the Board recognises reviewing the Group's system of internal controls is a concerted and on-going process designed to manage rather than eliminate the risk of failure while the system of internal controls can only provide reasonable – and not absolute – assurance against any material misstatement or loss.

The Board confirms there is a continuous process to identify, evaluate, monitor and manage significant risks affecting the fulfilment of the Group's business objectives, a process that is regularly reviewed by the Board.

The Board does not review the internal control systems of its associated company, Niro Ceramics, as the Board does not have direct control over its operations. Nevertheless, the Group's interests are served through representation on Niro's Board and through reviewing the associated company's management accounts. These processes provide the United Malacca Board with relevant information for timely decision making on the continuity of its investment in Niro Ceramic.

On 1 July 2013, United Malacca disposed of its 25.05% interest in Niro Ceramic for RM36.31 million.

3. Key Elements of Internal Control Systems

3.1 Risk Management Framework

Since 2002, a risk management framework has been instituted to facilitate managing the Group's high-impact risks. Through the adoption of manuals on Risk Management Policies and Procedures, significant risks are continuously identified and appropriate controls instituted and adopted by Management to ensure risk profiles acceptable to the Group.

Management has also set up a Group Risk Management Committee led by the Chief Executive Officer (CEO) to identify and communicate regularly to the Board the Group's critical risks, the changing risks and Management plans to mitigate these risks.

During the financial year under review, the following risk management activities were implemented:

(i) Maintaining an up-to-date assessment of all business risks and controls through a detailed risk management report. The likelihood of the risks occurring and the magnitude of impact are periodically monitored and mitigation plans adopted.

(ii) Reviewing and assessing all business risks and preparing quarterly reports on the Group's risk profiles. Management's plans are reviewed by the Audit Committee prior to submission to the Board for approval.

(iii) Identifying and assessing new risks the Group's businesses face. Mitigating plans and control measures have been implemented to address these risks.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (cont'd)

3. Key Elements of Internal Control Systems (cont'd)

3.2 Internal Audit

The Group's Internal Audit Department supports the Audit Committee to ensure adequate and effective risk management and the institution of a system of internal controls and governance processes. During the financial year under review, Internal Auditors conducted independent reviews of the key activities undertaken by the Group's operating units in line with an approved annual internal audit plan and ad-hoc audits requested by the Audit Committee.

Given United Malacca's large acreage in Sabah, from September 2012, two audit teams have been established in Millian Labau Estate (Keningau) and Meridian Plantations (Sandakan) respectively. Both teams undertake normal audit work and special assignments.

Internal Audit also monitors the Group's risk management system by reviewing the risk action plans implemented by Management and communicating the results of its review to the Audit Committee.

Internal Audit also advises Management on areas for improvement and subsequently reviews the extent its recommendations have been implemented. Audit reports are submitted regularly to the Audit Committee who reviews the findings with Management during Audit Committee meetings.

Furthermore, the External Auditors' management letters, if any, recommendations and the responses of Management provide added assurance that appropriate control procedures are in place and are being implemented. In determining the adequacy and effectiveness of the Group's internal controls, the Audit Committee reports its assessment and recommendations to the Board of Directors.

4. Other Key Elements of Internal Control Systems

Apart from risk management and internal audit, the Group's system of internal controls also comprises the following key elements:

(i) Organisational Structure

The Group has a well-defined organisational structure with a clear line of responsibility, accountability and reporting structure.

(ii) Centralised Functions

Various support functions comprising finance, treasury, administration, human resource, agronomic, marketing and purchasing are centralised to ensure uniform policies and procedures are implemented throughout the Group.

(iii) Control Procedures

A Policy and Procedures Operating Manual setting out the Group's policies, procedures and practices ensure accountability and control procedures is in place.

These policies and procedures are reviewed regularly and updated by Management. Control procedures cover the following key activities:

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL
(cont'd)

4. Other Key Elements of Internal Control Systems (cont'd)

(iii) Control Procedures (cont'd)

a. Authorisation Levels and Approval Limits

The Group has established authorisation levels and approval limits for Management to follow and those requiring Board approval.

b. Budgeting

Each operating unit prepares its own annual budget which includes financial and operating targets, capital expenditure proposals and performance indicators for the forthcoming year. Meetings are held among heads of operating units, senior management and the CEO to finalise the draft budget. Thereafter, the annual budget is presented to the Board for final review and approval.

c. Tender Committee

Major purchases of goods and/or services and contract works are required to be tendered out. Comprising senior management staff, a Management Tender Committee carries out the tendering exercise and submits recommendations to the CEO for tenders below RM300,000 and to the Board Tender Committee for tenders above RM300,000 for its review and approval.

d. Diversification and Strategic Investment Committee

The Board has formed a Diversification and Strategic Investment Committee to determine the Group's investment criteria and to recommend any new businesses for expansion and/or diversification.

(iv) Performance Review and Reporting

Management teams monitor and review every month the financial results and forecasts for the Group's business units. This includes assessing their performance against operating plans and annual budgets. Management teams also monitor marketing operations, including its financial performance, and formulate plans focusing on areas of concern.

Scheduled meetings between senior management and heads of operating units are held aimed at continuously improving FFB quality, operational cost effectiveness, efficiency of operations and profitability.

In addition, an Estate and Palm Oil Mill Liaison Committee has been established comprising representatives from Head Office Estate Operations Department, Palm Oil Mill Department, Estate Managers and Palm Oil Mill Managers to enhance coordination and teamwork between estates and palm oil mill personnel to achieve higher quality of FFB and to enhance profitability.

Monthly financial and performance reports are submitted to the Board. Results are assessed against budgets, with major variances explained. Monthly marketing reports are also submitted to the Board detailing crude palm oil and palm kernel price movement and sales contracts committed.

Quarterly and annual financial statements with detailed analysis of financial results are reviewed by the Audit Committee and recommended to the Board for approval prior to submission to Bursa Malaysia. Reports on the performance of the estates and palm oil mills, progress report on the estates, the Group's financial position as well as treasury and fund management are presented at Board meetings.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL
(cont'd)

4. Other Key Elements of Internal Control Systems (cont'd)

(v) Estate Visits

Regular visits to the estates and palm oil mills are undertaken by the Chairperson, CEO, Senior Management, internal auditors and the Group Finance team.

To ensure consistent standards of agronomic practices throughout the Group, an in-house agriculture policy has been established to facilitate better estate management.

(vi) Coverage and Safeguarding of Major Assets

Yearly review of insurance risk and adequacy of coverage is carried out by Senior Management. Steps are taken to physically safeguard major assets to minimise significant mishaps that could result in material losses to the Group.

5. Review by the External Auditors

The External Auditors have reviewed this statement pursuant to Paragraph 15.23 of the Listing Requirements and in accordance with the Recommended Practice Guide ("RPG") 5, Guidance for Auditors on the Review of Directors' Statement on Internal Control.

6. Conclusion

The Board believes the Group's system of internal controls only provides reasonable, and not absolute, assurance that weaknesses or deficiencies are identified on a timely basis and dealt with appropriately. The Board affirms its responsibility to maintain a sound system of internal controls and recognises the system has to be enhanced continuously.

The CEO and the Chief Finance Officer (CFO) have also given reasonable assurances to the Board that the Group's risk management and internal control systems are operating adequately and effectively in all material respects.

The Board confirms it has reviewed the effectiveness of the system of internal controls through the monitoring process and is not aware of any significant weaknesses or deficiencies in the Group's system of internal controls for the year under review and until the date of this statement.

This statement is made in accordance with the resolution of the Board of Directors dated 27 June 2013.

FINANCIAL STATEMENTS

DIRECTORS' REPORT

The directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 30 April 2013.

PRINCIPAL ACTIVITIES

The principal activities of the Company consist of cultivation of oil palm and investment holding.

The principal activities of the subsidiaries are described in Note 17 to the financial statements.

There have been no significant changes in the nature of the principal activities during the financial year.

RESULTS

	Group RM'000	Company RM'000
Profit net of tax	68,709	62,907

There were no material transfers to or from reserves or provisions during the financial year other than as disclosed in the financial statements.

In the opinion of the directors, the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature.

DIVIDENDS

The amount of dividends paid by the Company since 30 April 2012 were as follows:

	RM'000
In respect of the financial year ended 30 April 2012 as reported in the directors' report of that year:	
Final tax exempt (single-tier) dividend of 16%, on 203,894,601 ordinary shares, declared on 27 August 2012 and paid on 28 September 2012	32,623
In respect of the financial year ended 30 April 2013:	
First interim tax exempt (single-tier) dividend of 10%, on 204,918,701 ordinary shares, declared on 19 December 2012 and paid on 31 January 2013	20,492
	53,115

The directors declare a second interim tax exempt (single-tier) dividend in respect of the financial year ended 30 April 2013, of 11% on 205,233,101 ordinary shares, amounting to a dividend payable of RM22,576,000 (11 sen per ordinary share).

DIRECTORS' REPORT (cont'd)

DIVIDENDS (cont'd)

The second interim dividend is payable on 2 August 2013. The financial statements for the current financial year do not reflect this dividend. Such dividend will be accounted for in equity as an appropriation of retained earnings in the financial year ending 30 April 2014.

The directors do not recommend the payment of any final dividend in respect of the current financial year.

DIRECTORS

The names of the directors of the Company in office since the date of the last report and at the date of this report are:

Tan Siok Choo
Datuk Boon Weng Siew
Tan Sri Dato' Ahmad bin Mohd Don
Tan Jiew Hoe
Teo Leng
Dato' Tan Ang Meng

In accordance with the Article 118 of the Company's Articles of Association, Tan Sri Dato' Ahmad bin Mohd Don retires by rotation at the forthcoming Annual General Meeting and, being eligible, offers himself for re-election.

Datuk Boon Weng Siew, being over the age of seventy, retires pursuant to Section 129(2) of the Companies Act, 1965 and a resolution is being proposed for his re-appointment as director under the provision of Section 129(6) of the said Act to hold office until the next Annual General Meeting of the Company.

DIRECTORS' BENEFITS

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Company was a party, whereby the directors might acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate, other than those arising from the share options granted under the Employee Share Scheme.

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors or the fixed salary of a full-time employee of the Company as shown in Note 8 to the financial statements) by reason of a contract made by the Company or a related corporation with any director or with a firm of which he is a member, or with a company in which he has a substantial financial interest, except as disclosed in Note 32 to the financial statements.

DIRECTORS' REPORT (cont'd)

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors in office at the end of the financial year in shares and options over shares in the Company and its related corporations during the financial year were as follows:

Name of director		← Number of ordinary shares of RM1 each →			
		1.5.2012	Acquired	Sold	30.4.2013
Direct Interest:					
Ordinary shares of the Company					
Tan Siok Choo		3,432,181	54,000 *	-	3,486,181
Datuk Boon Weng Siew		108,000	-	-	108,000
Tan Jiew Hoe		217,125	24,000 *	-	241,125
Teo Leng		54,000	-	(40,000)	14,000
Dato' Tan Ang Meng		11,000	-	-	11,000

* Exercised of employee share options.

Name of director		← Number of ordinary shares of RM1 each →			
		1.5.2012	Acquired	Sold	30.4.2013
Indirect Interest:					
Ordinary shares of the Company					
Tan Siok Choo	#	2,605,549	-	-	2,605,549
Tan Jiew Hoe	@	2,510,021	-	-	2,510,021

\# Interest by virtue of shares held by parent.
@ Interest by virtue of shares held by the companies in which he is a director.

Name of director	← Number of options over ordinary shares of RM1 each →			
	1.5.2012	Granted	Exercised	30.4.2013
Share options of the Company				
Tan Siok Choo	216,000	-	(54,000)	162,000
Datuk Boon Weng Siew	162,000	-	-	162,000
Tan Sri Dato' Ahmad bin Mohd Don	270,000	-	-	270,000
Tan Jiew Hoe	225,000	-	(24,000)	201,000
Teo Leng	216,000	-	-	216,000
Dato' Tan Ang Meng	-	270,000	-	270,000

DIRECTORS' REPORT (cont'd)

ISSUE OF SHARES

During the financial year, the Company increased its issued and paid-up ordinary share capital from RM203,472,801 to RM205,109,201 by way of the issuance of 1,636,400 ordinary shares of RM1 each for cash pursuant to the Company's Employee Share Scheme at a weighted average exercise price of RM5.45 per ordinary share.

The new ordinary shares issued during the financial year ranked pari passu in all respects with the existing ordinary shares of the Company.

EMPLOYEE SHARE SCHEME

The Company's Employee Share Scheme ("ESS") is governed by the By-Laws approved by the shareholders at an Extraordinary General Meeting held on 29 August 2009. The ESS was implemented on 18 June 2010 and is in force for a period of 10 years from the date of implementation.

The Scheme is administered by the ESS Committee appointed by the Board.

The salient features of the By-Laws are disclosed in Note 31 to the financial statements.

During the financial year, 1,180,000 options were offered and accepted by eligible director and employees under the ESS, of which 10% are exercisable into new ordinary shares with immediate effect on 7 November 2012 whilst the balance of 90% are exercisable into new ordinary shares at different vesting periods and tranches beginning from November 2013, subject to the fulfilment of vesting conditions including but not limited to the satisfactory performance of the option holders during the exercise periods.

Details of all the options to subscribe for ordinary shares of the Company pursuant to the ESS as at 30 April 2013 are as follows:

			← Number of options		→
Grant date	**Expiry date**	**Exercise price**	**Granted**	**Adjustment for bonus issue**	**Total**
3 August 2010	2 August 2015	RM8.13 RM5.42 *	6,190,000	2,582,250	8,772,250
1 November 2011	31 October 2016	RM5.82	1,260,000	-	1,260,000
7 November 2012	6 November 2017	RM6.49	1,180,000	-	1,180,000

* Following the adjustment for additional options entitlement on the unexercised options arising from the bonus issue made during the previous financial year, the exercise price of RM8.13 per share was revised to RM5.42 per share accordingly.

The maximum number of new or existing shares of the Company to be made available under the ESS during the duration of the ESS shall not exceed fifteen percent (15%) of the issued and paid-up share capital of the Company at any one time. Not more that fifty percent (50%) of the total shares of the Company available under the ESS shall be allocated, in aggregate, to directors and senior management of the Group.

As at 30 April 2013, the options granted to directors and senior management of the Group consist of 36% of total options granted to eligible directors and employees.

DIRECTORS' REPORT (cont'd)

EMPLOYEE SHARE SCHEME (cont'd)

The Company has been granted exemption by the Companies Commission of Malaysia from having to disclose the names of employees who have been granted options to subscribe for less than 162,000 ordinary shares of RM1 each. The names of option holders granted options to subscribe for 162,000 or more ordinary shares of RM1 each during the financial year are as follows:

	Number of options			
Name	**1.5.2012**	**Granted**	**Exercised**	**30.4.2013**
Dr. Leong Tat Thim *	465,000	-	(45,000)	420,000
Chong Seong Hoe *	307,500	-	(52,500)	255,000
Leong Yok Mui *	285,000	-	(15,000)	270,000
Lai Swee Kee *	273,000	-	(51,000)	222,000
Sim Leong Teik ^	-	200,000	-	200,000

* The share options were granted to the above option holders on 3 August 2010 and expire on 2 August 2015. The exercise price of share option was initially fixed at RM8.13 each and subsequently adjusted to RM5.42 each following the adjustment for additional options entitlement on the unexercised options arising from the bonus issue made during the previous financial year.

^ The share options were granted to the above option holder on 7 November 2012 and expire on 6 November 2017 at an exercise price of RM6.49 each.

Details of options granted to directors are disclosed in the section on Directors' Interests in this report.

OTHER STATUTORY INFORMATION

(a) Before the income statements, statements of comprehensive income and statements of financial position of the Group and of the Company were made out, the directors took reasonable steps:

   (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that there were no known bad debts and that no provision for doubtful debts was necessary; and

   (ii) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.

(b) At the date of this report, the directors are not aware of any circumstances which would render:

   (i) it necessary to write off any bad debts or to make any provision for doubtful debts in respect of the financial statements of the Group and of the Company; and

   (ii) the values attributed to the current assets in the financial statements of the Group and of the Company misleading.

(c) At the date of this report, the directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

DIRECTORS' REPORT (cont'd)

OTHER STATUTORY INFORMATION (cont'd)

(d) At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

(e) As at the date of this report, there does not exist:

- (i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
- (ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.

(f) In the opinion of the directors:

- (i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Company to meet their obligations when they fall due; and
- (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

SUBSEQUENT EVENT

Details of the subsequent event are disclosed in Note 39 to the financial statements.

AUDITORS

The auditors, Ernst & Young, have expressed their willingness to continue in office.

Signed on behalf of the Board in accordance with a resolution of the directors dated 27 June 2013.

Tan Siok Choo **Tan Sri Dato' Ahmad bin Mohd Don**

STATEMENT BY DIRECTORS
PURSUANT TO SECTION 169(15) OF THE COMPANIES ACT, 1965

We, Tan Siok Choo and Tan Sri Dato' Ahmad bin Mohd Don, being two of the directors of United Malacca Berhad, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 55 to 134 are drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 April 2013 and of their financial performance and cash flows for the year then ended.

The supplementary information set out on page 135 have been prepared in accordance with the 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.

Signed on behalf of the Board in accordance with a resolution of the directors dated 27 June 2013.

Tan Siok Choo **Tan Sri Dato' Ahmad bin Mohd Don**

STATUTORY DECLARATION
PURSUANT TO SECTION 169(16) OF THE COMPANIES ACT, 1965

I, Lai Swee Kee, being the chief financial officer primarily responsible for the financial management of United Malacca Berhad, do solemnly and sincerely declare that the accompanying financial statements and the supplementary information set out on pages 55 to 135 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared)
by the abovenamed Lai Swee Kee)
at Melaka in the State of Melaka)
on 27 June 2013.) **Lai Swee Kee**

Before me,

Ong San Kee
Commissioner for Oaths
Melaka, Malaysia

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF UNITED MALACCA BERHAD (INCORPORATED IN MALAYSIA)

Report on the financial statements

We have audited the financial statements of United Malacca Berhad, which comprise the statements of financial position of the Group and of the Company as at 30 April 2013, and the income statements, statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 55 to 134.

Directors' responsibility for the financial statements

The directors of the Company are responsible for the preparation of financial statements that give a true and fair view in accordance with Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia, and for such internal control as the directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 April 2013 and of their financial performance and cash flows of the Group and of the Company for the year then ended in accordance with Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

Report on other legal and regulatory requirements

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report the following:

(a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries have been properly kept in accordance with the provisions of the Act.

