



**SYF RESOURCES BERHAD**  
**(Company No.: 364372-H)**  
**(Incorporated in Malaysia)**

**REPORTS AND FINANCIAL STATEMENTS**

**31 JULY 2013**

**Registered office:**  
**Level 18, The Gardens North Tower**  
**Mid Valley City**  
**Lingkaran Syed Putra**  
**59200 Kuala Lumpur**

**Principal place of business:**  
**Kawasan Perindustrian Sungai Lalang**  
**Lot 971, Jalan Vill**  
**Mukim Semenyih**  
**Jalan Sungai Lalang**  
**43500 Semenyih**  
**Selangor Darul Ehsan**

**SYF RESOURCES BERHAD**  
(Incorporated in Malaysia)

**REPORTS AND FINANCIAL STATEMENTS**

**31 JULY 2013**

**INDEX**

\*\*\*\*\*

	<b>Page No.</b>
DIRECTORS' REPORT	1 - 6
STATEMENT BY DIRECTORS	7
STATUTORY DECLARATION	8
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS	9 - 11
STATEMENTS OF FINANCIAL POSITION	12 - 13
STATEMENTS OF COMPREHENSIVE INCOME	14 - 15
STATEMENTS OF CHANGES IN EQUITY	16 - 19
STATEMENTS OF CASH FLOWS	20 - 22
NOTES TO THE FINANCIAL STATEMENTS	23 - 107
SUPPLEMENTARY FINANCIAL INFORMATION ON THE DISCLOSURE OF REALISED AND UNREALISED PROFITS OR LOSSES	108

**SYF RESOURCES BERHAD**  
(Incorporated in Malaysia)

**DIRECTORS' REPORT**

The Directors have pleasure to present their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 July 2013.

**Principal Activities**

The principal activity of the Company is that of investment holding. The principal activities of the subsidiary companies are disclosed in Note 5 to the financial statements.

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

**Financial Results**

	<b>Group RM'000</b>	<b>Company RM'000</b>
Profit before taxation	11,448	14,651
Taxation	407	(39)
Net profit for the financial year	<u>11,855</u>	<u>14,612</u>
- Attributable to owners of the parent		

**Dividends**

There were no dividends proposed, declared or paid by the Company since the end of the previous financial year. The Board of Directors does not recommend any dividend in respect of the financial year.

**Reserves and Provisions**

There were no material transfers to or from reserves or provisions during the financial year.

### **Issue of Shares and Debentures**

During the financial year, the Company increased its issued and paid-up share capital from RM67,714,000 to RM68,281,300 by the issuance of 2,269,200 new ordinary shares of RM0.25 each for cash arising from exercise of Employees' Share Options at a price of RM0.50 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.

There were no issues of debentures during the financial year.

### **Treasury Shares**

The Company has obtained its shareholders' approval to purchase up to 10% of its issued and paid up share capital of the Company at the Annual General Meeting held on 23 January 2013.

During the financial year, the Company purchased 10,000 ordinary shares of RM0.25 each of its issued share capital from the open market. The average price paid for the shares purchased was RM0.68 per share. The total consideration paid for the purchase including transaction costs was amounting to RM6,850. The purchased transactions were financed by internally generated funds. The shares purchased were held as treasury shares and treated in accordance with the requirements of Section 67A of the Companies Act, 1965.

As at 31 July 2013, the Company held 10,000 treasury shares out of the total 273,125,706 issued ordinary shares. Further relevant details are disclosed in Note 16(b) to the financial statements.

### **Options Granted Over Unissued Shares**

No options were granted to any person to take up unissued shares of the Company during the financial year apart from the issue of options pursuant to the Employees' Share Option Scheme ("ESOS").

### **Warrants**

The warrants 2003/2013 were constituted under the Deed Poll dated 1 August 2003. On 25 October 2011, an additional 873,871 warrants were issued and allotted to the holders of the existing warrants which were not exercised prior to 26 September 2011 and the exercise price of the existing warrants 2003/2013 was revised downwards from RM1.00 to RM0.98. The additional warrants were listed and quoted on 25 October 2011.

