

**INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2013
(THE FIGURES HAVE NOT BEEN AUDITED)**
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2013

	3 MONTHS ENDED		YEAR ENDED	
	31/12/2013	31/12/2012	31/12/2013	31/12/2012
Note	RM'000	RM'000	RM'000	RM'000
				(Audited)
Revenue	106,210	95,993	418,451	398,604
Cost of sales	(79,920)	(73,073)	(312,888)	(297,466)
Gross profit	26,290	22,920	105,563	101,138
Other income	929	926	2,528	3,242
Selling & marketing expenses	(11,590)	(9,732)	(47,579)	(45,026)
Administrative expenses	(4,846)	(3,937)	(18,078)	(16,304)
Other expenses	(341)	(248)	(998)	(588)
Finance cost	(10)	(11)	(43)	(113)
Share of results of jointly controlled entity net of tax	134	-	(778)	-
Profit before tax	10,566	9,918	40,615	42,349
Income tax expense	(2,922)	(2,020)	(10,492)	(13,283)
Net profit for the year	7,644	7,898	30,123	29,066
Other comprehensive income:				
Foreign currency translation, representing other comprehensive income net of tax	1,853	905	1,853	905
Total comprehensive income for the year	9,497	8,803	31,976	29,971
Net profit attributable to:				
Owners of the parent	7,617	7,890	30,022	29,012
Non-controlling interest	27	8	101	54
Net profit for the year	7,644	7,898	30,123	29,066
Total comprehensive income attributable to:				
Owners of the parent	9,470	8,795	31,875	29,917
Non-controlling interest	27	8	101	54
Total comprehensive income for the year	9,497	8,803	31,976	29,971
Earnings per share attributable to owners of the parent:				
		Sen	Sen	Sen
- Basic	B11	8.13	8.42	32.03
- Diluted	B11	8.13	8.42	32.03

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying explanatory notes attached to the Interim Financial Statements.

**INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2013
(THE FIGURES HAVE NOT BEEN AUDITED)**
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2013

	Note	As at 31/12/2013 RM'000	As at 31/12/2012 RM'000 <i>(Audited)</i>
ASSETS			
Non-Current Assets			
Property, plant and equipment	A12	106,911	76,442
Investment properties		3,338	3,483
Intangible assets		1,190	1,197
Investment in jointly-controlled entity		4,211	-
Deferred tax assets		376	680
Available-for-sale financial asset		-	3,928
Deposits, bank and cash balances		5,520	-
		<u>121,546</u>	<u>85,730</u>
Current Assets			
Inventories		47,743	43,123
Trade and other receivables		106,549	96,022
Prepayments		120	75
Derivative financial instruments	A15 & B12	25	17
Available-for-sale financial asset	A10	3,928	-
Investment securities		-	30,494
Deposits, bank and cash balances		32,804	34,674
		<u>191,169</u>	<u>204,405</u>
TOTAL ASSETS		<u>312,715</u>	<u>290,135</u>
EQUITY AND LIABILITIES			
Current Liabilities			
Borrowings	B8	-	-
Derivative financial instruments	A15	1	-
Trade and other payables		70,118	66,182
Current tax payable		1,771	1,740
		<u>71,890</u>	<u>67,922</u>
Non-Current Liability			
Deferred tax liabilities		5,752	5,761
		<u>5,752</u>	<u>5,761</u>
TOTAL LIABILITIES		<u>77,642</u>	<u>73,683</u>
NET ASSETS		<u>235,073</u>	<u>216,452</u>
EQUITY			
Equity attributable to owners of the parent			
Share capital		93,717	93,717
Reserves		3,217	1,364
Retained earnings	B14	137,896	121,229
		<u>234,830</u>	<u>216,310</u>
Non-controlling interest		243	142
TOTAL EQUITY		<u>235,073</u>	<u>216,452</u>
		RM	RM
Net Assets per share attributable to owners of the parent		<u>2.51</u>	<u>2.31</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying explanatory notes attached to the Interim Financial Statements.

**INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2013
 (THE FIGURES HAVE NOT BEEN AUDITED)**
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2013

Revaluation Note	← Non-Distributable		→ Distributable		Equity attributable to owners of the parent, total RM'000	Non- controlling interest RM'000	Total Equity RM'000
	Share capital RM'000	Revaluation reserves RM'000	Foreign currency translation reserves RM'000	Retained earnings RM'000			
<u>YEAR ENDED 31 DECEMBER 2013</u>							
Balance at 1 January 2013	93,717	-	1,364	121,229	216,310	142	216,452
Total comprehensive income	-	-	1,853	30,022	31,875	101	31,976
Transaction with owners							
Dividends on ordinary shares	A8	-	-	(13,355)	(13,355)	-	(13,355)
Total transaction with owners		-	-	(13,355)	(13,355)	-	(13,355)
Balance as at 31 December 2013	93,717	-	3,217	137,896	234,830	243	235,073
<u>YEAR ENDED 31 DECEMBER 2012</u>							
Balance at 1 January 2012							
As previously stated under FRS	93,717	6,883	324	97,886	198,810	13,330	212,140
Effect of adopting MFRS 1	-	(6,883)	135	6,748	-	-	-
At 1 January 2012 under MFRS	93,717	-	459	104,634	198,810	13,330	212,140
Total comprehensive income	-	-	905	29,012	29,917	54	29,971
Transactions with owners							
Disposal of non-current asset held for sale by non-controlling interest		-	-	-	-	(13,242)	(13,242)
Dividends on ordinary shares	A8	-	-	(12,417)	(12,417)	-	(12,417)
Total transaction with owners		-	-	(12,417)	(12,417)	(13,242)	(25,659)
Balance as at 31 December 2012	93,717	-	1,364	121,229	216,310	142	216,452

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying explanatory notes attached to the Interim Financial Statements.

INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2013
(THE FIGURES HAVE NOT BEEN AUDITED)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 DECEMBER 2013

	YEAR ENDED	
	31/12/2013	31/12/2012
	RM'000	RM'000
Cash flows from operating activities		(Audited)
Profit before tax	40,615	42,349
Adjustments:		
Depreciation and amortisation	7,799	7,280
Impairment loss on investment property	119	-
Net profit on disposal of property, plant and equipment	(64)	(627)
Share of results of jointly controlled entity net of tax	778	-
Dividends received from investment securities	(62)	-
Fair value gain of investment securities	-	(399)
Net profit from disposal of investment securities	(23)	-
Fair value changes of derivative financial instruments	(7)	(29)
Inventories written off and written down	888	933
Reversal of inventories written down	(841)	(868)
Impairment loss on trade receivables	560	1,042
Bad debts recovered	(1)	(38)
Interest expense	43	113
Interest income	(478)	(545)
Unrealised foreign currency gain	(324)	(153)
Operating profit before working capital changes:	49,002	49,058
Inventories	(4,667)	(90)
Receivables	(11,230)	(10,688)
Payables	3,937	2,270
Cash generated from operations	37,042	40,550
Tax paid	(10,069)	(9,667)
Net cash generated from operating activities	26,973	30,883
Cash flows from investing activities		
Proceeds from corporate exercise	-	32,327
Proceeds from disposal of investment property	-	198
Investment in a jointly-controlled entity	(4,988)	-
Purchase of property, plant and equipment	(36,841)	(7,304)
Purchase of investment properties	(47)	(36)
Purchase of intangible assets	(36)	(53)
Proceeds from disposal of property, plant and equipment	147	741
Dividends received from investment securities	62	-
Purchase of investment securities	-	(30,094)
Proceeds from disposal of investment securities	30,517	-
Interest received	478	545
Net cash used in investing activities	(10,708)	(3,676)
Cash flows from financing activities:		
Term loans repaid	-	(3,612)
Dividends paid	(13,355)	(12,417)
Other financing activities paid	(43)	(113)
Net cash used in financing activities	(13,398)	(16,142)
Net increase in cash and cash equivalents	2,867	11,065
Cash and cash equivalents at 1 January	34,674	22,802
Currency translation difference	783	807
Cash and cash equivalents at the end of the financial year*	38,324	34,674

* Included in cash and cash equivalent is a long-term deposit of RM 5,520,000 which has been pledged to a licensed bank as security for credit facilities granted to its jointly-controlled entity, ABio Orthopaedics Sdn Bhd

The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the accompanying explanatory notes attached to the Interim Financial Statements.

**INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2013
(THE FIGURES HAVE NOT BEEN AUDITED)**

A NOTES PURSUANT TO MFRS 134 FOR THE YEAR ENDED 31 DECEMBER 2013

A1 Basis of preparation

These unaudited condensed consolidated interim financial statements for the year ended 31 December 2013 have been prepared in accordance with MFRS 134 Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. These unaudited condensed consolidated interim financial statements also comply with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board. It should be read in conjunction with the Group's most recent audited financial statements for the year ended 31 December 2012.

These unaudited condensed consolidated interim financial statements have been prepared on a historical cost basis except for the certain financial assets and liabilities classified as financial assets and liabilities at fair value through profit or loss and financial assets designated as available for sale.

A2 Significant accounting policies

The significant accounting policies adopted in preparing these unaudited condensed consolidated interim financial statements are consistent with those of the audited financial statements for the year ended 31 December 2012 except for the adoption of the following Malaysian Financial Reporting Standards ("MFRS") and Issues Committee ("IC") Interpretations wherever applicable to the Group and Company:

Description	Effective for annual periods beginning on or after
MFRS 101 Presentation of Items of Other Comprehensive Income (Amendments to MFRS 101)	1 July 2012
Amendments to MFRS 101: Presentation of Financial Statements (Annual Improvements 2009-2011 Cycle)	1 January 2013
MFRS 3 Business Combinations (IFRS 3 Business Combinations issued by IASB in March 2004)	1 January 2013
MFRS 10 Consolidated Financial Statements	1 January 2013
MFRS 11 Joint Arrangements	1 January 2013
MFRS 12 Disclosure of Interests in Other Entities	1 January 2013
MFRS 13 Fair Value Measurement	1 January 2013
MFRS 119 Employee Benefits	1 January 2013
MFRS 127 Separate Financial Statements	1 January 2013
MFRS 128 Investment in Associates and Joint Ventures	1 January 2013
MFRS 127 Consolidated and Separate Financial Statements (IAS 27 as revised by IASB in December 2003)	1 January 2013
Amendment to IC Interpretation 2 Members' Shares in Co-operative Entities and Similar Instruments (Annual Improvements 2009-2011 Cycle)	1 January 2013
IC Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine	1 January 2013
Amendments to MFRS 7: Disclosures – Offsetting Financial Assets and Financial Liabilities	1 January 2013
Amendments to MFRS 1: First-time Adoption of Malaysian Financial Reporting Standards – Government Loans	1 January 2013
Amendments to MFRS 1: First-time Adoption of Malaysian Financial Reporting Standards – Annual Improvements 2009-2011 Cycle)	1 January 2013
Amendments to MFRS 116: Property, Plant and Equipment (Annual Improvements 2009-2011 Cycle)	1 January 2013
Amendments to MFRS 132: Financial Instruments: Presentation (Annual Improvements 2009-2011 Cycle)	1 January 2013
Amendments to MFRS 134: Interim Financial Reporting (Annual Improvements 2009-2011 Cycle)	1 January 2013
Amendments to MFRS 10: Consolidated Financial Statements: Transition Guidance	1 January 2013
Amendments to MFRS 11: Joint Arrangements: Transition Guidance	1 January 2013
Amendments to MFRS 12: Disclosure of Interests in Other Entities: Transition Guidance	1 January 2013

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

MFRS 10 Consolidated Financial Statements

MFRS 10 replaces part of MFRS 127 Consolidated and Separate Financial Statements that deals with consolidated financial statements and IC Interpretation 112 Consolidation – Special Purpose Entities.

Under MFRS 10, an investor controls an investee when (a) the investor has power over an investee, (b) the investor has exposure, or rights, to variable returns from its involvement with the investee, and (c) the investor has ability to use its power over the investee to affect the amount of the investor's returns. Under MFRS 127 *Consolidated and Separate Financial Statements*, control was defined as the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

MFRS 10 includes detailed guidance to explain when an investor has control over the investee. MFRS 10 requires the investor to take into account all relevant facts and circumstances.

The Group and the Company do not anticipate significant impact to the financial statements upon adoption of MFRS 10.

**INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2013
(THE FIGURES HAVE NOT BEEN AUDITED)**

A NOTES PURSUANT TO MFRS 134 FOR THE YEAR ENDED 31 DECEMBER 2013 (continued)

A2 Significant accounting policies (continued)

MFRS 12 Disclosures of Interests in Other Entities

MFRS 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.

MFRS 127 Separate Financial Statements

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

MFRS 13 Fair Value Measurement

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

MFRS 3 Business Combinations (IFRS 3 Business Combinations issued by IASB in March 2004) and MFRS 127 Consolidated and Separate Financial Statements (IAS 27 as revised by IASB in December 2003)

An entity shall apply these earlier versions of MFRS 3 and MFRS 127 only if the entity has elected to do so as allowed in MFRS 10 Consolidated Financial Statements. The adoptions of these standards are not expected to have any significant impact to the Group and the Company.

Amendments to MFRS 101: Presentation of Financial Statements (Annual Improvements 2009-2011 Cycle)

The amendments to MFRS 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.

MFRS 9 Financial Instruments: Classification and Measurement

MFRS 9 reflects the first phase of the work on the replacement of MFRS 139 *Financial Instruments: Recognition and Measurement* and applies to classification and measurement of financial assets and financial liabilities as defined in MFRS 139 *Financial Instruments: Recognition and Measurement*. The adoption of the first phase of MFRS 9 is not expected to have an impact on the Group and on the Company.

A3 Seasonality or cyclical nature of interim operations

The Group's interim operations are not affected materially by any seasonal or cyclical factors.

A4 Unusual items

There were no unusual items that affected the assets, liabilities, equity, net income or cash flows for the year ended 31 December 2013.

A5 Changes in estimates of amounts reported in prior interim periods of the current financial year or in prior financial year.

There were no changes in estimates of amounts reported in the prior interim periods of the current financial year or prior financial year.

A6 Issuances, cancellations, repurchases, resale and repayments of debt and equity securities

There were no issuance and/or repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the year ended 31 December 2013.

A7 Profit before tax

Included in profit before tax are the following items:

	3 MONTHS ENDED		YEAR ENDED	
	31/12/2013	31/12/2012	31/12/2013	31/12/2012
	RM'000	RM'000	RM'000	RM'000
Interest income	185	198	478	545
Other income including investment income	469	232	1,585	1,444
Interest expense	(10)	(11)	(43)	(113)
Depreciation and amortisation	(2,112)	(1,847)	(7,799)	(7,280)
Impairment loss on investment property	(119)	-	(119)	-
Impairment loss on trade receivables	(511)	(1,009)	(560)	(1,042)
Inventories written off and written down	(798)	(829)	(888)	(933)
Reversal of inventories written down	841	868	841	868
Net profit on disposal of property, plant and equipment	68	100	64	627
Fair value gain of investment securities	-	399	-	399
Fair value gain/(loss) of derivative financial instruments	(72)	(9)	7	29
Foreign exchange gains less losses	284	(40)	307	141
Exceptional items	-	-	-	-

**INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2013
(THE FIGURES HAVE NOT BEEN AUDITED)**
A NOTES PURSUANT TO MFRS 134 FOR THE YEAR ENDED 31 DECEMBER 2013 (continued)
A8 Dividends paid and declared

The amount of dividends paid/payable during the current and previous interim years are as follows:

<u>In respect of the financial year ended 31 December</u>	31/12/2013 RM'000	31/12/2012 RM'000
2013: Interim single-tier dividend of 4.0 sen per share less tax paid on 30-Sep-13	3,749	-
2012: Final dividend comprising taxable 3.0 sen gross per share and a tax-exempt of 3.0 sen per share as well as a Special tax-exempt dividend of 5.0 sen per share paid on 31-May-13	9,606	-
2012: Interim Dividend of 6.0 sen gross per share less tax paid on 28-Sep-12	-	4,217
2011: Final Dividend of 5.0 sen gross per share less tax and Special Tax-exempt Dividend of 5.0 sen per share paid on 22-Jun-12	-	8,200
	<u>13,355</u>	<u>12,417</u>

A9 Segment Information

The Group is organised into three main business units based on their activities, and has three reportable operating segments as follows:

- (i) Manufacturing and marketing of pharmaceutical products;
- (ii) Wholesale and distribution of pharmaceutical and healthcare products; and
- (iii) Corporate comprising investments in retail pharmacy business and properties and the provision of management services.