(b) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the financial statements of the Company are in form and content appropriate and proper for the purposes of the preparation of the consolidated financial statements and we have received satisfactory information and explanations required by us for those purposes.

(c) The auditors' reports on the financial statements of the subsidiaries were not subject to any qualification and did not include any comment required to be made under Section 174(3) of the Act.

INDEPENDENT AUDITORS' REPORT (cont'd)
TO THE MEMBERS OF UNITED MALACCA BERHAD (INCORPORATED IN MALAYSIA)

Other matters

The supplementary information set out on page 135 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad. The directors are responsible for the preparation of the supplementary information 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 ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Ernst & Young
AF: 0039
Chartered Accountants

Gloria Goh Ewe Gim
1685/04/15(J)
Chartered Accountant

Kuala Lumpur, Malaysia
Date: 27 June 2013

INCOME STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

	Note	Group 2013 RM'000	Group 2012 RM'000	Company 2013 RM'000	Company 2012 RM'000
Revenue	4	**206,090**	231,382	**99,353**	127,858
Cost of sales		**(120,089)**	(115,059)	**(27,586)**	(22,181)
Gross profit		**86,001**	116,323	**71,767**	105,677
Other income	5	**12,026**	9,106	**2,080**	3,203
Selling and distribution expenses		**(4,153)**	(3,417)	**(2,067)**	(1,489)
Administrative expenses		**(12,259)**	(11,611)	**(6,347)**	(5,770)
Other expenses		**(413)**	(1,290)	**(391)**	(1,159)
Replanting expenses		**(2,870)**	(3,266)	**(1,612)**	(2,056)
Operating profit		**78,332**	105,845	**63,430**	98,406
Share of results of associates		**4,372**	2,802	**-**	-
Profit before tax	6	**82,704**	108,647	**63,430**	98,406
Income tax expense	9	**(13,995)**	(22,766)	**(523)**	(4,212)
Profit net of tax		**68,709**	85,881	**62,907**	94,194
Earnings per share attributable to owners of the Company (sen per share):					
Basic	10	**33.64**	42.36		
Diluted	10	**33.63**	42.36		

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Profit net of tax	**68,709**	85,881	**62,907**	94,194
Other comprehensive income:				
Net (loss)/gain on available-for-sale investments:				
- (Loss)/gain on fair value changes	**(1,236)**	487	**(1,236)**	487
- Transfer to profit or loss upon disposal	**(749)**	885	**(749)**	885
Revaluation surplus of land, buildings, biological assets and investment property, net of deferred tax	**459,137**	-	**222,352**	-
Share of other comprehensive income of associates	**(759)**	(874)	**-**	-
	456,393	498	**220,367**	1,372
Total comprehensive income for the year	**525,102**	86,379	**283,274**	95,566

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF FINANCIAL POSITION
AS AT 30 APRIL 2013

	Note	Group 2013 RM'000	Group 2012 RM'000	Company 2013 RM'000	Company 2012 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	12	**685,060**	446,825	**361,986**	248,529
Biological assets	13	**803,422**	427,981	**386,064**	196,543
Prepaid land lease payments	14	**10,254**	4,037	**-**	-
Investment property	15	**960**	-	**960**	-
Goodwill on consolidation	16	**18,628**	18,628	**-**	-
Investment in subsidiaries	17	**-**	-	**140,954**	140,954
Investment in associate	18	**-**	28,403	**-**	22,905
Available-for-sale investments	19	**57,105**	41,756	**57,105**	41,756
		1,575,429	967,630	**947,069**	650,687
Current assets					
Inventories	20	**9,746**	10,829	**3,205**	3,931
Trade and other receivables	21	**12,623**	17,457	**5,683**	5,159
Held-for-trading investments	22	**7,182**	14,798	**7,182**	14,798
Held-to-maturity investments	23	**28,440**	42,482	**26,512**	42,136
Cash and bank balances	24	**108,025**	109,579	**100,346**	98,555
		166,016	195,145	**142,928**	164,579
Non-current assets held for sale	25	**31,536**	-	**23,801**	-
		197,552	195,145	**166,729**	164,579
TOTAL ASSETS		**1,772,981**	1,162,775	**1,113,798**	815,266
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	26	**205,109**	203,473	**205,109**	203,473
Share premium	26	**17,987**	7,963	**17,485**	7,461
Other reserves	27	**756,733**	301,899	**360,633**	141,227
Retained earnings	28	**561,706**	544,801	**451,902**	441,397
Total equity		**1,541,535**	1,058,136	**1,035,129**	793,558
Non-current liability					
Deferred tax liabilities	29	**209,821**	81,872	**66,050**	10,560
Current liabilities					
Trade and other payables	30	**20,235**	20,636	**12,619**	11,148
Income tax payable		**1,390**	2,131	**-**	-
		21,625	22,767	**12,619**	11,148
Total liabilities		**231,446**	104,639	**78,669**	21,708
TOTAL EQUITY AND LIABILITIES		**1,772,981**	1,162,775	**1,113,798**	815,266

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

	Attributable to owners of the Company								
	Non-distributable							Distributable	
2013 **GROUP**	**Share capital (Note 26) RM'000**	**Share premium (Note 26) RM'000**	**Fair value adjustment reserve (Note 27) RM'000**	**Asset revaluation reserve (Note 27) RM'000**	**Foreign currency translation reserve (Note 27) RM'000**	**Employee share option reserve (Note 27) RM'000**	**Total other reserves (Note 27) RM'000**	**Retained earnings (Note 28) RM'000**	**Total equity RM'000**
Opening balance at 1 May 2012	203,473	7,963	25,538	268,010	619	7,732	301,899	544,801	1,058,136
Total comprehensive income	-	-	(1,985)	459,137	(759)	-	456,393	68,709	525,102
Transfer to retained earnings:									
Realisation of asset revaluation reserve upon:									
- Depreciation	-	-	-	(1,200)	-	-	(1,200)	1,200	-
- Disposal of property, plant and equipment	-	-	-	(26)	-	-	(26)	26	-
- Property, plant and equipment written off	-	-	-	(1)	-	-	(1)	1	-
	-	-	-	(1,227)	-	-	(1,227)	1,227	-
Transactions with owners:									
Fair value of share options granted to eligible directors and employees	-	-	-	-	-	2,495	2,495	-	2,495
Shares issued pursuant to exercise of employee share options	1,636	10,024	-	-	-	(2,743)	(2,743)	-	8,917
Employee share options forfeited	-	-	-	-	-	(84)	(84)	84	-
Dividends (Note 11)	-	-	-	-	-	-	-	(53,115)	(53,115)
	1,636	10,024	-	-	-	(332)	(332)	(53,031)	(41,703)
Closing balance at 30 April 2013	205,109	17,987	23,553	725,920	(140)	7,400	756,733	561,706	1,541,535

STATEMENTS OF CHANGES IN EQUITY (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

2012 GROUP	Share capital (Note 26) RM'000	Share premium (Note 26) RM'000	Fair value adjustment reserve (Note 27) RM'000	Asset revaluation reserve (Note 27) RM'000	Foreign currency translation reserve (Note 27) RM'000	Employee share option reserve (Note 27) RM'000	Total other reserves (Note 27) RM'000	Retained earnings (Note 28) RM'000	Total equity RM'000
	← Attributable to owners of the Company →								
		← Non-distributable					→	Distributable	
Opening balance at 1 May 2011	202,358	1,164	24,229	269,216	1,510	5,238	300,193	513,361	1,017,076
Total comprehensive income	-	-	1,389	-	(891)	-	498	85,881	86,379
Transfer to retained earnings:									
Realisation of fair value adjustment reserve upon disposal of an associate	-	-	(80)	-	-	-	(80)	80	-
Realisation of asset revaluation reserve upon depreciation	-	-	-	(1,206)	-	-	(1,206)	1,206	-
	-	-	(80)	(1,206)	-	-	(1,286)	1,286	-
Transactions with owners:									
Fair value of share options granted to eligible directors and employees	-	-	-	-	-	4,317	4,317	-	4,317
Shares issued pursuant to exercise of employee share options	1,115	6,799	-	-	-	(1,815)	(1,815)	-	6,099
Employee share options forfeited	-	-	-	-	-	(8)	(8)	8	-
Dividends (Note 11)	-	-	-	-	-	-	-	(55,735)	(55,735)
	1,115	6,799	-	-	-	2,494	2,494	(55,727)	(45,319)
Closing balance at 30 April 2012	203,473	7,963	25,538	268,010	619	7,732	301,899	544,801	1,058,136

STATEMENTS OF CHANGES IN EQUITY (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

2013 COMPANY	Share capital (Note 26) RM'000	Share premium (Note 26) RM'000	Fair value adjustment reserve (Note 27) RM'000	Asset revaluation reserve (Note 27) RM'000	Employee share option reserve (Note 27) RM'000	Total other reserves (Note 27) RM'000	Retained earnings (Note 28) RM'000	Total equity RM'000
	Attributable to owners of the Company							
	Non-distributable						Distributable	
Opening balance at 1 May 2012	203,473	7,461	25,537	107,958	7,732	141,227	441,397	793,558
Total comprehensive income	-	-	(1,985)	222,352	-	220,367	62,907	283,274
Transfer to retained earnings:								
Realisation of asset revaluation reserve upon:								
- Depreciation	-	-	-	(602)	-	(602)	602	-
- Disposal of property, plant and equipment	-	-	-	(26)	-	(26)	26	-
- Property, plant and equipment written off	-	-	-	(1)	-	(1)	1	-
	-	-	-	(629)	-	(629)	629	-
Transactions with owners:								
Fair value of share options granted to eligible directors and employees	-	-	-	-	2,495	2,495	-	2,495
Shares issued pursuant to exercise of employee share options	1,636	10,024	-	-	(2,743)	(2,743)	-	8,917
Employee share options forfeited	-	-	-	-	(84)	(84)	84	-
Dividends (Note 11)	-	-	-	-	-	-	(53,115)	(53,115)
	1,636	10,024	-	-	(332)	(332)	(53,031)	(41,703)
Closing balance at 30 April 2013	205,109	17,485	23,552	329,681	7,400	360,633	451,902	1,035,129

STATEMENTS OF CHANGES IN EQUITY (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

	Attributable to owners of the Company							
	Non-distributable						Distributable	
2012 COMPANY	**Share capital (Note 26) RM'000**	**Share premium (Note 26) RM'000**	**Fair value adjustment reserve (Note 27) RM'000**	**Asset revaluation reserve (Note 27) RM'000**	**Employee share option reserve (Note 27) RM'000**	**Total other reserves (Note 27) RM'000**	**Retained earnings (Note 28) RM'000**	**Total equity RM'000**
Opening balance at 1 May 2011	202,358	662	24,165	108,562	5,238	137,965	402,326	743,311
Total comprehensive income	-	-	1,372	-	-	1,372	94,194	95,566
Transfer to retained earnings:								
Realisation of asset revaluation reserve upon depreciation	-	-	-	(604)	-	(604)	604	-
Transactions with owners:								
Fair value of share options granted to eligible directors and employees	-	-	-	-	4,317	4,317	-	4,317
Shares issued pursuant to exercise of employee share options	1,115	6,799	-	-	(1,815)	(1,815)	-	6,099
Employee share options forfeited	-	-	-	-	(8)	(8)	8	-
Dividends (Note 11)	-	-	-	-	-	-	(55,735)	(55,735)
	1,115	6,799	-	-	2,494	2,494	(55,727)	(45,319)
Closing balance at 30 April 2012	203,473	7,461	25,537	107,958	7,732	141,227	441,397	793,558

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

	Note	Group 2013 RM'000	Group 2012 RM'000	Company 2013 RM'000	Company 2012 RM'000
OPERATING ACTIVITIES					
Profit before tax		**82,704**	108,647	**63,430**	98,406
Adjustments for:					
Interest income	5	**(4,797)**	(5,051)	**-**	-
Dividend income	5	**(2,623)**	(2,022)	**-**	-
Gain on disposal of an associate	5	**-**	(365)	**-**	(1,859)
(Gain)/loss on disposal of available-for-sale investments	5,6	**(749)**	885	**(749)**	885
Net fair value gains on held-for-trading investments	5	**(200)**	(772)	**(200)**	(772)
Depreciation of property, plant and equipment	6	**12,386**	11,092	**3,821**	3,203
Gain on disposal of property, plant and equipment	5	**(195)**	(39)	**(197)**	-
Property, plant and equipment written off	6	**265**	130	**252**	8
Amortisation of prepaid land lease payments	6	**193**	191	**-**	-
Reversal of provision for impairment of advances for acquisition of land in prior years	5	**(2,146)**	-	**-**	-
Fair value of share options expensed off:					
- executive director and employees	7	**1,990**	3,632	**1,060**	1,344
- non-executive directors	8	**505**	685	**505**	685
Unrealised foreign exchange (gain)/loss		**(65)**	65	**(65)**	65
Share of results of associates		**(4,372)**	(2,802)	**-**	-
Operating cash flows before changes in working capital		**82,896**	114,276	**67,857**	101,965
Changes in working capital:					
Decrease/(increase) in inventories		**1,083**	3,911	**726**	(1,848)
Decrease in trade and other receivables		**6,855**	2,391	**1,337**	3
(Decrease)/increase in trade and other payables		**(401)**	2,959	**971**	2,300
Cash flows from operations		**90,433**	123,537	**70,891**	102,420
Interest received		**4,848**	4,691	-	-
Income taxes paid		**(17,264)**	(24,571)	**(2,905)**	(4,513)
Net cash flows from operating activities		**78,017**	103,657	**67,986**	97,907

STATEMENTS OF CASH FLOWS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

	Note	Group 2013 RM'000	Group 2012 RM'000	Company 2013 RM'000	Company 2012 RM'000
INVESTING ACTIVITIES					
Dividend received from:					
- associate		**1,376**	1,594	**-**	-
- available-for-sale investments		**2,262**	1,766	**-**	-
- held-for-trading investments		**355**	192	**-**	-
Purchase of property, plant and equipment	12	**(19,822)**	(23,169)	**(9,861)**	(10,767)
Proceeds from disposal of property plant and equipment		**240**	40	**233**	-
Additions of biological assets	13	**(20,935)**	(19,732)	**(20,797)**	(19,541)
Additions of prepaid land lease payments	14	**(4,265)**	-	**-**	-
Proceeds from disposal of an associate		**-**	2,170	**-**	2,170
Purchase of available-for-sale investments		**(21,334)**	(635)	**(21,334)**	(635)
Proceeds from disposal of available-for-sale investments		**4,749**	9,630	**4,749**	9,630
Purchase of held-for-trading investments		**(23,647)**	(25,185)	**(23,647)**	(25,185)
Proceeds from disposal of held-for-trading investments		**31,606**	11,016	**31,606**	11,016
Net withdrawal/(placement) of held-to-maturity investments		**14,042**	(42,482)	**15,624**	(42,136)
Net cash flows used in investing activities		**(35,373)**	(84,795)	**(23,427)**	(75,448)
FINANCING ACTIVITIES					
Dividends paid	11	**(53,115)**	(55,735)	**(53,115)**	(55,735)
Proceeds from exercise of employee share options		**8,917**	6,099	**8,917**	6,099
Payment of fair value of share options granted to eligible employees by subsidiaries		-	-	**930**	2,288
Proceeds from loan from a subsidiary		-	-	**500**	-
Net cash flows used in financing activities		**(44,198)**	(49,636)	**(42,768)**	(47,348)
NET CHANGE IN CASH AND CASH EQUIVALENTS		**(1,554)**	(30,774)	**1,791**	(24,889)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		**109,579**	140,353	**98,555**	123,444
CASH AND CASH EQUIVALENTS AT END OF YEAR	24	**108,025**	109,579	**100,346**	98,555

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

1. CORPORATE INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad. The registered office of the Company is located at 6th Floor, No. 61, Jalan Melaka Raya 8, Taman Melaka Raya, 75000 Melaka.

The principal activities of the Company consist of cultivation of oil palm and investment holding. The principal activities of the subsidiaries are described in Note 17. There have been no significant changes in the nature of the principal activities during the financial year.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1. Basis of preparation

The financial statements of the Group and of the Company have been prepared in accordance with Financial Reporting Standards ("FRSs") and the Companies Act, 1965 in Malaysia.

At the beginning of the current financial year, the Group and the Company adopted the standards and interpretations as described fully in Note 2.2.

The financial statements have been prepared on a historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Ringgit Malaysia ("RM") and all values are rounded to the nearest thousand (RM'000) except when otherwise indicated.

2.2. Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except as follows:

At the beginning of the current financial year, the Group and the Company adopted the following standards and interpretations which are applicable and relevant to the operations of the Group and of the Company:

Effective for financial periods beginning on or after 1 July 2011

IC Interpretation 19	: *Extinguishing Financial Liabilities with Equity Instruments*
Amendments to IC Interpretation 14	: *Prepayments of a Minimum Funding Requirement*

Effective for financial periods beginning on or after 1 January 2012

FRS 124	: *Related Party Disclosures*
Amendments to FRS 1	: *Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters*
Amendments to FRS 7	: *Disclosures - Transfers of Financial Assets*
Amendments to FRS 112	: *Deferred Tax: Recovery of Underlying Assets*

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.2. Changes in accounting policies (cont'd)

Effective for financial periods beginning on or after March 2012

Amendments to FRS 7	: *Mandatory Effective Date of MFRS 9 and Transition Disclosures*
Amendments to FRS 9	: *Mandatory Effective Date of FRS 9 (IFRS 9 (2009)) and Transition Disclosures*
Amendments to FRS 9	: *Mandatory Effective Date of FRS 9 (IFRS 9 (2010)) and Transition Disclosures*

The adoption of the above standards and interpretations did not have any significant effect on the financial performance and position of the Group and of the Company except for the new disclosures required under the Amendments to FRS 7 as discussed below:

Amendments to FRS 7: *Disclosures - Transfers of Financial Assets*

The amendments to FRS 7 require additional disclosure about financial assets that have been transferred but not derecognised to enable the user of the Group's financial statements to understand the relationship with those assets that have not been derecognised and their associated liabilities. In addition, the amendments requires disclosures about continuing involvement in derecognised assets to enable the user to evaluate the nature of, and risks associated with, the entity's continuing involvement in those derecognised assets. The amendment affects disclosure only and has no impact on the Group's financial position or performance.