OPERATING SEGMENTS	Manufacturing & Marketing RM'000	Wholesale & Distribution RM'000	Corporate RM'000	Adjustments & eliminations RM'000	GROUP RM'000
YEAR ENDED 31/12/2013	RM'000	RM'000	RM'000	RM'000	RM'000
External Revenue	21,819	389,223	7,409	-	418,451
Inter-segment revenue	67,100	-	27,396	(94,496)	-
Total Revenue	88,919	389,223	34,805	(94,496)	418,451
Segment Results (external)	28,287	17,334	(3,108)	(1,855)	40,658
Finance costs					(43)
Profit before tax					40,615
YEAR ENDED 31/12/2012	RM'000	RM'000	RM'000	RM'000	RM'000
External Revenue	25,223	367,185	6,196	-	398,604
Inter-segment revenue	65,236	-	24,984	(90,220)	-
Total Revenue	90,459	367,185	31,180	(90,220)	398,604
Segment Results (external)	28,191	18,282	(2,332)	(1,679)	42,462
Finance costs					(113)
Profit before tax					42,349
Segment assets					
31-Dec-2013	81,719	201,463	28,675	858	312,715
31-Dec-2012	81,848	152,368	54,659	1,260	290,135
Segment liabilities					
31-Dec-2013	(8,166)	(58,563)	(3,390)	(7,523)	(77,642)
31-Dec-2012	(8,456)	(54,691)	(3,035)	(7,501)	(73,683)

A10 Significant Events After the Reporting Date

On 11th February 2014, the Company entered into a Sale of Shares Agreement with P.T. Maramakmur Selaras, a company incorporated in the Republic of Indonesia to dispose its entire equity instrument representing ordinary shares in Maritzberg Investments Ltd classified as Available-for-sale financial asset for a total consideration of USD 1,300,000 approximating RM 4,290,000. The sale was completed on the same date of execution.

Other than the above, there were no significant events that had arisen subsequent to the end of this current year.

A11 Changes in Group Composition

The Group did not undertake any business combinations, acquisitions or disposals of subsidiaries and long-term investments, restructuring or discontinuation of operations during the current quarter ended 31 December 2013.

A12 Property, plant and equipment

During the current quarter ended 31 December 2013, the Group acquired assets at a cost of RM 4,757,000 (31 December 2012: RM 3,360,000).

Assets with a carrying amount of RM 76,000 were disposed of by the Group during the three months ended 31 December 2012 (31 December 2012: RM 37,800), resulting in a net gain on disposal of RM 68,800 (31 December 2012: RM 100,000), recognised and included in other income in the statement of comprehensive income.

**INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2013
(THE FIGURES HAVE NOT BEEN AUDITED)**

A NOTES PURSUANT TO MFRS 134 FOR THE YEAR ENDED 31 DECEMBER 2013 (continued)

A13 Capital Commitments

Capital commitments of property, plant and equipment not provided for in the financial statements as at 31 December 2013 are as follows:

	RM'000
Authorised capital expenditure approved and contracted for	529
Authorised capital expenditure approved but not contracted for	11,867
	<u>12,396</u>

A14 Related Party Transactions

	31/12/2013	31/12/2012
	RM'000	RM'000

Interest bearing term loan to jointly controlled entity	<u>5,000</u>	<u>-</u>
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Other than the above, the Group did not have any significant transactions with related parties during the year ended 31 December 2013 in addition to the related party transactions disclosed in the audited financial statements for the year ended 31 December 2012.

A15 Fair value hierarchy

The Group uses the following level of fair value hierarchy for determining the fair value of its financial instruments carried at fair value.

Financial assets/(liabilities):	31/12/2013	31/12/2012
	RM'000	RM'000
	<u>(Level 1)</u>	
Investment securities	-	30,494
	<u>(Level 2)</u>	
Derivatives - Forward currency contracts	<u>24</u>	<u>17</u>

The Group classifies fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – Inputs 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); and

Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

There have been no transfers between the fair value hierarchy during the financial years ended 2013 and 2012.

A16 Changes in Contingent liabilities or Contingent assets.

There were no contingent liabilities or contingent assets of the Group since the end of the last annual reporting date.

**INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2013
(THE FIGURES HAVE NOT BEEN AUDITED)**

B NOTES PURSUANT TO BURSA LISTING REQUIREMENTS: CHAPTER 9, APPENDIX 9B, PART A

B1 Detailed Performance Analysis of Operating Segments of the Group

The Group's revenue in the fourth quarter of 2013 grew by 11% to RM 106.2 million from RM 96.0 million for the same period last year. Profit before tax of RM 10.6 million for the current quarter exceeded that achieved for the same period in 2012 by 7%. For the full year, the Group achieved record revenue of RM 418.5 million, a growth of 5% over that achieved in 2012 while profit before tax of RM 40.6 million declined marginally by 4% over 2012. However profit after tax at RM 30.1 million for 2013 exceeded by 4% from RM 29.1 million in 2012.

Manufacturing and Marketing division's full year 2013 performance was dampened by a 33% decline in Malaysian Government tender sales but this was moderated by strong private sector sales and exports in the fourth quarter, resulting in full year revenue drawing close with that achieved in 2012. During the fourth quarter, products were successfully registered for sales and marketing in Taiwan, marking a new export destination for the Group.

For 2013, sales at the Wholesale and Distribution division in Malaysia strengthened 6% over the same period in 2012, led by good growth in the Pharma and Consumer units. Contributions from house brand products in the overall sales mix continue to rise, enabling the division to achieve improved margins. In Singapore, business operations were relocated smoothly to a much larger distribution warehouse at 4 Loyang Way 1 in the fourth quarter. Non-recurring expenses arising from the relocation as well as increased operating costs from the new premise impacted profitability in the current quarter.

Manufacturing volume at the Group's jointly controlled entity, ABio Orthopaedics Sdn Bhd ('ABio') grew significantly in the fourth quarter, enabling ABio to achieve full year revenue of RM 4.8 million. The Group's share of full year losses lessened to RM 0.78 million due to a positive profit contribution in the fourth quarter. Full year sales at the Group's retail pharmacy outlet at City Square Mall grew 28% over that achieved in 2012.

B2 Material changes in the profit before tax for the quarter

Profit before tax for the current quarter was RM 10.6 million, an increase of 23% over that achieved in the third quarter. This is attributed to stronger sales performance and a greater proportion of higher margin products in the sales mix in the fourth quarter.

B3 Commentary

(a) Prospects

The prospects for the core businesses of the Group remain good and is expected to be unchanged for the next financial year. The Group's performance in 2013 was impacted by start-up operating losses at ABio, a decline in Malaysian Government tender sales and increased operating costs of its new distribution warehouse in Singapore. With continued growth in ABio's manufacturing output, commencement of new distribution agencies in Singapore from January 2014, the impact of these two new initiatives on Group results will lessen in 2014.

Upon these developments and barring unforeseen circumstances, the Board expects the Group to perform satisfactorily in 2014.

(b) Progress to achieve forecast revenue or profit estimate

Not applicable.

B4 Statement by the Board of Directors' opinion on the achievability of forecast revenue or profit estimate

Not applicable.

B5 Profit Forecast /Profit Guarantee

Not applicable.

B6 Income Tax Expense

	3 MONTHS ENDED		YEAR ENDED	
	31/12/2013	31/12/2012	31/12/2013	31/12/2012
	RM'000	RM'000	RM'000	RM'000
In respect of current year:				
income tax	2,821	1,842	10,355	10,265
deferred tax	40	326	295	555
foreign tax	57	109	57	2,646
	<u>2,918</u>	<u>2,277</u>	<u>10,707</u>	<u>13,466</u>
In respect of prior year:				
income tax	4	(54)	(215)	20
deferred tax	-	(203)	-	(203)
	<u>2,922</u>	<u>2,020</u>	<u>10,492</u>	<u>13,283</u>

The effective tax rate for the current quarter was marginally higher than the statutory tax rate due to the non-deductibility of certain expenses. However the year's effective tax rate was comparable with the statutory tax rate.

**INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2013
(THE FIGURES HAVE NOT BEEN AUDITED)**
B NOTES PURSUANT TO BURSA LISTING REQUIREMENTS: CHAPTER 9, APPENDIX 9B, PART A (continued)
B7 Status of Corporate Proposals

There were no corporate proposals announced but not completed as at 19th February 2014.

B8 Group Borrowings and Debt Securities

The Group did not have any current or non-current debt securities denominated in Ringgit Malaysia or foreign currency as at 31 December 2013.

B9 Material Litigation

There is no pending material litigation at the date of this report.

B10 Dividend Payable

- The Board of Directors is recommending a final single-tier dividend of 6.0 sen per share in respect of the financial year ended 31 December 2013 for shareholders' approval at the forthcoming Annual General Meeting. (Year 2012: Final taxable dividend of 3.0 sen gross per share less tax and a tax-exempt dividend of 3.0 sen per share together with a special tax-exempt dividend of 5.0 sen per share).
- The total single-tier dividends declared and paid to-date in the current financial year is 10.0 sen per share. (Year 2012: Total taxable and tax-exempt dividends of 9.0 sen gross per share less tax and 8.0 sen per share respectively).
- Subject to the approval of shareholders at the forthcoming Annual General Meeting of the Company, the final dividend will be paid on 5 June 2014 and the entitlement date for the payment is 28 May 2014.

B11 Earnings per share

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

		3 MONTHS ENDED		YEAR ENDED	
		31/12/2013	31/12/2012	31/12/2013	31/12/2012
<u>Basic Earnings per share</u>					
Profit after tax	RM'000	7,617	7,890	30,022	29,012
Weighted average number of ordinary shares in issue	'000	93,717	93,717	93,717	93,717
Basic earnings per share	sen	8.13	8.42	32.03	30.96
<u>Diluted Earnings per share</u>					
Profit after tax	RM'000	7,617	7,890	30,022	29,012
Weighted average number of ordinary shares in issue	'000	93,717	93,717	93,717	93,717
Diluted earnings per share	sen	8.13	8.42	32.03	30.96

B12 Derivative Financial Instruments

- (a) The Group's derivative financial instruments as at 31 December 2013 are as follows -

Type of Derivatives	Contract / Notional Amount	Changes in Fair Value	
		Assets	Liabilities
Forward Currency Contracts	RM'000	RM'000	RM'000
<u>Less than 1 year</u>			
Sale of goods	2,954	25	-
Purchase of goods	(1,578)	-	(1)
	<u>1,376</u>	<u>25</u>	<u>(1)</u>

- The Group does not anticipate any market or credit risks arising from these derivatives.
- The net cash requirements relating to these contracts by the Group was RM 1,376,000.
- There have been no changes since the end of the previous financial year in respect of the following:
 - the types of derivative contracts entered into and the rationale for entering into such contracts, as well as the expected benefits accruing from these contracts; and
 - the related accounting policies.

B13 Fair Value Changes of Financial Liabilities

As at 31 December 2013, the Group does not have any significant financial liabilities measured at fair value through profit or loss other than the disclosure in note A15.

**INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2013
(THE FIGURES HAVE NOT BEEN AUDITED)**

B NOTES PURSUANT TO BURSA LISTING REQUIREMENTS: CHAPTER 9, APPENDIX 9B, PART A (continued)

B14 <u>Realised and Unrealised Profits/Losses Disclosure</u>	31/12/2013	Year ended 31/12/2012
	RM'000	RM'000
Total retained earnings of the Group:		
Realised	159,841	141,236
Unrealised	<u>(3,204)</u>	<u>(2,433)</u>
	156,637	138,803
Total share of accumulated losses from jointly-controlled entity		
Unrealised	<u>(778)</u>	-
	155,859	138,803
Less: Consolidation adjustments	<u>(17,963)</u>	<u>(17,574)</u>
Total Group's retained earnings as per consolidated accounts	<u>137,896</u>	<u>121,229</u>

B15 Auditors' report on preceding annual financial statements

The Auditors' report on the Group's financial statements for the year ended 31 December 2012 was not qualified.

Authorisation for issue

The interim financial statements have been approved for issue in accordance with a resolution of the Board of Directors dated 26 February 2014.