2.3. Standards and interpretations issued but not yet effective

The Group and the Company have not adopted the following standards and interpretations that have been issued but not yet effective:

Effective for financial periods beginning on or after 1 July 2012

Amendments to FRS 101	: *Presentation of Items of Other Comprehensive Income*

Effective for financial periods beginning on or after 1 January 2013

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 Associates and Joint Ventures*
Amendments to FRS 1	: *Government Loans*
Amendments to FRS 7	: *Disclosures - Offsetting Financial Assets and Financial Liabilities*
Amendments to FRS 10	: *Consolidated Financial Statements: Transition Guidance*
Amendments to FRS 11	: *Joint Arrangements: Transition Guidance*
Amendments to FRS 12	: *Disclosure of Interests in Other Entities: Transition Guidance*
IC Interpretation 20	: *Stripping Costs in the Production Phase of a Surface Mine*

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.3. Standards and interpretations issued but not yet effective (cont'd)

Effective for financial periods beginning on or after 1 January 2013 (cont'd)

Improvements to FRS issued in 2012 which include:

- Amendments to FRS 1	: *First-time Adoption of Financial Reporting Standards*
- Amendments to FRS 101	: *Presentation of Financial Statements*
- Amendments to FRS 116	: *Property, Plant and Equipment*
- Amendments to FRS 132	: *Financial Instruments: Presentation*
- Amendments to FRS 134	: *Interim Financial Reporting*
- Amendments to IC Interpretation 2	: *Members' Shares in Co-operative Entities & Similar Instruments*

Effective for financial periods beginning on or after 1 January 2014

Amendments to FRS 10, FRS 12 and FRS 132	: *Investment Entities*
Amendments to FRS 132	: *Offsetting Financial Assets and Financial Liabilities*

Effective for financial periods beginning on or after 1 January 2015

FRS 9	: *Financial Instruments*

The Group and the Company plan to adopt the above standards and interpretations when they become effective in the respective financial periods. However, FRS 11, Amendments to FRS 11, IC Interpretation 20 and Amendments to IC Interpretation 2 are currently not applicable to the Group and the Company.

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

FRS 9: *Financial Instruments*

FRS 9 reflects the first phase of the work on the replacement of FRS 139: *Financial Instruments: Recognition and Measurement* and applies to classification and measurement of financial assets and financial liabilities as defined in FRS 139. The adoption of the first phase of FRS 9 will have an effect on the classification and measurement of the Group's financial assets. The Group will quantify the effect in conjunction with the other phases, when the final standard including all phases is issued.

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.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.3. Standards and interpretations issued but not yet effective (cont'd)

FRS 12: *Disclosure of Interests in Other Entities*

FRS 12 includes all disclosure requirements for interests in subsidiaries, joint arrangements, associates and structured entities. A number of new disclosures are required. This standard affects disclosures only and has no impact on the Group's financial position or performance.

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. The Group is currently assessing the impact of adoption of FRS 13.

FRS 127: *Separate Financial Statements*

As a consequence of the new FRS 10 and FRS 12, FRS 127 is limited to accounting for subsidiaries, jointly controlled entities and associates in separate financial statements.

FRS 128: *Investments in Associates and Joint Ventures*

As a consequence of the new FRS 11 and FRS 12, FRS 128 is renamed as FRS 128: *Investments in Associates and Joint Ventures*. This new standard describes the application of the equity method to investments in joint ventures in addition to associates.

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, exchange differences on translation of foreign operations and net loss or gain on available-for-sale financial assets) would be presented separately from items which will never be reclassified (for example, actuarial gains and losses on defined benefit plans and revaluation of land and buildings). The amendment affects presentation only and has no impact on the Group's financial position and performance.

2.4. Malaysian Financial Reporting Standards

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 two years. This decision came after an extensive deliberation by the MASB and taking into account both local and international developments affecting the abovementioned standard and interpretation. Consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2014.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.4. Malaysian Financial Reporting Standards (cont'd)

The Company and certain subsidiaries in the Group fall within the scope definition of Transitioning Entities and have 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 30 April 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.

The Group has commenced transitioning its accounting policies and financial reporting from the current Financial Reporting Standards to the MFRS Framework by establishing a project team to plan and manage the adoption of the MFRS Framework. This project consists of the following phases:

(a) Assessment and planning phase

This phase involves the following:

(i) high level identification of the key differences between Financial Reporting Standards and accounting standards under the MFRS Framework and disclosures that are expected to arise from the adoption of MFRS Framework;

(ii) evaluation of any training requirements; and

(iii) preparation of a conversion plan.

The Group has commenced its assessment and planning phase, with work progressing in each of the areas described above. This phase is expected to be completed during the upcoming financial year.

(b) Implementation and review phase

This phase aims to:

(i) formulate new and/or revised accounting policies and procedures for compliance with the MFRS Framework;

(ii) identify potential financial effects as at the date of transition, arising from the adoption of the MFRS Framework;

(iii) develop disclosures required by the MFRS Framework; and

(iv) develop training programs for the staff.

At the date of these financial statements, the assessment and quantification of the financial effects of the differences between Financial Reporting Standards and accounting standards under the MFRS Framework are still on-going. Accordingly, the consolidated financial performance and financial position as disclosed in these financial statements for the year ended 30 April 2013 could be different if prepared under the MFRS Framework.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.4. Malaysian Financial Reporting Standards (cont'd)

The Group considers that it is achieving its scheduled milestones and expects to be in a position to fully comply with the requirements of the MFRS Framework for the financial year ending 30 April 2015.

2.5. Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the reporting date. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated in full.

Acquisitions of subsidiaries are accounted for by applying the purchase method. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Adjustments to those fair values relating to previously held interests are treated as a revaluation and recognised in other comprehensive income. The cost of a business combination is measured as the aggregate of the fair values, at the date of exchange, of the assets given, liabilities incurred or assumed, and equity instruments issued, plus any costs directly attributable to the business combination.

Any excess of the cost of business combination over the Group's share in the net fair value of the acquired subsidiary's identifiable assets, liabilities and contingent liabilities is recorded as goodwill on the statement of financial position. The accounting policy for goodwill is set out in Note 2.11. Any excess of the Group's share in the net fair value of the acquired subsidiary's identifiable assets, liabilities and contingent liabilities over the cost of business combination is recognised as income in profit or loss on the date of acquisition. When the Group acquires a business, embedded derivatives separated from the host contract by the acquiree are reassessed on acquisition unless the business combination results in a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required under the contract.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

2.6. Foreign currency

Foreign currency transactions

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date.

Non-monetary items denominated in foreign currencies that are measured at historical cost are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items denominated in foreign currencies measured at fair value are translated using the exchange rates at the date when the fair value was determined.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.6. Foreign currency (cont'd)

Foreign currency transactions (cont'd)

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting date are recognised in profit or loss.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.

2.7. Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Subsequent to recognition, property, plant and equipment except for freehold land, leasehold land and buildings are measured at cost less accumulated depreciation and accumulated impairment losses.

When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and machinery as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Freehold land, leasehold land and buildings are measured at fair value less accumulated depreciation and impairment losses recognised after the date of the revaluation. Valuations are performed with sufficient regularity at least once every 5 years to ensure that the carrying amount does not differ materially from the fair value of the freehold land, leasehold land and buildings at the reporting date.

Any revaluation surplus is recognised in other comprehensive income and accumulated in equity under the asset revaluation reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss, in which case the increase is recognised in profit or loss. A revaluation deficit is recognised in profit or loss, except to the extent that it offsets an existing surplus on the same asset carried in the asset revaluation reserve.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. The revaluation surplus included in the asset revaluation reserve in respect of an asset is transferred directly to retained earnings on retirement or disposal of the asset.

Freehold land has an unlimited useful life and therefore is not depreciated. Leasehold land is depreciated on a straight-line basis over the period of the respective leases whilst depreciation of other property, plant and equipment is computed on a straight-line basis over the estimated useful lives of the assets, at the following annual rates:

Buildings	2% - 5%
Plant and machinery	5% - 10%
Office equipment, furniture and fittings	5% - 25%
Motor vehicles, tractors, trailers and boats	10% - 25%

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.7. Property, plant and equipment (cont'd)

Capital work-in-progress is not depreciated as this asset is not yet available for use.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value and useful life are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in the profit or loss in the year the asset is derecognised.

2.8. Biological assets

Biological assets represent new planting expenditure on oil palm, which consist of cost of land clearing, upkeep of trees to maturity and attributable amortisation and depreciation charges capitalised. The normal period to maturity after the month of planting is 48 months. Net income from scout harvesting in immature areas is credited against the new planting expenditure.

Biological assets are stated at cost or revalued amounts and are not amortised. Revalued amounts are the fair values at the date of the revaluation less any accumulated impairment losses. Fair value is determined based on existing use basis by appraisal that is undertaken by an independent professional valuer. The revaluation surplus arising is credited to the asset revaluation reserve included within equity.

Valuations are performed with sufficient regularity at least once every 5 years to ensure that the carrying amount does not differ materially from the fair value of the biological assets at the reporting date.

The Group will comply with the provisions of MFRS 141: *Agriculture* once it adopts the MFRS framework. Based on the provisions of MFRS 141, the changes in carrying amount of biological assets will be recognised in the profit or loss in the period in which they arise.

2.9. Prepaid land lease payments

Prepaid land lease payments are initially measured at cost. Following initial recognition, prepaid land lease payments are measured at cost less accumulated amortisation and accumulated impairment losses. Prepaid land lease payments are amortised on a straight line basis over their lease terms.

2.10. Investment property

Investment property is initially measured at cost, including transaction costs. Subsequent to initial recognition, investment property is measured at fair value which reflects market conditions at the reporting date. Fair value is arrived at by reference to market evidence of transaction prices for similar properties and is performed by registered independent valuer having an appropriate recognised professional qualification. Gain or loss arising from change in the fair value of investment property is included in profit or loss in the year in which it arise.

A property is classified and accounted for as an investment property on a property-by-property basis when the Group holds it to earn rentals or for capital appreciation or both.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.10. Investment property (cont'd)

Investment property is derecognised when either it has been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on the retirement or disposal of an investment property is recognised in profit or loss in the year of retirement or disposal.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. For a transfer from owner-occupied property to investment property, the property is accounted for in accordance with the accounting policy for property, plant and equipment set out in Note 2.7 up to the date of change in use.

2.11. Goodwill

Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired is allocated, from the acquisition date, to each of the Group's cash-generating units ("CGU") that are expected to benefit from the synergies of the combination.

The CGU to which goodwill has been allocated is tested for impairment annually and whenever there is an indication that the CGU may be impaired, by comparing the carrying amount of the CGU, including the allocated goodwill, with the recoverable amount of the CGU. Where the recoverable amount of the CGU is less than the carrying amount, an impairment loss is recognised in the profit or loss. Impairment losses recognised for goodwill are not reversed in subsequent periods.

Where goodwill forms part of a CGU and part of the operation within that CGU is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative fair values of the operations disposed of and the portion of the CGU retained.

2.12. Impairment of other non-financial assets

The Group and the Company assess at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when an annual impairment assessment for an asset is required, the Group and the Company make an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGU).

In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGU are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.12. Impairment of other non-financial assets (cont'd)

Impairment losses are recognised in profit or loss except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

2.13. Subsidiaries

A subsidiary is an entity over which the Group has the power to govern the financial and operating policies so as to obtain benefits from its activities.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses.

2.14. Associates

An associate is an entity, not being a subsidiary or a joint venture, in which the Group has significant influence. An associate is equity accounted for from the date the Group obtains significant influence until the date the Group ceases to have significant influence over the associate.

The Group's investments in associates are accounted for using the equity method. Under the equity method, the investment in associates is measured in the statement of financial position at cost plus post-acquisition changes in the Group's share of net assets of the associates. Goodwill relating to associates is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the associate's identifiable assets, liabilities and contingent liabilities over the cost of the investment is excluded from the carrying amount of the investment and is instead included as income in the determination of the Group's share of the associate's profit or loss for the period in which the investment is acquired.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in its associates. The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.14. Associates (cont'd)

The financial statements of the associates are prepared as of the same reporting date as the Company unless it is impracticable to do so. When the financial statements of associates used in applying the equity method are prepared as of a different reporting date from that of the Company, adjustments are made for the effects of significant transactions or events that occur between that date and the reporting date of the Company. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

In the Company's separate financial statements, investments in associates are stated at cost less impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

2.15. Financial assets

Recognition of financial assets

Financial assets are recognised in the statements of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

The Group and the Company determine the classification of their financial assets at initial recognition, and the categories include financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets.

At the reporting date, the categories of financial assets included in the statements of financial position were as follows:

(a) Financial assets at fair value through profit or loss

Financial assets are classified as financial assets at fair value through profit or loss if they are held for trading or are designated as such upon initial recognition. Financial assets held for trading are derivatives (including separated embedded derivatives) or financial assets acquired principally for the purpose of selling in the near term.

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value are recognised in profit or loss. Net gains or net losses on financial assets at fair value through profit or loss do not include exchange differences, interest and dividend income. Exchange differences, interest and dividend income on financial assets at fair value through profit or loss are recognised separately in profit or loss as part of other losses or other income.

Financial assets at fair value through profit or loss could be presented as current or non-current. Financial assets that is held primarily for trading purposes are presented as current whereas financial assets that is not held primarily for trading purposes are presented as current or non-current based on the settlement date.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.15. Financial assets (cont'd)

Recognition of financial assets (cont'd)

(b) Loans and receivables

Financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables.

Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

Loans and receivables are classified as current assets, except for those having maturity dates later than 12 months after the reporting date which are classified as non-current.

(c) Held-to-maturity investments

Financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Group has the positive intention and ability to hold the investment to maturity.

Subsequent to initial recognition, held-to-maturity investments are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the held-to-maturity investments are derecognised or impaired, and through the amortisation process.

Held-to-maturity investments are classified as non-current assets, except for those having maturity within 12 months after the reporting date which are classified as current.

(d) Available-for-sale financial assets

Available-for-sale financial assets are financial assets that are designated as available for sale or are not classified in any of the three preceding categories.

After initial recognition, available-for-sale financial assets are measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except for impairment losses, foreign exchange gains and losses on monetary instruments and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is derecognised. Interest income calculated using the effective interest method is recognised in profit or loss. Dividends on an available-for-sale equity instruments are recognised in profit or loss when the Group and the Company's right to receive payment is established.

Investments in equity instruments whose fair value cannot be reliably measured are measured at cost less impairment loss.

Available-for-sale financial assets are classified as non-current assets unless they are expected to be realised within 12 months after the reporting date.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.15. Financial assets (cont'd)

Derecognition of financial assets

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned. All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e., the date that the Group and the Company commit to purchase or sell the asset.

2.16. Impairment of financial assets

The Group and the Company assess at each reporting date whether there is any objective evidence that a financial asset is impaired.

(a) Available-for-sale financial assets

Significant or prolonged decline in fair value below cost, significant financial difficulties of the issuer or obligor, and the disappearance of an active trading market are considerations to determine whether there is objective evidence that investment securities classified as available-for-sale financial assets are impaired.

If an available-for-sale financial asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in profit or loss, is transferred from equity to profit or loss.

Impairment losses on available-for-sale equity investments are not reversed in profit or loss in the subsequent periods. Increase in fair value, if any, subsequent to impairment loss is recognised in other comprehensive income. For available-for-sale debt investments, impairment losses are subsequently reversed in profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss in profit or loss.

(b) Unquoted equity securities carried at cost

If there is objective evidence (such as significant adverse changes in the business environment where the issuer operates, probability of insolvency or significant financial difficulties of the issuer) that an impairment loss on financial assets carried at cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.16. Impairment of financial assets (cont'd)

(c) Trade and other receivables and other financial assets carried at amortised cost

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group and the Company consider factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis based on similar risk characteristics. Objective evidence of impairment for a portfolio of receivables could include the Group's and the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period and observable changes in national or local economic conditions that correlate with default on receivables.

If any such evidence exists, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The impairment loss is recognised in profit or loss.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable becomes uncollectible, it is written off against the allowance account.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

2.17. Inventories

Inventories comprise produce stocks, nursery stocks, estate and palm oil mill stores.

Produce stocks are valued at the lower of cost and net realisable value. Cost is determined on the weighted average ex-estate/mill production costs and includes transport charges, where appropriate. Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.

Nursery stocks are valued at the lower of cost (determined on the weighted average basis) and net realisable value. Cost of nursery stocks includes where appropriate the cost of direct materials and direct labour.

Estate and palm oil mill stores are valued at the lower of cost (determined on the weighted average basis) and net realisable value.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.18. Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits, and short-term, highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

2.19. Non-current assets held for sale

A component is deemed to be held for sale if its carrying amounts will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition subject only to terms that are usual and customary.

Upon classification as held for sale, non-current assets are measured at the lower of carrying amount and fair value less costs to sell. Any differences are recognised in profit or loss.

2.20. Financial liabilities

Recognition of financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability.

Financial liabilities, within the scope of FRS 139, are recognised in the statement of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument. Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

(a) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities held for trading are initially measured at fair value and subsequently stated at fair value, with any resultant gains or losses recognised in profit or loss. Net gains or losses on derivatives include exchange differences.

The Group and the Company have not designated any financial liabilities at fair value through profit or loss.

(b) Other financial liabilities

The Group's and the Company's other financial liabilities include trade and other payables.

Trade and other payables are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

For other financial liabilities, gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.20. Financial liabilities (cont'd)

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is extinguished. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

2.21. Revenue and other income

Revenue and other income are recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue and other income can be reliably measured. Revenue and other income are measured at the fair value of consideration received or receivable.

(a) Sale of produce crops, crude palm oil and palm kernel

Revenue from sale of produce crops, crude palm oil and palm kernel is recognised upon the transfer of significant risk and rewards of ownership of the goods to the customers.

(b) Interest income

Interest income is recognised using the effective interest method.

(c) Dividend income

Dividend income is recognised when the Group's right to receive payment is established.

(d) Rental income

Rental income is recognised on an accrual basis.

2.22. Employee benefits

(a) Defined contribution plans

The companies in the Group make contributions to the Employee Provident Fund, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

(b) Employee share option plans

Employees of the Group receive remuneration in the form of share options as consideration for services rendered. The cost of these equity-settled transactions with employees is measured by reference to the fair value of the options at the date on which the options are granted. This cost is recognised in profit or loss, with a corresponding increase in the employee share option reserve over the vesting period.

The cumulative expense recognised at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of options that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in cumulative expense recognised at the beginning and end of that period. No expense is recognised for options that do not ultimately vest.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.22. Employee benefits (cont'd)

(b) Employee share option plans (cont'd)

When the options are exercised, the employee share option reserve is transferred to share premium if new shares are issued.

The employee share option reserve is transferred to retained earnings upon forfeiture or expiry of the share options.

2.23. Leases

As lessee

Finance leases, which transfer to the Group substantially all the risks and rewards incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Any initial direct costs are also added to the amount capitalised. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss. Contingent rents, if any, are charged as expenses in the periods in which they are incurred.

Leased assets are depreciated over the estimated useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life and the lease term.

Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term.

2.24. Borrowing costs

Borrowing costs consist of interest and other costs that the Company incurred in connection with the borrowing of funds from a subsidiary.

Borrowing costs are recognised in profit or loss in the period they are incurred.

2.25. Replanting expenditure

Replanting expenditure consists of expenses incurred from land clearing to the point of harvesting and is recognised in profit or loss in the period that it is incurred.

2.26. Income taxes

(a) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.26. Income taxes (cont'd)

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of taxable temporary differences associated with investments in subsidiaries and associates, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.26. Income taxes (cont'd)

(c) Sales tax

Revenue, assets and expenses are recognised net of the amount of sales tax except:

- Where the sales tax incurred in a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

- Receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statements of financial position.

2.27. Share capital and share issuance expenses

An equity instrument is any contract that evidences a residual interest in the assets of the Group and the Company after deducting all of its liabilities. Ordinary shares are equity instruments.

Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

2.28. Accounting policies adopted by an associate

The followings are the significant accounting policies which are not applicable to the operations of the Company and its subsidiaries but are adopted by an associate whose results are shared by the Group share using the equity method:

Foreign currency

Foreign operations

The assets and liabilities of foreign operations are translated into RM at the exchange rates ruling at the reporting date and income and expenses are translated at exchange rates at the dates of the transactions. The exchange differences arising on the translation are taken directly to other comprehensive income.

On disposal of a foreign operation, the cumulative amount recognised in other comprehensive income and accumulated in equity under foreign currency translation reserve relating to that particular foreign operation is recognised in the profit or loss.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated at the closing rate at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

3. SIGNIFICANT ACCOUNTING JUDGMENT AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date, if any. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

3.1. Judgment made in applying accounting policies

In the process of applying the Group's accounting policies, management has made the following judgment, apart from those involving estimations, which has the most significant effect on the amounts recognised in the financial statements:

Classification between investment property and property, plant and equipment

The Group has developed certain criteria based on FRS 140 in making judgment as to whether or not a property qualifies as an investment property. Investment property is a property held to earn rentals or for capital appreciation or both.

The Group owns an office building which comprises a portion that is held to earn rentals and another portion that is held for own use. Since the office building cannot be sold separately and the portion of the office building that is held for own use is not insignificant, the Group has classified the whole office building as property, plant and equipment.

3.2. Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Useful lives of property, plant and equipment

The cost of property, plant and equipment, except for freehold land and capital work-in-progress, is depreciated on a straight-line basis over the assets' estimated useful lives. Management reviews the remaining useful lives of property, plant and equipment other than leasehold land at the end of each financial year and ensures consistency with previous estimates and patterns of consumptions of the economic benefits that embodies the items in these assets. Changes in useful lives of property, plant and equipment may result in revision of future depreciation charges.

(b) Estimation of recoverable amounts on biological assets

Management considers the carrying amounts relating to biological assets to closely reflect fair values determined based on their last acquisition date or their last valuation date as such revaluations are done with sufficient frequency.

(c) Impairment of goodwill

Goodwill is tested for impairment annually and at other times when such indicators exist. This requires an estimation of the value in use of the cash-generating units to which goodwill is allocated.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

3. SIGNIFICANT ACCOUNTING JUDGMENT AND ESTIMATES (cont'd)

3.2. Key sources of estimation uncertainty (cont'd)

(c) Impairment of goodwill (cont'd)

When value in use calculations are undertaken, management estimates the expected future cash flows from the asset or cash-generating unit and chooses a suitable discount rate in order to calculate the present value of those cash flows. Further details of the carrying value and the key assumptions applied in the impairment assessment of goodwill are disclosed in Note 16.

(d) Deferred tax assets

Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

(e) Income tax

Judgment is involved in determining the provision for income taxes. There may be certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group and the Company recognise liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

(f) Employee share options

The Group measures the cost of equity-settled transactions with eligible directors and employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and model used for estimating fair value for share-based payment transactions are disclosed in Note 31.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

4. REVENUE

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Sale of oil palm products	**206,090**	231,382	**55,028**	58,332
Interest income	**-**	-	**4,184**	3,845
Dividend income from:				
- subsidiaries	**-**	-	**36,142**	62,065
- associate	**-**	-	**1,376**	1,594
- available-for-sale investments (quoted in Malaysia)	**-**	-	**982**	1,126
- available-for-sale investments (quoted outside Malaysia)	**-**	-	**23**	10
- available-for-sale investments (unquoted in Malaysia)	**-**	-	**1,257**	635
- held-for-trading investments (quoted in Malaysia)	**-**	-	**296**	231
- held-for-trading investments (quoted outside Malaysia)	**-**	-	**65**	20
	206,090	231,382	**99,353**	127,858

5. OTHER INCOME

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Interest income	**4,797**	5,051	**-**	-
Dividend income from:				
- available-for-sale investments (quoted in Malaysia)	**982**	1,126	**-**	-
- available-for-sale investments (quoted outside Malaysia)	**23**	10	**-**	-
- available-for-sale investments (unquoted in Malaysia)	**1,257**	635	**-**	-
- held-for-trading investments (quoted in Malaysia)	**296**	231	**-**	-
- held-for-trading investments (quoted outside Malaysia)	**65**	20	**-**	-
Additional compensation received from compulsory land acquisition	**100**	100	**100**	100
Gain on disposal of an associate	**-**	365	**-**	1,859
Gain on disposal of available-for-sale investments	**749**	-	**749**	-
Gain on disposal of property, plant and equipment	**195**	39	**197**	-
Net fair value gains on held-for-trading investments	**200**	772	**200**	772
Net foreign exchange gain	**193**	-	**193**	-
Net rental income	**299**	288	**296**	285
Reversal of provision for impairment of advances for acquisition of land in prior years (Note 21(c))	**2,146**	-	**-**	-
Miscellaneous	**724**	469	**345**	187
	12,026	9,106	**2,080**	3,203

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

6. PROFIT BEFORE TAX

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

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Employee benefits expense (Note 7)	**37,130**	36,396	**11,443**	10,665
Non-executive directors' remuneration (Note 8)	**971**	1,128	**971**	1,128
Auditors' remuneration:				
- Statutory audits	**169**	155	**82**	75
- Other services	**127**	58	**99**	32
Depreciation of property, plant and equipment (Note 12)	**12,386**	11,092	**3,821**	3,203
Property, plant and equipment written off	**265**	130	**252**	8
Amortisation of prepaid land lease payments (Note 14)	**193**	191	**-**	-
Loss on disposal of available-for-sale investment	**-**	885	**-**	885
Net foreign exchange loss	**-**	59	**-**	59

7. EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Wages and salaries	**30,088**	28,745	**9,080**	8,239
Contributions to defined contribution plan	**2,112**	1,868	**681**	563
Social security contributions	**167**	166	**45**	40
Fair value of share options granted under ESS	**1,990**	3,632	**1,060**	1,344
Other staff related expenses	**2,773**	1,985	**577**	479
	37,130	36,396	**11,443**	10,665

Employee benefits expense of the Group and the Company included fair value of share options granted under ESS to ex-directors of the Company amounting to RM339,000 (2012: RM231,000).

In the previous financial year, employee benefits expense of the Group and the Company also included executive director's remuneration (excluding benefits-in-kind) amounting to RM464,000 (Note 8).

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

8. DIRECTORS' REMUNERATION

The remuneration received or receivable by directors of the Company during the financial year are as follows:

	Group and Company	
	2013 RM'000	2012 RM'000
Executive:		
Other emoluments	**-**	364
Fair value of share options granted under ESS	**-**	100
Total executive director's remuneration (excluding benefits-in-kind) (Note 7 and 32(c))	**-**	464
Estimated money value of benefits-in-kind	**-**	13
Total executive director's remuneration (including benefits-in-kind)	**-**	477
Non-executive:		
Fees	**280**	287
Other emoluments	**186**	156
Fair value of share options granted under ESS	**505**	685
Total non-executive directors' remuneration (excluding benefits-in-kind) (Note 6 and 32(c))	**971**	1,128
Estimated money value of benefits-in-kind	**31**	4
Total non-executive directors' remuneration (including benefits-in-kind)	**1,002**	1,132
Total directors' remuneration	**1,002**	1,609

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

8. DIRECTORS' REMUNERATION (cont'd)

The details of remuneration received or receivable by each director of the Company during the financial year are as follows:

	Fees RM'000	Other emoluments RM'000	Fair value of share options granted under ESS RM'000	Estimated money value of benefits-in-kind RM'000	Total RM'000
2013					
Non-executive directors:					
Tan Siok Choo	80	38	71	31	220
Datuk Boon Weng Siew	40	22	71	-	133
Tan Sri Dato' Ahmad bin Mohd Don	40	35	71	-	146
Tan Jiew Hoe	40	22	71	-	133
Teo Leng	40	36	126	-	202
Dato' Tan Ang Meng	40	33	95	-	168
	280	186	505	31	1,002
2012					
Executive director:					
Choi Siew Hong *	-	364	100	13	477
Non-executive directors:					
Tan Siok Choo	74	30	119	4	227
Datuk Boon Weng Siew	40	22	119	-	181
Tan Sri Dato' Ahmad bin Mohd Don	40	30	119	-	189
Tan Jiew Hoe	40	14	119	-	173
Teo Leng	40	28	155	-	223
Dato' Tan Ang Meng	40	22	-	-	62
Datuk Fong Weng Phak ^	13	10	54	-	77
	287	156	685	4	1,132
	287	520	785	17	1,609

* Choi Siew Hong passed away on 18 July 2011 and his other emoluments comprise salaries as well as one off payment to the estate.

^ Datuk Fong Weng Phak retired on 26 August 2011.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

8. DIRECTORS' REMUNERATION (cont'd)

The number of directors of the Company whose total remuneration for the Group during the financial year fell within the following bands is analysed below:

	Number of directors	
	2013	**2012**
Executive director:		
RM450,001 - RM500,000	**-**	1
Non-executive directors:		
RM50,001 - RM100,000	**-**	2
RM100,001 - RM150,000	**3**	-
RM150,001 - RM200,000	**1**	3
RM200,001 - RM250,000	**2**	2

9. INCOME TAX EXPENSE

Major components of income tax expense

The major components of income tax expense for the financial years ended 30 April 2013 and 2012 are:

	Group		Company	
	2013 RM'000	**2012 RM'000**	**2013 RM'000**	**2012 RM'000**
Current income tax:				
Current year income tax	**14,291**	22,517	**880**	3,770
Underprovision in prior years	**88**	216	**86**	132
	14,379	22,733	**966**	3,902
Deferred tax (Note 29):				
(Reversal)/origination of temporary differences	**(355)**	250	**(433)**	460
Overprovision in prior years	**(29)**	(217)	**(10)**	(150)
	(384)	33	**(443)**	310
Income tax expense recognised in profit or loss	**13,995**	22,766	**523**	4,212

Current income tax is calculated at the statutory tax rate of 25% (2012: 25%) of the estimated assessable profit for the year.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

9. INCOME TAX EXPENSE (cont'd)

Reconciliation between tax expense and accounting profit

The reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the financial years ended 30 April 2013 and 2012 are as follows:

	Group		Company	
	2013 RM'000	**2012 RM'000**	**2013 RM'000**	**2012 RM'000**
Accounting profit before tax	**82,704**	108,647	**63,430**	98,406
Tax at Malaysian statutory tax rate of 25% (2012: 25%)	**20,676**	27,162	**15,858**	24,602
Adjustments:				
Effect of expenditure capitalised allowable for tax deduction	**(5,755)**	(4,296)	**(5,701)**	(4,331)
Effect of income not subject to tax	**(1,195)**	(881)	**(10,574)**	(17,169)
Effect of non-deductible expenses	**1,303**	1,482	**864**	1,128
Underprovision of current income tax expense in prior years	**88**	216	**86**	132
Overprovision of deferred tax in prior years	**(29)**	(217)	**(10)**	(150)
Effect of share of results of associates	**(1,093)**	(700)	**-**	-
Income tax expense recognised in profit or loss	**13,995**	22,766	**523**	4,212

10. EARNINGS PER SHARE

Basic earnings per share are calculated by dividing profit net of tax for the year attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial year.

Diluted earnings per share are calculated by dividing profit net of tax for the year attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial year, plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

The following reflect the profit and share data used in the computation of basic and diluted earnings per share:

	Group	
	2013	**2012**
Profit net of tax for the year attributable to owners of the Company (RM'000)	**68,709**	85,881
Weighted average number of ordinary shares in issue ('000 unit)	**204,257**	202,765
Effects of dilution - share options ('000 unit)	**26**	-
Weighted average number of ordinary shares for diluted earnings per share computation ('000 unit)	**204,283**	202,765
Basic earnings per share (sen)	**33.64**	42.36
Diluted earnings per share (sen)	**33.63**	42.36

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

10. EARNINGS PER SHARE (cont'd)

The share options granted under the Company's ESS have not been included in the calculation of diluted earnings per share in the previous financial year because they are antidilutive. Therefore, both of the basic earnings per share and diluted earnings per share of the Group in the previous financial year are the same.

11. DIVIDENDS

	Group and Company	
	2013	**2012**
	RM'000	**RM'000**
Recognised during the financial year:		
Final dividend for 2011:		
- tax exempt (single-tier) dividend of 17.5%, on 202,458,001 ordinary shares (17.50 sen per ordinary share)	**-**	35,430
Interim dividend for 2012:		
- tax exempt (single-tier) dividend of 10%, on 203,043,801 ordinary shares (10 sen per ordinary share)	**-**	20,305
Final dividend for 2012:		
- tax exempt (single-tier) dividend of 16%, on 203,894,601 ordinary shares (16 sen per ordinary share)	**32,623**	-
First interim dividend for 2013:		
- tax exempt (single-tier) dividend of 10%, on 204,918,701 ordinary shares (10 sen per ordinary share)	**20,492**	-
	53,115	55,735

The directors declare a second interim tax exempt (single-tier) dividend in respect of the financial year ended 30 April 2013, of 11% on 205,233,101 ordinary shares, amounting to a dividend payable of RM22,576,000 (11 sen per ordinary share).

The second interim dividend is payable on 2 August 2013. The financial statements for the current financial year do not reflect this dividend. Such dividend will be accounted for in equity as an appropriation of retained earnings in the financial year ending 30 April 2014.

The directors do not recommend the payment of any final dividend in respect of the current financial year.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

12. PROPERTY, PLANT AND EQUIPMENT

	Freehold land RM'000	Leasehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Office equipment, furniture and fittings RM'000	Motor vehicles, tractors, trailers and boats RM'000	Capital work-in-progress RM'000	Total RM'000
Group								
At 30 April 2013								
At cost or valuation:								
At 1 May 2012	84,512	265,176	67,352	33,842	3,576	37,105	10,816	502,379
Additions	-	-	578	2,347	1,561	3,901	11,435	19,822
Revaluation surplus (Note 27(b))	52,030	180,854	2,230	-	-	-	-	235,114
Elimination of accumulated depreciation on revaluation	-	(17,138)	(14,701)	-	-	-	-	(31,839)
Disposals	(30)	-	-	-	(2)	(137)	-	(169)
Write off	-	-	(249)	(29)	(138)	(864)	-	(1,280)
Reclassifications	-	-	10,567	7,004	131	118	(17,820)	-
Reclassified as held for sale (Note 25)	-	-	(994)	-	-	-	-	(994)
Transfer to investment property (Note 15)	-	-	(853)	-	-	-	-	(853)
At 30 April 2013	136,512	428,892	63,930	43,164	5,128	40,123	4,431	722,180
Representing:								
At cost	-	-	-	43,164	5,128	40,123	4,431	92,846
At valuation	136,512	428,892	63,930	-	-	-	-	629,334
At 30 April 2013	136,512	428,892	63,930	43,164	5,128	40,123	4,431	722,180
Accumulated depreciation:								
At 1 May 2012	-	13,347	11,521	14,968	1,830	13,888	-	55,554
Depreciation charge for the year:	-	3,791	3,374	2,462	441	4,642	-	14,710
- Recognised in profit or loss (Note 6)	-	2,841	3,052	2,365	365	3,763	-	12,386
- Capitalised in biological assets (Note 13(a))	-	950	322	97	76	879	-	2,324
Elimination of accumulated depreciation on revaluation	-	(17,138)	(14,701)	-	-	-	-	(31,839)
Disposals	-	-	-	-	(1)	(123)	-	(124)
Write off	-	-	(28)	(27)	(136)	(824)	-	(1,015)
Reclassified as held for sale (Note 25)	-	-	(98)	-	-	-	-	(98)
Transfer to investment property (Note 15)	-	-	(68)	-	-	-	-	(68)
At 30 April 2013	-	-	-	17,403	2,134	17,583	-	37,120
Net carrying amount:								
At cost	-	-	-	25,761	2,994	22,540	4,431	55,726
At valuation	136,512	428,892	63,930	-	-	-	-	629,334
At 30 April 2013	136,512	428,892	63,930	25,761	2,994	22,540	4,431	685,060

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

12. PROPERTY, PLANT AND EQUIPMENT (cont'd)

	Freehold land RM'000	Leasehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Office equipment, furniture and fittings RM'000	Motor vehicles, tractors, trailers and boats RM'000	Capital work-in-progress RM'000	Total RM'000
Group (cont'd)								
At 30 April 2012								
At cost or valuation:								
At 1 May 2011	84,512	265,176	64,566	33,158	3,315	29,587	1,080	481,394
Additions	-	-	158	1,591	488	7,865	13,067	23,169
Disposals	-	-	-	(84)	-	-	-	(84)
Write off	-	-	(58)	(1,453)	(227)	(362)	-	(2,100)
Reclassifications	-	-	2,686	630	-	15	(3,331)	-
At 30 April 2012	84,512	265,176	67,352	33,842	3,576	37,105	10,816	502,379
Representing:								
At cost	-	131,511	21,748	33,842	3,576	37,105	10,816	238,598
At valuation	84,512	133,665	45,604	-	-	-	-	263,781
At 30 April 2012	84,512	265,176	67,352	33,842	3,576	37,105	10,816	502,379
Accumulated depreciation:								
At 1 May 2011	-	9,557	8,617	14,380	1,730	10,129	-	44,413
Depreciation charge for the year:	-	3,790	2,936	2,035	321	4,112	-	13,194
- Recognised in profit or loss (Note 6)	-	2,715	2,719	1,962	290	3,406	-	11,092
- Capitalised in biological assets (Note 13(a))	-	1,075	217	73	31	706	-	2,102
Disposals	-	-	-	(83)	-	-	-	(83)
Write off	-	-	(32)	(1,364)	(221)	(353)	-	(1,970)
At 30 April 2012	-	13,347	11,521	14,968	1,830	13,888	-	55,554
Net carrying amount:								
At cost	-	127,955	19,188	18,874	1,746	23,217	10,816	201,796
At valuation	84,512	123,874	36,643	-	-	-	-	245,029
At 30 April 2012	84,512	251,829	55,831	18,874	1,746	23,217	10,816	446,825

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

12. PROPERTY, PLANT AND EQUIPMENT (cont'd)

	Freehold land RM'000	Leasehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Office equipment, furniture and fittings RM'000	Motor vehicles, tractors and trailers RM'000	Capital work-in-progress RM'000	Total RM'000
Company								
At 30 April 2013								
At cost or valuation:								
At 1 May 2012	65,928	152,662	20,793	4,987	2,296	15,280	2,927	264,873
Additions	-	-	221	456	1,239	2,355	5,590	9,861
Revaluation surplus (Note 27(b))	31,099	78,531	2,047	-	-	-	-	111,677
Elimination of accumulated depreciation on revaluation	-	(9,650)	(2,883)	-	-	-	-	(12,533)
Disposals	(30)	-	-	-	(2)	(58)	-	(90)
Write off	-	-	(243)	(28)	(110)	(182)	-	(563)
Reclassifications	-	-	5,338	671	54	-	(6,063)	-
Reclassified as held for sale (Note 25)	-	-	(994)	-	-	-	-	(994)
Transfer to investment property (Note 15)	-	-	(853)	-	-	-	-	(853)
At 30 April 2013	96,997	221,543	23,426	6,086	3,477	17,395	2,454	371,378
Representing:								
At cost	-	-	-	6,086	3,477	17,395	2,454	29,412
At valuation	96,997	221,543	23,426	-	-	-	-	341,966
At 30 April 2013	96,997	221,543	23,426	6,086	3,477	17,395	2,454	371,378
Accumulated depreciation:								
At 1 May 2012	-	7,285	2,087	1,720	960	4,292	-	16,344
Depreciation charge for the year:	-	2,365	985	365	313	2,084	-	6,112
- Recognised in profit or loss (Note 6)	-	1,422	671	269	237	1,222	-	3,821
- Capitalised in biological assets (Note 13(a))	-	943	314	96	76	862	-	2,291
Elimination of accumulated depreciation on revaluation	-	(9,650)	(2,883)	-	-	-	-	(12,533)
Disposals	-	-	-	-	(1)	(53)	-	(54)
Write off	-	-	(23)	(26)	(108)	(154)	-	(311)
Reclassified as held for sale (Note 25)	-	-	(98)	-	-	-	-	(98)
Transfer to investment property (Note 15)	-	-	(68)	-	-	-	-	(68)
At 30 April 2013	-	-	-	2,059	1,164	6,169	-	9,392
Net carrying amount:								
At cost	-	-	-	4,027	2,313	11,226	2,454	20,020
At valuation	96,997	221,543	23,426	-	-	-	-	341,966
At 30 April 2013	96,997	221,543	23,426	4,027	2,313	11,226	2,454	361,986

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

12. PROPERTY, PLANT AND EQUIPMENT (cont'd)

	Freehold land RM'000	Leasehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Office equipment, furniture and fittings RM'000	Motor vehicles, tractors and trailers RM'000	Capital work-in-progress RM'000	Total RM'000
Company (cont'd)								
At 30 April 2012								
At cost or valuation:								
At 1 May 2011	65,928	152,662	18,027	4,378	1,995	10,541	779	254,310
Additions	-	-	104	550	358	4,756	4,999	10,767
Write off	-	-	(5)	(125)	(57)	(17)	-	(204)
Reclassifications	-	-	2,667	184	-	-	(2,851)	-
At 30 April 2012	65,928	152,662	20,793	4,987	2,296	15,280	2,927	264,873
Representing:								
At cost	-	131,511	11,181	4,987	2,296	15,280	2,927	168,182
At valuation	65,928	21,151	9,612	-	-	-	-	96,691
At 30 April 2012	65,928	152,662	20,793	4,987	2,296	15,280	2,927	264,873
Accumulated depreciation:								
At 1 May 2011	-	4,920	1,365	1,577	833	2,608	-	11,303
Depreciation charge for the year:	-	2,365	727	263	182	1,700	-	5,237
- Recognised in profit or loss (Note 6)	-	1,303	529	203	152	1,016	-	3,203
- Capitalised in biological assets (Note 13(a))	-	1,062	198	60	30	684	-	2,034
Write off	-	-	(5)	(120)	(55)	(16)	-	(196)
At 30 April 2012	-	7,285	2,087	1,720	960	4,292	-	16,344
Net carrying amount:								
At cost	-	127,955	10,327	3,267	1,336	10,988	2,927	156,800
At valuation	65,928	17,422	8,379	-	-	-	-	91,729
At 30 April 2012	65,928	145,377	18,706	3,267	1,336	10,988	2,927	248,529

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

12. PROPERTY, PLANT AND EQUIPMENT (cont'd)

(a) Revaluation of freehold land, leasehold land and buildings

Freehold land, leasehold land and buildings were revalued on 30 April 2013 by an independent professional valuer. The valuation was determined by reference to open market value on an existing use basis.

If the revalued freehold land, leasehold land and buildings were measured using the cost model, the carrying amounts would be as follows:

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Freehold land				
- Cost and net carrying amount	**12,807**	12,811	**10,687**	10,691
Leasehold land				
- Cost	**151,690**	20,179	**136,428**	4,916
- Accumulated depreciation	**(9,617)**	(4,323)	**(7,294)**	(2,151)
- Net carrying amount	**142,073**	15,856	**129,134**	2,765
Buildings				
- Cost	**86,046**	49,894	**25,622**	11,200
- Accumulated depreciation	**(23,571)**	(17,091)	**(4,870)**	(3,312)
- Net carrying amount	**62,475**	32,803	**20,752**	7,888

(b) Reclassified as held for sale

An office building with a carrying amount of RM896,000 of the Group and the Company has been reclassified as non-current asset held for sale as at 30 April 2013 (Note 25).

(c) Transfer to investment property

On 1 November 2012, the Group and the Company transferred an office building located in Keningau town from property, plant and equipment to investment property (Note 15). On that day, the office building was held to earn rentals. Such office building was stated at cost with a carrying amount of RM785,000.

(d) Asset pledged as security

Certain leasehold lands of the Company with net carrying amount of RM192,500,000 (2012: RM Nil) are mortgaged to secure the Company's loan from a subsidiary (Note 30(c)).

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

13. BIOLOGICAL ASSETS

	Group		Company	
	2013 RM'000	**2012 RM'000**	**2013 RM'000**	**2012 RM'000**
At cost or valuation:				
At beginning of financial year	**427,981**	406,144	**196,543**	174,968
Additions	**23,260**	21,837	**23,088**	21,575
Revaluation surplus (Note 27(b))	**352,181**	-	**166,433**	-
At end of financial year	**803,422**	427,981	**386,064**	196,543
Representing:				
At cost	**-**	155,432	**-**	150,608
At valuation	**803,422**	272,549	**386,064**	45,935
At end of financial year	**803,422**	427,981	**386,064**	196,543

(a) Included in additions of biological assets during the financial year are:

	Group		Company	
	2013 RM'000	**2012 RM'000**	**2013 RM'000**	**2012 RM'000**
Depreciation of property, plant and equipment capitalised (Note 12)	**2,324**	2,102	**2,291**	2,034
Amortisation of prepaid land lease payments capitalised (Note 14)	**1**	3	**-**	-
	2,325	2,105	**2,291**	2,034

(b) Biological assets were revalued on 30 April 2013 by an independent professional valuer. The valuation was determined by reference to open market value on an existing use basis.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

14. PREPAID LAND LEASE PAYMENTS

	Group 2013 RM'000	Group 2012 RM'000
At cost:		
At beginning of financial year	**5,721**	5,721
Additions	**6,411**	-
At end of financial year	**12,132**	5,721
Accumulated amortisation:		
At beginning of financial year	**1,684**	1,490
Amortisation for the year:	**194**	194
- Recognised in profit or loss (Note 6)	**193**	191
- Capitalised in biological assets (Note 13(a))	**1**	3
At end of financial year	**1,878**	1,684
Net carrying amount	**10,254**	4,037
Amount to be amortised:		
- Not later than one year	**411**	195
- Later than one year but not later than five years	**1,642**	780
- Later than five years	**8,201**	3,062
	10,254	4,037

15. INVESTMENT PROPERTY

	Group and Company 2013 RM'000	Group and Company 2012 RM'000
At fair value:		
At beginning of financial year	**-**	-
Transfer from property, plant and equipment (Note 12)	**785**	-
Revaluation surplus (Note 27(b))	**175**	-
At end of financial year	**960**	-

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

15. INVESTMENT PROPERTY (cont'd)

(a) Transfer from property, plant and equipment

On 1 November 2012, the Group and the Company transferred an office building located in Keningau town from property, plant and equipment to investment property (Note 12). On that day, the office building was held to earn rentals. Such office building was stated at cost with a carrying amount of RM785,000.

(b) Valuation of investment property

The investment property was revalued on 30 April 2013 by an independent professional valuer. The valuation was determined by reference to open market value on an existing use basis.

16. GOODWILL ON CONSOLIDATION

	Group	
	2013 RM'000	2012 RM'000
At net carrying amount	**18,628**	18,628

Goodwill has been allocated to the Group's cash generating units identified according to the individual subsidiaries, namely Syarikat Penanaman Bukit Senorang Sdn. Bhd. and South East Pahang Oil Palm Berhad, both of which are principally involved in plantation activities.

Impairment test for goodwill on consolidation

Key assumptions used in value-in-use calculations

The recoverable amount is determined based on value-in-use calculations using cash flow projections based on a master plan covering a 20 years period. The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill:

(a) Budgeted gross margin

The basis used to determine the value assigned to the budgeted gross margins is the average gross margins achieved in the year immediately before the budgeted year increased for expected efficiency improvements.

(b) Discount rate

The discount rate used is the management expected internal rate of return.

(c) Raw materials price inflation

The basis used to determine the value assigned to the raw materials price inflation is the forecast price indices during the budget year for Malaysia where raw materials are sourced. Values assigned to key assumptions are consistent with external information sources.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

17. INVESTMENT IN SUBSIDIARIES

	Company 2013 RM'000	Company 2012 RM'000
Unquoted shares, at cost	**142,288**	142,288
Less: Accumulated impairment losses	**(1,334)**	(1,334)
	140,954	140,954

Details of the subsidiaries are as follows:

Name of subsidiaries	Country of incorporation	Proportion of ownership interest (%) 2013	2012	Principal activities
Leong Hin San Sdn. Bhd.	Malaysia	**100**	100	Cultivation of oil palm
Meridian Plantations Sdn. Bhd.	Malaysia	**100**	100	Cultivation of oil palm and palm oil milling
Syarikat Penanaman Bukit Senorang Sdn. Bhd.	Malaysia	**100**	100	Cultivation of oil palm and palm oil milling
South East Pahang Oil Palm Berhad	Malaysia	**100**	100	Cultivation of oil palm
Masjid Tanah Properties Sdn. Bhd.	Malaysia	**100**	100	Property development
Melaka Pindah Properties Sdn. Bhd.	Malaysia	**100**	100	Property development
Vintage Plantations Sdn. Bhd.	Malaysia	**100**	100	Dormant

All the subsidiaries are audited by Ernst & Young.

18. INVESTMENT IN ASSOCIATE

	Group 2013 RM'000	Group 2012 RM'000	Company 2013 RM'000	Company 2012 RM'000
Unquoted shares, at cost	**-**	22,905	**-**	22,905
Share of post-acquisition reserves	**-**	5,498	**-**	-
	-	28,403	**-**	22,905

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

18. INVESTMENT IN ASSOCIATE (cont'd)

(a) The details of the associate is as follows:

Name of associate	Country of incorporation	Proportion of ownership interest (%) 2013	2012	Principal activities	Financial year end
Niro Ceramic (M) Sdn. Bhd. *	Malaysia	**25**	25	Manufacturing and trading of ceramic tiles	31 December

* audited by Ernst & Young.

The associate is classified as non-current asset held for sale as at 30 April 2013 (Note 25).

(b) The share of results of the associate for the current financial year are for the twelve months period ended 31 March 2013, incorporating the nine months period ended 31 December 2012 based on the latest audited financial statements for the financial year ended 31 December 2012 and the management financial statements for the three months period ended 31 March 2013.

(c) The summarised financial information of the associate, not adjusted for the proportion of ownership interest held by the Group, is analysed as follows:

	2013 RM'000	2012 RM'000
Assets and liabilities:		
Total assets	**388,224**	331,488
Total liabilities	**253,082**	206,209
Results:		
Revenue	**412,782**	338,567
Profit for the year	**17,450**	11,299

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

19. AVAILABLE-FOR-SALE INVESTMENTS

	Group and Company			
	Carrying amount		Fair value	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Quoted investments:				
In Malaysia				
- shares	**24,389**	25,190	**24,389**	25,190
- unit trusts	**10,267**	4,709	**10,267**	4,709
Outside Malaysia				
- unit trusts	**821**	791	**821**	791
	35,477	30,690		
Unquoted investments:				
In Malaysia				
- unit trusts	**21,603**	11,026	**21,603**	11,026
Outside Malaysia				
- shares	**25**	40	**25**	40
	21,628	11,066		
Total available-for-sale investments	**57,105**	41,756		

20. INVENTORIES

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
At cost:				
Produce stocks	**3,721**	3,670	-	-
Nursery stocks	**1,692**	3,200	**1,220**	2,649
Estate and palm oil mill stores	**4,333**	3,959	**1,985**	1,282
	9,746	10,829	**3,205**	3,931

During the financial year, the amount of inventories recognised as an expense in cost of sales of the Group and the Company was RM30,903,000 (2012: RM29,064,000) and RM10,074,000 (2012: RM7,437,000) respectively.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

21. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2013	**2012**	**2013**	**2012**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Trade receivables:				
Amount due from a subsidiary	**-**	-	**843**	1,691
Third parties	**8,703**	12,197	**878**	1,239
	8,703	12,197	**1,721**	2,930
Other receivables:				
Amounts due from subsidiaries	**-**	-	**642**	866
Advances for acquisition of land	**-**	5,602	**-**	-
Deposits	**180**	169	**149**	133
Prepayments	**411**	266	**251**	126
Interest receivable	**589**	640	**577**	625
Dividend receivable	**16**	33	**16**	33
Held-for-trading investments receivable	**-**	78	**-**	78
Tax recoverable	**2,434**	267	**2,094**	132
Other receivables	**290**	351	**233**	236
	3,920	7,406	**3,962**	2,229
Less: Provision for impairment				
Advances for acquisition of land	**-**	(2,146)	**-**	-
	3,920	5,260	**3,962**	2,229
	12,623	17,457	**5,683**	5,159

(a) Trade receivables

Trade receivables are non-interest bearing and are generally on 15 to 30 days (2012: 15 to 30 days) terms. They are recognised at their original invoiced amounts which represent their fair values on initial recognition.

Ageing analysis of trade receivables

	Group		Company	
	2013	**2012**	**2013**	**2012**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Neither past due nor impaired	**8,474**	12,197	**1,721**	2,930
91 to 120 days past due not impaired	**229**	-	**-**	-
	8,703	12,197	**1,721**	2,930

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

21. TRADE AND OTHER RECEIVABLES (cont'd)

(a) Trade receivables (cont'd)

Trade receivables that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Group.

None of the trade receivables that are neither past due nor impaired have been renegotiated during the financial year.

Trade receivable that is past due but not impaired

The Group has a trade debtor amounting to RM229,000 (2012: RM Nil) that is past due at the reporting date but not impaired.

Subsequent to the reporting date, the Group has collected RM129,000 and the balance of RM100,000 remained outstanding.

(b) Amounts due from subsidiaries

The amounts due from subsidiaries are unsecured, non-interest bearing and repayable upon demand.

(c) Advances for acquisition of land

These advances were paid to vendors in relation to the acquisition of land in Sabah.

The Group has made a provision for impairment of RM2,146,000 for these advances in financial year ended 30 April 2008. Such provision has been fully recovered in the current financial year (Note 5).

22. HELD-FOR-TRADING INVESTMENTS

	Group and Company			
	Carrying amount		Fair value	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Quoted investments:				
In Malaysia				
- shares	**7,182**	11,329	**7,182**	11,329
Outside Malaysia				
- shares	**-**	3,469	**-**	3,469
	7,182	14,798		

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

23. HELD-TO-MATURITY INVESTMENTS

Held-to-maturity investments consist of deposits with licensed financial institutions with maturity period of more than three months are as follows:

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Deposits with:				
- Licensed commercial banks	**18,166**	42,482	**16,238**	42,136
- Licensed investment banks	**10,274**	-	**10,274**	-
	28,440	42,482	**26,512**	42,136

(a) Interest rates of held-to-maturity investments

The weighted average effective interest rates of held-to-maturity investments at the reporting date are as follows:

	Group		Company	
	2013 %	2012 %	2013 %	2012 %
Deposits with:				
- Licensed commercial banks	**3.29**	3.35	**3.30**	3.35
- Licensed investment banks	**3.30**	-	**3.30**	-

(b) Varying periods of held-to-maturity investments

The varying periods of held-to-maturity investments at the reporting date are as follows:

	Group		Company	
	2013 days	2012 days	2013 days	2012 days
Deposits with:				
- Licensed commercial banks	**179 - 185**	182 - 186	**179 - 185**	182 - 185
- Licensed investment banks	**184**	-	**184**	-

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

24. CASH AND BANK BALANCES

	Group		Company	
	2013 RM'000	**2012 RM'000**	**2013 RM'000**	**2012 RM'000**
Cash at banks and on hand	**89**	814	**40**	772
Deposits with:				
- Licensed commercial banks	**10,282**	56,360	**3,735**	45,407
- Licensed investment banks	**59,353**	7,600	**58,300**	7,600
Money market funds placed with fund managers	**38,301**	44,805	**38,271**	44,776
	108,025	109,579	**100,346**	98,555

(a) Interest rates of cash and bank balances

Cash at banks earn interest at floating rates based on daily bank deposit rates.

The weighted average effective interest rates of deposits and money market funds at the reporting date are as follows:

	Group		Company	
	2013 %	**2012 %**	**2013 %**	**2012 %**
Deposits with:				
- Licensed commercial banks	**2.89**	3.10	**2.94**	3.10
- Licensed investment banks	**3.20**	3.20	**3.20**	3.20
Money market funds placed with fund managers	**3.05**	3.05	**3.05**	3.05

(b) Varying periods of deposits and money market funds

The varying periods of deposits at the reporting date are as follows:

	Group		Company	
	2013 days	**2012 days**	**2013 days**	**2012 days**
Deposits with:				
- Licensed commercial banks	**3 - 92**	2 - 94	**3 - 30**	2 - 31
- Licensed investment banks	**15 - 32**	28 - 31	**31 - 32**	28 - 31

There is no varying period for money market funds placed with fund managers as these monies are callable on demand.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

25. NON-CURRENT ASSETS HELD FOR SALE

The non-current assets classified as held for sale on the statement of financial position of the Group and the Company at the reporting date are as follows:

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Property, plant and equipment (Note 12):				
Building - at net carrying amount	**896**	-	**896**	-
Investment in associate (Note 18):				
Unquoted shares, at cost	**22,905**	-	**22,905**	-
Share of post-acquisition reserves	**7,735**	-	**-**	-
	31,536	-	**23,801**	-

On 26 April 2013, the Group has entered into an agreement to dispose off the abovementioned building for a cash consideration of RM1,180,000. The disposal is currently pending for completion.

On 17 June 2013, the Group has entered into an agreement to dispose off the abovementioned associate for a cash consideration of RM36,315,000. The disposal is currently pending for completion.

There are no liabilities directly associated with the above non-current assets held for sale.

26. SHARE CAPITAL AND SHARE PREMIUM

(a) Authorised share capital

	Group and Company			
	Number of ordinary shares of RM1 each		Amount	
	2013 '000	2012 '000	2013 RM'000	2012 RM'000
Authorised	**500,000**	500,000	**500,000**	500,000

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

26. SHARE CAPITAL AND SHARE PREMIUM (cont'd)

(b) Share capital (issued and fully paid) and share premium

	Number of ordinary shares of RM1 each	← Amount		→
	Share capital (issued and fully paid) '000	Share capital (issued and fully paid) RM'000	Share premium RM'000	Total share capital and share premium RM'000
Group				
At 1 May 2011	202,358	202,358	1,164	203,522
Shares issued pursuant to exercise of employee share options	1,115	1,115	6,799	7,914
At 30 April 2012	203,473	203,473	7,963	211,436
Shares issued pursuant to exercise of employee share options	1,636	1,636	10,024	11,660
At 30 April 2013	205,109	205,109	17,987	223,096
Company				
At 1 May 2011	202,358	202,358	662	203,020
Shares issued pursuant to exercise of employee share options	1,115	1,115	6,799	7,914
At 30 April 2012	203,473	203,473	7,461	210,934
Shares issued pursuant to exercise of employee share options	1,636	1,636	10,024	11,660
At 30 April 2013	205,109	205,109	17,485	222,594

Share capital

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and rank equally with regard to the Company residual assets.

The Company has an employee share option plan under Employee Share Scheme which options to subscribe for the Company's ordinary shares have been granted to eligible directors and employees of the Group as disclosed in Note 31.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

27. OTHER RESERVES

	Fair value adjustment reserve RM'000	Asset revaluation reserve RM'000	Foreign currency translation reserve RM'000	Employee share option reserve RM'000	Total RM'000
Group					
At 1 May 2011	24,229	269,216	1,510	5,238	300,193
Other comprehensive income:					
Net gain on available-for-sale investments:					
- Gain on fair value changes	487	-	-	-	487
- Transfer to profit or loss upon disposal	885	-	-	-	885
Share of other comprehensive income of associates:					
- Gain on fair value changes on available-for-sale investments	17	-	-	-	17
- Foreign currency translation	-	-	(891)	-	(891)
	1,389	-	(891)	-	498
Transfer to retained earnings:					
Realisation of fair value adjustment reserve upon disposal of an associate	(80)	-	-	-	(80)
Realisation of asset revaluation reserve upon depreciation	-	(1,206)	-	-	(1,206)
	(80)	(1,206)	-	-	(1,286)
Transactions with owners:					
Fair value of share options granted to eligible directors and employees	-	-	-	4,317	4,317
Shares issued pursuant to exercise of employee share options	-	-	-	(1,815)	(1,815)
Employee share options forfeited	-	-	-	(8)	(8)
	-	-	-	2,494	2,494
At 30 April 2012	25,538	268,010	619	7,732	301,899

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

27. OTHER RESERVES (cont'd)

	Fair value adjustment reserve RM'000	Asset revaluation reserve RM'000	Foreign currency translation reserve RM'000	Employee share option reserve RM'000	Total RM'000
Group (cont'd)					
At 1 May 2012	25,538	268,010	619	7,732	301,899
Other comprehensive income:					
Net loss on available-for-sale investments:					
- Loss on fair value changes	(1,236)	-	-	-	(1,236)
- Transfer to profit or loss upon disposal	(749)	-	-	-	(749)
Revaluation surplus of land, buildings, biological assets and investment property, net of deferred tax	-	459,137	-	-	459,137
Share of other comprehensive income of associate:					
- Foreign currency translation	-	-	(759)	-	(759)
	(1,985)	459,137	(759)	-	456,393
Transfer to retained earnings:					
Realisation of asset revaluation reserve upon:					
- Depreciation	-	(1,200)	-	-	(1,200)
- Disposal of property, plant and equipment	-	(26)	-	-	(26)
- Property, plant and equipment written off	-	(1)	-	-	(1)
	-	(1,227)	-	-	(1,227)
Transactions with owners:					
Fair value of share options granted to eligible directors and employees	-	-	-	2,495	2,495
Shares issued pursuant to exercise of employee share options	-	-	-	(2,743)	(2,743)
Employee share options forfeited	-	-	-	(84)	(84)
	-	-	-	(332)	(332)
At 30 April 2013	23,553	725,920	(140)	7,400	756,733

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

27. OTHER RESERVES (cont'd)

	Fair value adjustment reserve RM'000	Asset revaluation reserve RM'000	Employee share option reserve RM'000	Total RM'000
Company				
At 1 May 2011	24,165	108,562	5,238	137,965
Other comprehensive income:				
Net gain on available-for-sale investments:				
- Gain on fair value changes	487	-	-	487
- Transfer to profit or loss upon disposal	885	-	-	885
	1,372	-	-	1,372
Transfer to retained earnings:				
Realisation of asset revaluation reserve upon depreciation	-	(604)	-	(604)
Transactions with owners:				
Fair value of share options granted to eligible directors and employees	-	-	4,317	4,317
Shares issued pursuant to exercise of employee share options	-	-	(1,815)	(1,815)
Employee share options forfeited	-	-	(8)	(8)
	-	-	2,494	2,494
At 30 April 2012	25,537	107,958	7,732	141,227
At 1 May 2012	25,537	107,958	7,732	141,227
Other comprehensive income:				
Net loss on available-for-sale investments:				
- Loss on fair value changes	(1,236)	-	-	(1,236)
- Transfer to profit or loss upon disposal	(749)	-	-	(749)
Revaluation surplus of land, buildings, biological assets and investment property, net of deferred tax	-	222,352	-	222,352
	(1,985)	222,352	-	220,367
Transfer to retained earnings:				
Realisation of asset revaluation reserve upon:				
- Depreciation	-	(602)	-	(602)
- Disposal of property, plant and equipment	-	(26)	-	(26)
- Property, plant and equipment written off	-	(1)	-	(1)
	-	(629)	-	(629)
Transactions with owners:				
Fair value of share options granted to eligible directors and employees	-	-	2,495	2,495
Shares issued pursuant to exercise of employee share options	-	-	(2,743)	(2,743)
Employee share options forfeited	-	-	(84)	(84)
	-	-	(332)	(332)
At 30 April 2013	23,552	329,681	7,400	360,633

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

27. OTHER RESERVES (cont'd)

(a) Fair value adjustment reserve

Fair value adjustment reserve represents the cumulative fair value changes of available-for-sale investments until they are disposed or impaired. This reserve arose following the adoption of FRS 139: *Financial Instruments: Recognition and Measurement* on 1 May 2010, the effect of which, was recognised as an opening balance of fair value adjustment reserve on that date.

(b) Asset revaluation reserve

Asset revaluation reserve represents increases in the fair value of freehold land, leasehold land, buildings, biological assets and investment property, net of tax, and decreases to the extent that such decreases relate to an increase on the same asset previously recognised in other comprehensive income.

The detailed breakdown of revaluation surplus, net of deferred tax which recognised in other comprehensive income during the financial year are as follows:

		Group		Company	
	Note	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Revaluation surplus of:					
- Freehold land	12	52,030	-	31,099	-
- Leasehold land	12	180,854	-	78,531	-
- Buildings	12	2,230	-	2,047	-
- Biological assets	13	352,181	-	166,433	-
- Investment property	15	175	-	175	-
		587,470	-	278,285	-
Net of deferred tax in respect of revaluation surplus of:					
- Leasehold land		45,213	-	19,633	-
- Buildings		557	-	511	-
- Biological assets		82,519	-	35,745	-
- Investment property		44	-	44	-
	29	128,333	-	55,933	-
Revaluation surplus, net of deferred tax, recognised in other comprehensive income		459,137	-	222,352	-

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

27. OTHER RESERVES (cont'd)

(c) Foreign currency translation reserve

Foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the presentation currency of an associate.

(d) Employee share option reserve

Employee share option reserve represents the equity-settled share options granted to the eligible directors and employees (Note 31). The reserve is made up of the cumulative value of services receive from the eligible directors and employees recorded over the vesting period commencing from the grant date of equity-settled share options, and is reduced by the forfeiture or exercise of the share options.

28. RETAINED EARNINGS

The Company had in the previous financial year, elected for the irrevocable option under the Finance Act, 2007 to disregard the Section 108 balance. Hence, the Company will be able to distribute dividends out of its entire retained earnings under the single tier system.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

29. DEFERRED TAX LIABILITIES

Deferred income tax as at 30 April relates to the following:

	As at 1 May 2011 RM'000	Recognised in profit or loss RM'000	(Over)/ underprovision in prior years RM'000	As at 30 April 2012 RM'000	Recognised in profit or loss RM'000	Overprovision in prior years RM'000	Recognised in other comprehensive income RM'000	As at 30 April 2013 RM'000
Group								
Deferred tax assets:								
Other payables	(995)	5	(145)	(1,135)	174	-	-	(961)
Unutilised capital allowances and tax losses	(91)	89	2	-	(656)	-	-	(656)
	(1,086)	94	(143)	(1,135)	(482)	-	-	(1,617)
Deferred tax liabilities:								
Property, plant and equipment	13,010	571	(74)	13,507	539	(29)	-	14,017
Asset revaluation reserve	69,915	(415)	-	69,500	(412)	-	128,333	197,421
	82,925	156	(74)	83,007	127	(29)	128,333	211,438
	81,839	250	(217)	81,872	(355)	(29)	128,333	209,821
Company								
Deferred tax assets:								
Other payables	(511)	(12)	(145)	(668)	73	-	-	(595)
Unutilised capital allowances	(31)	31	-	-	(656)	-	-	(656)
	(542)	19	(145)	(668)	(583)	-	-	(1,251)
Deferred tax liabilities:								
Property, plant and equipment	2,321	643	(5)	2,959	351	(10)	-	3,300
Asset revaluation reserve	8,471	(202)	-	8,269	(201)	-	55,933	64,001
	10,792	441	(5)	11,228	150	(10)	55,933	67,301
	10,250	460	(150)	10,560	(433)	(10)	55,933	66,050

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

29. DEFERRED TAX LIABILITIES (cont'd)

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Presented after appropriate offsetting as follows:				
Deferred tax assets	**(1,617)**	(1,135)	**(1,251)**	(668)
Deferred tax liabilities	**211,438**	83,007	**67,301**	11,228
	209,821	81,872	**66,050**	10,560

Tax consequences of proposed dividend

There are no tax consequences (2012: Nil) attached to the dividend to the shareholders proposed by the Company but not recognised as a liability in the financial statements (Note 11).

30. TRADE AND OTHER PAYABLES

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Trade payables - third parties	**5,475**	4,757	**4,288**	2,323
Other payables:				
Directors' fees and other emoluments	**122**	443	**122**	443
Amount due to a subsidiary	**-**	-	**84**	-
Loan from a subsidiary	**-**	-	**500**	-
Balance outstanding on acquisition of land	**257**	183	**-**	-
Accruals and sundry payables	**14,381**	15,253	**7,625**	8,382
	14,760	15,879	**8,331**	8,825
	20,235	20,636	**12,619**	11,148

(a) Trade and other payables

These amounts are non-interest bearing and are normally settled on 30 to 60 days (2012: 30 to 60 days) terms.

(b) Amount due to a subsidiary

This amount is unsecured, non-interest bearing and repayable on demand.

(c) Loan from a subsidiary

This loan is bearing interest at the rate of one percent (1%) above Malayan Banking Berhad's 12 months fixed deposit interest rate per annum and secured by a first mortgage over certain of the Company's leasehold lands (Note 12(d)). The loan is repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

31. EMPLOYEE BENEFITS

Employee Share Scheme

The Company's Employee Share Scheme ("ESS") is governed by the By-Laws approved by the shareholders at an Extraordinary General Meeting held on 29 August 2009. The ESS was implemented on 18 June 2010 and is in force for a period of 10 years from the date of implementation.

The ESS involves up to 15% of the issued and paid-up share capital and comprises an Executive Share Incentive Plan ("ESIP") and Employee Share Option Scheme ("ESOS") for the directors and eligible employees of the Company and its subsidiaries.

Under ESIP, the selected executive will be granted the right to have a certain number of ordinary shares of RM1.00 each in the Company vested in and transferred to the selected executive at a future date, subject to meeting certain prescribed conditions, including the achievement of pre-determined service conditions and/or performance targets.

Under the ESOS, an eligible employee will be offered an option which entitles the eligible employee to subscribe for and/or acquire a certain number of shares of the Company at a future date at pre-determined prices, subject to meeting certain prescribed conditions.

The salient features of the By-Laws are as follows:

(a) The maximum number of new or existing shares of the Company to be made available under the ESS during the duration of the ESS shall not exceed fifteen percent (15%) of the issued and paid-up share capital of the Company at any one time. Not more that fifty percent (50%) of the total shares of the Company available under the ESS shall be allocated, in aggregate, to directors and senior management of the Group. Further, not more than ten percent (10%) of the total shares of the Company available under the ESS shall be allocated to any individual selected executive or eligible employee, who either singly or collectively through persons connected with him holds twenty percent (20%) or more of the issued and paid-up share capital of the Company.

(b) Any director of the Company or employee of any company within the Group shall be eligible to be considered for the grant and/or offer under the ESS.

(c) The grant price (the reference price adopted in determining the number of shares of the Company to be vested in and transferred to the selective executives pursuant to the right under the ESIP), option price (the price at which an eligible employee shall be entitled to subscribe for or acquire shares of the Company upon the exercise of the option under the ESOS) shall be determined by the ESS Committee at its discretion after taking into consideration the following factors:

    (i) the five (5) day weighted average market price of the underlying shares immediately prior to the date of grant and/or date of offer by the ESS Committee, with a discount of not more than ten per centum (10%) therefrom, if deemed appropriate; or

    (ii) the par value of shares of the Company,

    whichever is the higher.

(d) Any new shares of the Company to be allotted and issued upon any exercise of the option shall, upon issue and allotment, rank pari passu in all respects with existing ordinary shares of the Company save and except that the shares shall not be entitled to participate in any dividends, rights, allotments and/or others distributions that may be declared, where the entitlement date precedes the date of allotment.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

31. EMPLOYEE BENEFITS (cont'd)

Employee Share Scheme (cont'd)

Movement of share options during the financial year

The following table illustrates the number ("No.") and weighted average exercise prices ("WAEP") of, and movements in, share options during the financial year:

	2013		2012	
	No.	**WAEP (RM)**	**No.**	**WAEP (RM)**
Outstanding at beginning of financial year	**7,069,700**	**5.48**	7,214,250	5.42
- Granted	**1,180,000**	**6.49**	1,260,000	5.82
- Exercised	**(1,636,400)**	**5.45**	(1,114,550)	5.47
- Forfeited	**(518,400)**	**5.64**	(290,000)	5.47
Outstanding at end of financial year	**6,094,900**	**5.67**	7,069,700	5.48
Exercisable at end of financial year	**1,723,700**	**5.53**	1,170,700	5.45

- The weighted average fair value of options granted during the financial year was RM1.62 (2012: RM1.68).

- The weighted average share price at the date of exercise of the options exercised during the financial year was RM7.24 (2012: RM6.90).

- The range of exercise prices for options outstanding at the end of financial year was RM5.42 to RM6.49 (2012: RM5.42 to RM5.82). The weighted average remaining contractual life for these options is 2.83 years (2012: 3.44 years).

During the financial year, options for 1,636,400 (2012: 1,114,550) ordinary shares of the Company were exercised at a weighted average price of RM5.45 each (2012: RM5.47 each), with a total cash consideration of RM8,917,000 (2012: RM6,099,000) paid to the Company.

Fair value of share options granted

The fair value of the share options granted under ESS is estimated at the grant date using a binomial option pricing model, taking into account the terms and conditions upon which the options were granted.

The inputs to the option pricing model for the financial years ended 30 April 2013 and 2012 are as follows:

	2013	**2012**
Dividend yield (%)	**3.34**	3.20
Expected volatility (%)	**20.06**	22.32
Risk-free interest rate (% p.a.)	**3.18**	3.34
Expected life of option (years)	**5.00**	5.00

The expected life of the options is based on indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessary be the actual outcome.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

31. EMPLOYEE BENEFITS (cont'd)

Employee Share Scheme (cont'd)

Fair value of share options granted (cont'd)

During the financial year, fair value of share options granted amounting to RM2,495,000 (2012: RM4,317,000) for the Group and RM1,565,000 (2012: RM2,029,000) for the Company was charged to profit or loss. No cash outflow was incurred for this charge to profit or loss.

32. RELATED PARTY DISCLOSURES

(a) Transactions with related parties

In addition to the related party transactions information as disclosed in Note 4, the Group and the Company had the following significant transactions with related parties at terms agreed between the parties during the financial year:

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Subsidiaries				
- Sale of oil palm fresh fruit bunches	**-**	-	**31,757**	40,644
- Administrative expenses charged	**-**	-	**3,977**	3,729
- Fair value of share options granted to eligible employees charged	**-**	-	**930**	2,288
Associate				
- Interest income	**-**	45	**-**	45
A licensed commercial bank in which one of the directors of the Company is a director				
- Interest income	**838**	3,234	**494**	2,051

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

32. RELATED PARTY DISCLOSURES (cont'd)

(b) Balances with related parties

	Group		Company	
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
A licensed commercial bank in which one of the directors of the Company is a director				
- Placement in current accounts	**36**	39	**15**	29
- Placement in deposits	**6,638**	50,605	**547**	40,098
- Placement in held-to-maturity investments	**2,412**	32,283	**484**	31,937

Information regarding other outstanding balances arising from related party transactions as at 30 April 2013 and 30 April 2012 are disclosed in Note 21 and 30.

(c) Compensation of key management personnel

The remuneration of directors and other members of key management (being the Chief Executive Officer, Chief Financial Officer, General Manager (Administration and Corporate Affairs), General Managers (Plantations) and General Manager (Oil Mills)) during the financial year was as follows:

	Group		Company	
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
Short-term employee benefits	**2,721**	2,618	**2,295**	2,248
Contributions to defined contribution plan	**337**	272	**273**	216
Social security contributions	**1**	1	**1**	1
Fair value of share options granted under ESS	**937**	1,458	**849**	1,294
	3,996	4,349	**3,418**	3,759

Included in the total compensation of key management personnel were:

	Group and Company	
	2013	2012
	RM'000	RM'000
Executive director's remuneration (Note 8)	**-**	464
Non-executive directors' remuneration (Note 8)	**971**	1,128
	971	1,592

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

32. RELATED PARTY DISCLOSURES (cont'd)

(c) Compensation of key management personnel (cont'd)

Directors' interest in Employee Share Scheme

In the financial year ended 30 April 2011:

(a) On 3 August 2010, 1,300,000 share options were granted to six directors of the Company under ESS at an exercise price of RM8.13 each.

(b) Consequent to the implementation of the bonus issue on the basis of one ordinary share for every two existing ordinary shares which was completed on 2 November 2010, an additional 568,000 share options entitlement on the unexercised options were granted to six directors and the exercise price has been adjusted to RM5.42 each accordingly.

In the previous financial year, 270,000 share options were granted to a director of the Company under ESS at an exercise price of RM5.82 each.

During the current financial year:

(a) 270,000 share options were granted to a director of the Company under ESS at an exercise price of RM6.49 each.

(b) The directors exercised options for ordinary shares of the Company for a total cash consideration of RM423,000 (2012: RM607,000) paid to the Company, details of which are as follows:

	2013 Unit	2012 Unit
Exercise price at RM5.42 each	**78,000**	54,000
Exercise price at RM5.82 each	-	54,000

At the reporting date, the total number of outstanding share options granted by the Company to the eligible directors under ESS amounts to 1,281,000 (2012: 1,089,000).

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

33. CAPITAL COMMITMENTS

	Group		Company	
	2013	**2012**	**2013**	**2012**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Capital expenditure approved and contracted for:				
Biological assets	**2,173**	9,763	**464**	7,276
Purchase of property, plant and equipment	**11,754**	16,798	**3,149**	4,949
	13,927	26,561	**3,613**	12,225
Capital expenditure approved but not contracted for:				
Acquisition of land	**-**	1,238	**-**	-
Biological assets	**11,335**	9,651	**11,245**	9,458
Purchase of property, plant and equipment	**37,533**	34,863	**23,506**	26,017
	48,868	45,752	**34,751**	35,475
	62,795	72,313	**38,364**	47,700

34. SEGMENT INFORMATION

(a) Segment information is presented in respect of the Group's business segments. The primary format of business segments is based on the Group's management and internal reporting structure. No geographical segment information is presented as the business operations of the Group are operated in Malaysia only.

Management monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment.

Segment results and assets include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Income tax expense is managed on a Group basis and is not allocated to any business segment.

Additions to non-current assets is the total cost incurred during the year to acquire segment assets that are expected to be used or hold for more than one financial period.

(b) The directors are of the opinion that all inter-company transactions have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

(c) Business segments

The Group is organised into two business segments as follows:

(i) Plantation - cultivation of oil palm and palm oil milling

(ii) Investment holding

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

34. SEGMENT INFORMATION (cont'd)

(c) Business segments (cont'd)

The following table provides an analysis of the Group's revenue, results, assets and other segment information by business segments:

30 April 2013

	Plantation RM'000	Investment holding RM'000	Consolidated RM'000
Revenue:			
Total sale of oil palm products	253,062	-	253,062
Inter-company sales	(46,972)	-	(46,972)
Total revenue	206,090	-	206,090
Results:			
Segment results	69,918	8,414	78,332
Share of results of associate			4,372
Profit before tax			82,704
Income tax expense			(13,995)
Profit net of tax			68,709
Assets:			
Segment assets	1,540,177	201,268	1,741,445
Non-current assets held for sale			31,536
Consolidated total assets			1,772,981
Other segment information:			
Material income			
Interest income	-	4,797	4,797
Dividend income	-	2,623	2,623
Gain on disposal of available-for-sale investments	-	749	749
Net fair value gains on held-for-trading investments	-	200	200
Reversal of provision for impairment of advances for acquisition of land in prior years	2,146	-	2,146

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

34. SEGMENT INFORMATION (cont'd)

(c) Business segments (cont'd)

30 April 2013 (cont'd)

	Plantation RM'000	Investment holding RM'000	Consolidated RM'000
Other segment information (cont'd):			
Material expenses			
Depreciation of property, plant and equipment	12,386	-	12,386
Amortisation of prepaid land lease payments	193	-	193
Fair value of share options granted to eligible directors and employees expensed off	2,495	-	2,495
Additions to non-current assets			
Purchase of property, plant and equipment	19,822	-	19,822
Additions of biological assets	23,260	-	23,260
Additions of prepaid land lease payments	6,411	-	6,411
Purchase of available-for-sale investments	-	21,334	21,334

30 April 2012

	Plantation RM'000	Investment holding RM'000	Consolidated RM'000
Revenue:			
Total sale of oil palm products	287,240	-	287,240
Inter-company sales	(55,858)	-	(55,858)
Total revenue	231,382	-	231,382
Results:			
Segment results	98,795	7,050	105,845
Share of results of associates			2,802
Profit before tax			108,647
Income tax expense			(22,766)
Profit net of tax			85,881
Assets:			
Segment assets	925,820	208,552	1,134,372
Investment in associate			28,403
Consolidated total assets			1,162,775

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

34. SEGMENT INFORMATION (cont'd)

(c) Business segments (cont'd)

30 April 2012 (cont'd)

	Plantation RM'000	Investment holding RM'000	Consolidated RM'000
Other segment information:			
Material income			
Interest income	-	5,051	5,051
Dividend income	-	2,022	2,022
Gain on disposal of an associate	-	365	365
Net fair value gains on held-for-trading investments	-	772	772
Material expenses			
Depreciation of property, plant and equipment	11,092	-	11,092
Amortisation of prepaid land lease payments	191	-	191
Loss on disposal of available-for-sale investment	-	885	885
Fair value of share options granted to eligible directors and employees expensed off	4,317	-	4,317
Additions to non-current assets			
Purchase of property, plant and equipment	23,169	-	23,169
Additions of biological assets	21,837	-	21,837
Purchase of available-for-sale investment	-	635	635

35. FINANCIAL ASSETS AND LIABILITIES

(a) Financial assets

Total financial assets of the Group and of the Company at the reporting date consist of the following:

	Note	Group 2013 RM'000	Group 2012 RM'000	Company 2013 RM'000	Company 2012 RM'000
Available-for-sale investments	19	**57,105**	41,756	**57,105**	41,756
Trade and other receivables *	21	**12,212**	13,735	**5,432**	5,033
Held-for-trading investments	22	**7,182**	14,798	**7,182**	14,798
Held-to-maturity investments	23	**28,440**	42,482	**26,512**	42,136
Cash and bank balances	24	**108,025**	109,579	**100,346**	98,555
		212,964	222,350	**196,577**	202,278

* Excluding advances for acquisition of land and prepayments of the Group and of the Company amounting to RM411,000 (2012: RM3,722,000) and RM251,000 (2012: RM126,000) respectively which are not recoverable in cash.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

35. FINANCIAL ASSETS AND LIABILITIES (cont'd)

(b) Financial liabilities

Trade and other payables of the Group and of the Company amounting to RM20,235,000 (2012: RM20,636,000) and RM12,619,000 (2012: RM11,148,000) respectively as disclosed in Note 30 represent total financial liabilities carried at amortised cost.

36. FAIR VALUE OF FINANCIAL INSTRUMENTS

(a) Financial instruments that are carried at fair value

The followings are the classes of financial instruments that are carried at fair value which is determined directly by reference to their published market bid price at the reporting date:

	Note
Available-for-sale investments	19
Held-for-trading investments	22

(b) Financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The followings are the classes of financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value:

	Note
Trade and other receivables *	35(a)
Held-to-maturity investments	35(a)
Cash and bank balances	35(a)
Trade and other payables	35(b)

* Excluding advances for acquisition of land and prepayments.

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values due to their short-term nature.

(c) Fair value hierarchy

The Group and the Company use the following hierarchy for determining and disclosing the fair value of financial instruments by various valuation techniques:

Level	Valuation technique
Level 1	Quoted prices (unadjusted) in active markets for identical assets and liabilities.
Level 2	Input other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3	Input for the asset or liability that are not based on observable market data (unobservable inputs).

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

36. FAIR VALUE OF FINANCIAL INSTRUMENTS (cont'd)

(c) Fair value hierarchy (cont'd)

At the reporting date, the Group and the Company held the following financial instruments carried at fair value in the statements of financial position:

	Group and Company			
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
<u>30 April 2013</u>				
Available-for-sale investments:				
<u>Quoted investments</u>:				
In Malaysia				
- shares	24,389	-	-	24,389
- unit trusts	10,267	-	-	10,267
Outside Malaysia				
- unit trusts	821	-	-	821
<u>Unquoted investments</u>:				
In Malaysia				
- unit trusts	-	21,603	-	21,603
Outside Malaysia				
- shares	-	25	-	25
Held-for-trading investments:				
<u>Quoted investments</u>:				
In Malaysia				
- shares	7,182	-	-	7,182

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

36. FAIR VALUE OF FINANCIAL INSTRUMENTS (cont'd)

(c) Fair value hierarchy (cont'd)

	Group and Company			
	Level 1 RM'000	**Level 2 RM'000**	**Level 3 RM'000**	**Total RM'000**
30 April 2012				
Available-for-sale investments:				
Quoted investments:				
In Malaysia				
- shares	25,190	-	-	25,190
- unit trusts	4,709	-	-	4,709
Outside Malaysia				
- unit trusts	791	-	-	791
Unquoted investments:				
In Malaysia				
- unit trusts	-	11,026	-	11,026
Outside Malaysia				
- shares	-	40	-	40
Held-for-trading investments:				
Quoted investments:				
In Malaysia				
- shares	11,329	-	-	11,329
Outside Malaysia				
- shares	3,469	-	-	3,469

There were no transfers between Level 1 and Level 2 fair value measurements during the current and previous financial years.

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk, foreign currency risk and market price risk.

The Board of Directors reviews and agrees policies and procedures for the management of these risks. The audit committee provides independent oversight to the effectiveness of the risk management process.

The following sections provide details regarding the Group's and the Company's exposure to the abovementioned financial risks and the objectives, policies and processes for the management of these risks.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(a) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including investment in unit trust funds and equity instruments, held-to-maturity investments and cash and bank balances), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

The Group's and the Company's objective is to seek continual revenue growth while minimising losses incurred due to increase of credit risk exposure. The Group trades only with recognised and creditworthy third parties. In addition, receivable balances are monitored on an ongoing basis. There were no known bad debts during the financial year.

<u>Exposure to credit risk</u>

At the reporting date, the Group's and the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

<u>Credit risk concentration profile</u>

The Group has no significant concentration of credit risk that may arise from exposure to a single debtor or to groups of debtors.

<u>Financial assets that are neither past due nor impaired</u>

Information regarding trade receivables that are neither past due nor impaired is disclosed in Note 21(a).

Investment in unit trust funds, equity instruments and deposits with banks are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

<u>Financial asset that is past due but not impaired</u>

Information regarding trade receivable that is past due but not impaired is disclosed in Note 21(a).

(b) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds.

The Group and the Company have no external borrowings and have adequate cash or cash convertible assets to meet all its working capital requirements.

All the trade and other payables of the Group and the Company are repayable within one year.

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates.

The Group has no interest-bearing debt. However, the Group and the Company have short term interest bearing financial assets as at 30 April 2013. The investment in financial assets are mainly short term in nature and are not held for speculative purposes but have been mostly placed in deposits which classified as held-to-maturity investments or cash and bank balances.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(c) Interest rate risk (cont'd)

Sensitivity analysis for interest rate risk

At the reporting date, if interest rates had been 25 basis points higher/lower, with all other variables held constant, the Group's and the Company's profit net of tax would have been RM281,000 (2012: RM296,000) and RM245,000 (2012: RM225,000) higher/lower respectively, arising mainly as a result of higher/lower interest income from placements of fund in short term deposits, fixed deposits and money market funds.

(d) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchanges rates.

The Group and the Company are exposed to currency translation risk arising from the investment in shares quoted outside Malaysia which held for trading and managed by a licensed fund manager.

At the end of previous financial year, the Group and the Company also own cash and cash equivalents denominated in foreign currencies (mainly in United States Dollar and amount to RM666,000) which managed by the abovementioned licensed fund manager for investment in shares quoted outside Malaysia purpose.

However, the management had liquidated such investment in shares quoted outside Malaysia during the current financial year.

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's and the Company's profit net of tax to a reasonable possible change in United States Dollar ("USD"), Hong Kong Dollar ("HKD"), Indonesian Rupiah ("IDR") and Phillippine Peso ("PHP") exchange rates against RM, with all other variables held constant.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(d) Foreign currency risk (cont'd)

Sensitivity analysis for foreign currency risk (cont'd)

	Group and Company Increase/(decrease) on profit net of tax	
	2013 RM'000	**2012 RM'000**
USD/RM:		
- strengthened 3%	**2**	90
- weakened 3%	**(2)**	(90)
HKD/RM:		
- strengthened 3%	**1**	16
- weakened 3%	**(1)**	(16)
IDR/RM:		
- strengthened 3%	**-**	18
- weakened 3%	**-**	(18)
PHP/RM:		
- strengthened 3%	**1**	-
- weakened 3%	**(1)**	-

(e) Market price risk

Market price risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market prices. The Group and the Company are exposed to market price risk as follows:

(i) Commodity price risk

The Group and the Company are exposed to market price risk arising from price fluctuations on crude palm oil ("CPO") and palm kernel ("PK") in the commodity market. Management reviews these risks and takes proactive measures to mitigate its effects by monitoring the market condition and maximising production and operational efficiencies on a regular basis.

Sensitivity analysis for commodity price risk

The following table demonstrates the sensitivity of the Group's and the Company's profit net of tax to a reasonable possible change in commodity prices of CPO and PK at the reporting date, with all other variables held constant.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(e) Market price risk (cont'd)

(i) Commodity price risk (cont'd)

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Increase/(decrease) on profit net of tax				
- CPO price 5% higher	**6,331**	6,591	**2,085**	2,024
- CPO price 5% lower	**(6,331)**	(6,591)	**(2,085)**	(2,024)
- PK price 5% higher	**826**	1,035	**269**	322
- PK price 5% lower	**(826)**	(1,035)	**(269)**	(322)

(ii) Equity price risk

The Group's and the Company's investment in unit trust funds (comprising equity funds) and equity instruments (mainly comprising quoted shares listed on Bursa Malaysia Securities Berhad) are subject to fluctuation in net asset values of the unit trust funds and market prices of equity instruments. These instruments are classified as available-for-sale investments or held-for-trading investments.

For investment in unit trust funds, the Group's objective is to manage market price risk by investing in unit trust funds with consistent dividend returns. A careful selection of fund managers with creditable performance track record is carried out. In addition, the fund managers of the unit trust funds are required to provide write-ups of the funds' holdings and investment strategies for the management's review regularly.

For long term investment in shares which classified as available-for-sale investments, the Group's objective is to manage market price risk by investing in shares with consistent dividend returns.

For investment in quoted shares held for trading which managed by licensed fund managers, a careful selection of fund manager with creditable performance track record is carried out. The market price risk is managed by the fund managers by maintaining a mix of securities with consistent dividend yield and potential for capital appreciation in order to achieve a reasonable rate of return. The fund managers of the equity portfolio are required to provide monthly write-up of the fund's holdings and investment strategies for management's review.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(e) Market price risk (cont'd)

(ii) Equity price risk (cont'd)

Sensitivity analysis for equity price risk

The analysis below is performed for reasonably possible price movements in investment in unit trust funds and quoted shares which classified as available-for-sale investments or held-for-trading investments at the reporting date:

	Group and Company	
	Increase/ (decrease) on profit net of tax RM'000	Increase/ (decrease) on equity RM'000
30 April 2013		
Available-for-sale investments:		
Investment in equity funds		
- Market value + 5%	-	1,635
- Market value - 5%	-	(1,635)
Investment in shares		
- Market value + 5%	-	1,221
- Market value - 5%	-	(1,221)
Held-for-trading investments:		
Investment in shares		
- Market value + 5%	359	359
- Market value - 5%	(359)	(359)
30 April 2012		
Available-for-sale investments:		
Investment in equity funds		
- Market value + 5%	-	826
- Market value - 5%	-	(826)
Investment in shares		
- Market value + 5%	-	1,261
- Market value - 5%	-	(1,261)
Held-for-trading investments:		
Investment in shares		
- Market value + 5%	740	740
- Market value - 5%	(740)	(740)

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

38. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholders' value.

The Group regularly reviews its capital structure to ensure optimal capital structure and shareholders' return, taking into consideration future requirements of the Group and capital efficiency, prevailing and projected profitability and projected operating cash flows. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders or issue new shares.

The Group is not subject to any externally imposed capital requirements.

The total amount of capital and distributable reserves for the Group and the Company at the reporting date is analysed as follows:

	Group		Company	
	2013 RM'000	**2012 RM'000**	**2013 RM'000**	**2012 RM'000**
Share capital	**205,109**	203,473	**205,109**	203,473
Share premium	**17,987**	7,963	**17,485**	7,461
Retained earnings	**561,706**	544,801	**451,902**	441,397
	784,802	756,237	**674,496**	652,331

39. SUBSEQUENT EVENT

Proposed disposal of an associate

On 17 June 2013, the Group has entered into an agreement to dispose off an associate, Niro Ceramic (M) Sdn. Bhd. for a cash consideration of RM36,315,000. The disposal is currently pending for completion.

40. COMPARATIVES

The following amounts as at 30 April 2012 have been reclassified to conform with the current year's presentation:

	As previously stated RM'000	**Reclassifications RM'000**	**As restated RM'000**
Group			
Statement of financial position			
Held-to-maturity investments	-	42,482	42,482
Cash and bank balances	152,061	(42,482)	109,579

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

40. COMPARATIVES (cont'd)

	As previously stated RM'000	Reclassifications RM'000	As restated RM'000
Company			
Statement of financial position			
Held-to-maturity investments	-	42,136	42,136
Cash and bank balances	140,691	(42,136)	98,555

The above reclassifications have no effect on the financial performance of the Group and the Company.

41. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the financial year ended 30 April 2013 were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 27 June 2013.

SUPPLEMENTARY INFORMATION
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

BREAKDOWN OF RETAINED EARNINGS INTO REALISED AND UNREALISED PROFITS OR LOSSES

The breakdown of the retained earnings of the Group and the Company as at 30 April 2013 and 30 April 2012 into realised and unrealised profits or losses as below 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.

	Group		Company	
	2013 RM'000	**2012 RM'000**	**2013 RM'000**	**2012 RM'000**
Total retained earnings of the Company and its subsidiaries:				
- Realised	**581,993**	566,923	**453,979**	443,346
- Unrealised	**(12,429)**	(12,030)	**(2,077)**	(1,949)
	569,564	554,893	**451,902**	441,397
Total share of retained earnings from associate:				
- Realised	**13,865**	10,926	**-**	-
- Unrealised	**1,061**	1,004	**-**	-
	584,490	566,823	**451,902**	441,397
Less: Consolidation adjustments	**(22,784)**	(22,022)	**-**	-
Total retained earnings	**561,706**	544,801	**451,902**	441,397

LIST OF PROPERTIES HELD
AS AT 30 APRIL 2013

Location	Tenure	Titled Hectarage	Description	Year of Acquisition */ Revaluation	Carrying Amount of Properties # as at 30 April 2013 RM'000
Masjid Tanah Estate 78300 Masjid Tanah Melaka	Freehold Leasehold (expiring on: 31-12-2033 15-03-2066)	354.3 2.8 0.2	Oil palm estate	2013	31,520
Pelin Estate 71300 Rembau Negeri Sembilan	Freehold	154.3	Oil palm estate	2013	11,299
Machap Estate 76100 Durian Tunggal Melaka	Freehold Leasehold (expiring on: 20-12-2024 25-04-2025 21-03-2038)	244.5 215.7 153.0 240.2	Oil palm estate	2013	60,899
Tampin Estate 73300 Batang Melaka Negeri Sembilan	Freehold	298.9	Oil palm estate	2013	16,390
Selandar Estate Selandar P.O. 77500 Jasin Melaka	Freehold Leasehold (expiring on: 31-07-2025)	194.5 22.1	Oil palm estate	2013	17,830
Batu Anam Estate Batu Anam P.O. 85100 Batu Anam Segamat, Johor	Freehold	864.9	Oil palm estate	2013	43,956
Malaka Pinda Estate Alor Gajah P.O. 78000 Alor Gajah Melaka	Freehold Leasehold (expiring on: 21-03-2038 22-10-2048 25-10-2053)	68.0 112.1 20.3 123.8	Oil palm estate	2013	24,199
Leong Hin San Estate 71200 Rantau Negeri Sembilan	Freehold	844.6	Oil palm estate	2013	50,051
Bukit Senorang Estate 28380 Kemayan Pahang	Leasehold (expiring on: 14-05-2066 11-01-2069 15-12-2072 04-03-2073)	 196.1 403.0 604.5 425.3	Oil palm estate and palm oil mill	2013	109,827
South East Pahang Estate 28380 Kemayan Pahang	Leasehold (expiring on: 06-09-2066 18-09-2084)	 202.3 1,416.4	Oil palm estate	2013	86,099
Mamahat Estate Labuk Sugut Beluran District 90000 Sabah	Lease land (expiring between: 2031 and 2032 2097 and 2099)	 30.1 1,396.5	Oil palm estate	2013	103,443

LIST OF PROPERTIES HELD (cont'd)
AS AT 30 APRIL 2013

Location	Tenure	Titled Hectarage	Description	Year of Acquisition */ Revaluation	Carrying Amount of Properties # as at 30 April 2013 RM'000
Paitan and Tanjong Nipis Estates Labuk Sugut Beluran District 90000 Sabah	Leasehold (expiring between: 2098 and 2102)	918.1	Oil palm estate and palm oil mill	2013	207,123
	Lease land (expiring between: 2031 and 2035	979.2			
	2098 and 2100)	1,222.8			
Tengkarasan Estate Labuk Sugut Beluran District 90000 Sabah	Leasehold (expiring on 2100)	68.2	Oil palm estate	2013	157,057
	Lease land (expiring between: 2031 and 2035	938.1			
	2098 and 2100)	1,291.9			
	(expiring on: 08-01-2043)	442.4		2013 *	
Millian-Labau Estate Sungai Millian-Labau Kinabatangan District 89950 Nabawan Sabah	Leasehold (expiring on: 31-12-2098)	10,126.3	Oil palm estate	2013	510,502
Head Office Building No. 61, Jalan Melaka Raya 8 Taman Melaka Raya 75000 Melaka	Leasehold (expiring on: 07-07-2093)	93,972 sq. ft.	Office building (Age of building: 7 years)	2013	11,150
Office Building Suite 16.08 & 16.09, Level 16 Plaza 138, 138, Jalan Ampang 50450 Kuala Lumpur	Freehold	1,550 sq. ft.	Office building (Age of building: 5 years)	2009 *	896
Office Building Lot 6, Block E Keningau Plaza 89008 Keningau, Sabah	Leasehold (expiring on: 31-12-2097)	4,280 sq. ft.	Shophouse (Age of building: 3 years)	2013	960
Regional Office Building Lot 10, Block 19 Lorong Bandar Indah 5 Bandar Indah Mile 4, North Road 90000 Sandakan, Sabah	Leasehold (expiring on 2882)	2,000 sq. ft.	Shophouse (Age of building: 12 years)	2013	780
Awana Condominium Unit 5542 Awana Condominium 8th Mile, Genting Highlands 89000 Genting Highlands Pahang	Freehold	1,258 sq. ft.	Holiday condominium (Age of building: 26 years)	2013	285
Executive Bungalow MDLB 1849 Taman Khong Lok Jalan Airport Sandakan 90000 Sandakan, Sabah	Leasehold (expiring on: 09-07-2887)	7,880 sq. ft.	Company bungalow (Age of building: 13 years)	2013	600
				TOTAL	**1,444,866**

Include freehold land, leasehold land, buildings and biological assets.

SHAREHOLDING ANALYSIS
AS AT 30 JUNE 2013

Authorised capital	:	RM500,000,000
Issued & Paid-up capital	:	RM205,233,101
Class of share	:	Ordinary shares of RM1.00 each

VOTING RIGHTS OF SHAREHOLDERS

Subject to the provisions of the Securities Industry (Central Depositories) (Foreign Ownership) Regulations 1996, every entitled member of the Company present in person or by proxy shall have one vote on a show of hand and in the case of poll shall have one vote for every share of which he/she is the holder.

DISTRIBUTION SCHEDULE

No. of Holders	Holdings	Total Holdings	%
204	Less than 100	10,870	0.01
877	100 to 1000	688,898	0.34
4,783	1001 to 10000	18,845,238	9.18
1,354	10001 to 100000	34,900,738	17.01
129	100,001 to less than 5% of issued capital	79,543,185	38.76
4	5% and above of issued shares	71,244,172	34.71
7,351		**205,233,101**	**100**

DIRECTORS' SHAREHOLDINGS

Name of Directors	Direct shareholdings	Percentage of issued capital	Indirect shareholdings	Percentage of issued capital
Tan Siok Choo	3,486,181	1.70	2,605,549	1.27
Datuk Boon Weng Siew	108,000	0.05	-	-
Tan Sri Dato' Ahmad Bin Mohd Don	-	-	-	-
Tan Jiew Hoe	241,125	0.12	2,510,021	1.22
Teo Leng	14,000	0.006	-	-
Dato' Tan Ang Meng	11,000	0.005	-	-

SHAREHOLDING ANALYSIS (cont'd)
AS AT 30 JUNE 2013

Name	Shareholdings registered in the name of the substantial shareholders	Shareholdings in which the substantial shareholders are deemed to be interested	Total	Percentage of issued capital
Oversea-Chinese Banking Corporation Ltd	-	29,589,138 *1	29,589,138	14.43
Great Eastern Life Assurance (Malaysia) Bhd	28,185,701	-	28,185,701	13.74
Aberdeen Asset Management PLC and its subsidiaries	-	29,471,550 *2	29,471,550	14.07
Mitsubishi UFJ Trust Financial Group	-	29,471,550 *3	29,471,550	14.07
Lee Foundation	-	16,435,963 *4	16,435,963	8.00
Aberdeen Asset Management Asia Ltd	-	16,208,950 *5	16,208,950	7.76
HSBC Nominees (Asing) Sdn. Bhd. - HSBC Private Bank (Suisse) S.A.	-	17,838,485	17,838,485	8.69
Aberdeen Asset Management Sdn Bhd	-	13,308,400	13,308,400	6.28
Aberdeen International Fund Managers Limited	-	11,040,250	11,040,250	5.24
HSBC Nominees (Asing) Sdn. Bhd. - Selat (Pte) Limited	10,869,744	-	10,869,744	5.34
Employee Provident Fund Board	10,779,200	-	10,779,200	5.26

1. Oversea-Chinese Banking Corporation Ltd is deemed interested in the shareholdings registered in the following names:-
   - Malaysia Nominees (Tempatan) Sendirian Berhad - for Great Eastern Life Assurance (Malaysia) Berhad – 28,185,701
   - Citigroup Nominees (Asing) Sdn. Bhd. for CB Singapore GW for Eastern Realty Company Limited – 1,392,187
   - Apex Pharmacy Holdings Sdn. Bhd. – 11,250

2. Aberdeen Asset Management PLC and its subsidiaries is deemed interested in the shareholdings registered in the following nominees:-
   - Aberdeen Asset Management Asia Limited – 16,208,950
   - Aberdeen Asset Management Sdn. Bhd. – 13,308,400
   - Aberdeen Islamic Asset Management Sdn. Bhd. – 54,200
   - Aberdeen Asset Management Incorporated – 529,900
   - Aberdeen International Fund Managers Limited – 11,040,250

3. Deemed interested by virtue of its shareholdings of more than 15% held in Aberdeen Asset Management PLC by Mitsubishi UFJ Trust & Banking Corp, a wholly subsidiary of Mitsubishi UFJ Trust Financial Group

4. Lee Foundation is deemed interested in the following shareholdings held via nominees:-
   HSBC Nominees (Asing) Sdn Bhd for
   - Lee Pineapple Company Pte Ltd – 126,562

   Citigroup Nominees (Asing) Sdn Bhd:-
   - Exempt an for OCBC Securities Private Limited (for Singapore Investments Pte Ltd) – 1,984,500
   - Selat Pte Ltd – 10,869,744
   - Singapore Investments Pte Ltd – 3,455,157

5. Aberdeen Asset Management Asia Limited is deemed interested in the following shareholdings held via nominees:-
   - BNP Paribas Securities Services – 14,020,250
   - BNP Paribas Trust Services Singapore Limited – 1,658,800
   - Nothern Trust – Chicago – 386,400
   - State Street Bank & Trust – 143,500

SHAREHOLDING ANALYSIS (cont'd)
AS AT 30 JUNE 2013

LIST OF TOP 30 SHAREHOLDERS AS AT 30/6/2013

		No. of share	%
(1)	Malaysia Nominees (Tempatan) Sdn. Bhd. - Great Eastern Life Assurance (Malaysia) Berhad.	28,185,701	13.73
(2)	Citigroup Nominees (Asing) Sdn. Bhd. - Exempt an for OCBC Securities Private Limited (CLIENT A/C-NR)	20,314,914	9.90
(3)	HSBC Nominees (Asing) Sdn. Bhd. - Exempt an for HSBC Private Bank (Suisse) S.A. (Spore TST AC CL)	17,838,485	8.69
(4)	HSBC Nominees (Asing) Sdn. Bhd. - BNP Paribas Secs Svs Lux for Aberdeen Global	11,040,250	5.38
(5)	HSBC Nominees (Asing) Sdn. Bhd. - Exempt an for The Bank of New York Mellon SA/NV (AMEX – FOREIGN)	7,750,000	3.78
(6)	Citigroup Nominees (Tempatan) Sdn. Bhd. - Employees Provident Fund Board (Aberdeen)	6,500,000	3.17
(7)	Citigroup Nominees (Tempatan) Sdn. Bhd. - Kumpulan Wang Persaraan (Diperbadankan) (Aberdeen)	4,588,700	2.24
(8)	Citigroup Nominees (Tempatan) Sdn. Bhd. - Employees Provident Fund Board	4,279,200	2.09
(9)	Tan Siok Choo	3,486,181	1.70
(10)	Tan Siok Lee	3,111,222	1.52
(11)	HSBC Nominees (Asing) Sdn. Bhd. - BNP Paribas Secs Svs Paris for Aberdeen Asian Smaller Companies Investments Trust PLC	2,980,000	1.45
(12)	Tan Siok Eng	2,633,963	1.28
(13)	Lim Cheng Neo	2,605,549	1.27
(14)	Klebang Investments Pte Ltd	1,906,400	0.93
(15)	HSBC Nominees (Asing) Sdn. Bhd. - Exempt an for BNP Paribas Securities Services (Singapore – SGD)	1,658,800	0.81
(16)	Citigroup Nominees (Asing) Sdn. Bhd. - CB Spore GW for Eastern Realty Company Limited (OCB33678-000MIS)	1,392,187	0.68

SHAREHOLDING ANALYSIS (cont'd)
AS AT 30 JUNE 2013

LIST OF TOP 30 SHAREHOLDERS AS AT 30/6/2013 (cont'd)

		No. of share	%
(17)	Dipang Mines Sdn. Bhd.	1,265,625	0.62
(18)	AMSEC Nominees (Tempatan) Sdn. Bhd. - Aberdeen Asset Management Sdn. Bhd. for Tenaga Nasional Berhad Retirement Benefit Trust Fund (FM-Aberdeen)	1,217,300	0.59
(19)	Tan Jin Tuan	1,113,310	0.54
(20)	Chee Bay Hoon & Co. Sdn. Bhd.	1,051,500	0.51
(21)	The Federal Oil Mills Berhad	961,875	0.47
(22)	Citigroup Nominees (Asing) Sdn. Bhd. - CBNY for Dimensional Emerging Markets Value Fund	960,500	0.47
(23)	Seah Mok Khoon	800,000	0.39
(24)	Alros Sendirian Berhad	792,000	0.39
(25)	Swee Cheng Investments Private Limited	750,000	0.37
(26)	Nora Ee Siong Chee	718,875	0.35
(27)	Chee Swee Cheng & Co Sdn. Bhd.	714,042	0.35
(28)	Gemas Bahru Estate Sdn. Bhd.	672,900	0.33
(29)	HSBC Nominees (Asing) Sdn. Bhd. Paribas Secs Svs Paris for HI-KABL-FONDS	651,000	0.32
(30)	Maybank Nominees (Tempatan) Sdn. Bhd. - Aberdeen Asset Management Sdn. Bhd. for Malaysian Timber Council (Endowment Fund)	497,150	0.24
		132,437,629	64.56

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FORM OF PROXY

United **Malacca** Berhad
(1319-V)
(Incorporated in Malaysia)

I/We ……
(FULL NAME IN CAPITAL)

of ……
(FULL ADDRESS)

being a member of UNITED MALACCA BERHAD hereby appoint ……………………………………………………

……
(FULL NAME IN CAPITAL)

of ……
(FULL ADDRESS)

or failing him/her ……………………………………………………………………………………………………
(FULL NAME IN CAPITAL)

of……
(FULL ADDRESS)

or the Chairperson of the Meeting as my/our proxy to vote for me/us and on my/our behalf at the Ninety-ninth Annual General Meeting of the Company to be held on Friday, 30 August 2013 at 11.00 a.m. and at any adjournment thereof.

My/our proxy is to vote on the Resolutions as indicated by an "X" in the appropriate spaces below:

Resolution	Relating to:	For	Against
No. 1	Adoption of Directors' Reports and Audited Financial Statement for financial year ended 30 April 2013 and Report of the Auditors		
No. 2	Approval of Directors' fees for the financial year ending 30 April 2014		
No. 3	Re-election of Tan Sri Dato' Ahmad Bin Mohd Don, a Director retiring by rotation in accordance with Article 118 of the Company's Articles of Association		
No. 4	Re-appointment of Datuk Boon Weng Siew as a Director pursuant to Section 129(6) of the Companies Act, 1965		
No. 5	Re-appointment and remuneration of Auditors		
	Special Business :-		
No. 6	Continuing In Office as Independent Non-Executive Director by Datuk Boon Weng Siew		
No. 7	Continuing In Office as Independent Non-Executive Director by Ms. Tan Siok Choo		

As Witness my hand this …………………day of ……………………. 2013

No. of Shares Held

Signed by the said: …………………………………………………………
(Signature of Member)

in the presence of: …………………………………………………………
(Name & Signature of Witness)

Notes:

1. *The right of Foreign Depositors to vote in respect of their deposited securities with Bursa Malaysia Depository Sdn Bhd is subject to Section 41(1)(e) and Section 41(2) of the Securities Industry (Central Depositories) Act, 1991 and Securities Industry (Central Depositories)(Foreign Ownership) Regulations, 1996. The position of Depositors in this regard will be determined based on The General Meeting Record of Depositors. Depositors whose shares exceed the prescribed limit as at the date of The General Meeting Record of Depositors may attend the above Meeting but are not entitled to vote. Consequently, a proxy appointed by a Depositor who is not entitled to vote will also not be entitled to vote at the above meeting.*
2. *The instrument appointing a proxy must be deposited at the Registered Office of the Company at United Malacca Berhad Building, 6th floor, No. 61, Jalan Melaka Raya 8, Taman Melaka Raya, 75000 Melaka not less than 48 hours before the time appointed for holding the Meeting or any adjournment thereof for the proxy to be valid.*
3. *Only members whose names appear in the Register of Members or registered in the General Meeting Record of Depositors on or before 5.00 p.m. on 20 August 2013 shall be eligible to attend the Annual General Meeting.*
4. *Where this proxy form is executed by a corporation, it must be either under its seal or under the hand of an officer or attorney duly authorized.*
5. *The proxy will vote or abstain at his discretion if no indication is given.*

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Stamp

The Company Secretary
United **Malacca** Berhad
(Company No. 1319-V)
6th Floor, No. 61, Jalan Melaka Raya 8,
Taman Melaka Raya,
75000 Melaka.

please fold along this line (2)

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