As at 31 July 2013, the total number of warrants that remain unexercised was 35,358,171 (2012: 35,358,171). The warrants expired on 30 September 2013 and were delisted on 1 October 2013.

### Employees' Share Option Scheme

The Company's ESOS was approved by the shareholders at the Extraordinary General Meeting held on 1 March 2012. At all times, the ESOS shall not exceed 15% of the issued share capital and shall be granted to eligible Directors and employees of the Group. The ESOS shall be in force for a period of five (5) years until 8 May 2017.

The salient features and other terms of the ESOS are disclosed in Note 29 to the financial statements.

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

### Directors

The Directors in office since the date of the last report are as follows:

Ng Ah Chai  
Tan Sri Hii Chii Kok @ Hii Chee Kok  
Dato' Sri Chee Hong Leong, JP  
Dr. Roslan Bin A. Ghaffar  
Datuk Mohamed Arsad Bin Sehan  
Cheong Yee Kiong  
Foo Lee Khean

### Directors' Interests

Details of holdings and deemed interests in the share capital and options over shares of the Company or its related corporations by the Directors in office at the end of the financial year, according to the register required to be kept under Section 134 of the Companies Act, 1965, were as follows:

	Number of ordinary shares of RM0.25 each			
	At 1.8.2012	Acquired	Disposed	At 31.7.2013
<b>SYF Resources Berhad</b>				
<i>Direct Interest</i>				
Ng Ah Chai	61,208,400	4,900,000	-	66,108,400
Dato' Sri Chee Hong Leong, JP	33,578,300	-	-	33,578,300
Cheong Yee Kiong	3,340,000	-	-	3,340,000
<i>Indirect Interest</i>				
* Tan Sri Hii Chii Kok @ Hii Chee Kok	27,100,000	27,385,000	-	54,485,000

\* Deemed interest pursuant to Section 6A of the Companies Act, 1965 via HCK Equities Sdn. Bhd.

**Directors' Interests (Cont'd)**

	Number of options over ordinary shares of RM 0.25 each (ESOS)			At 31.7.2013
	At 1.8.2012	Granted	Exercised	
<b>SYF Resources Berhad</b>				
<i>Direct Interest</i>				
Ng Ah Chai	1,500,000	-	-	1,500,000
Cheong Yee Kiong	1,440,000	-	-	1,440,000

By virtue of their interest in the shares of the Company, Ng Ah Chai, Dato' Sri Chee Hong Leong, JP, Tan Sri Hii Chii Kok @ Hii Chee Kok and Cheong Yee Kiong are also deemed to have interests in the shares of all the subsidiary companies to the extent the Company has an interest.

None of the other Directors holding office at the end of the financial year had any interest in the ordinary shares of the Company and of its related corporations during the financial year.

**Directors' Benefits**

Since the end of the previous financial year, no Director of the Company has received or become entitled to receive any benefit (other than benefits included in the aggregate amount of emoluments and rental received or due and receivable by Directors as shown in the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest, except for the deemed benefit which may arise from transactions entered into in the ordinary course of business as disclosed in Note 32(b) to the financial statements.

Neither during nor at the end of the financial year, was the Company or its subsidiary companies a party to any arrangement the object of which is to enable the Directors to 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 option granted under the Company's ESOS.

**Other Statutory Information**

- (a) Before the 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 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 all known bad debts had been written off and no provision for doubtful debts was required; and
  - (ii) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including their values as shown in the accounting records of the Group and of the Company have been written down to an amount which they might be expected so to realise.

### **Other Statutory Information (Cont'd)**

- (b) At the date of this report, the Directors are not aware of any circumstances which would render:
  - (i) it necessary to make any provision for doubtful debts in the financial statements of the Group and of the Company or the amount written off any bad debts inadequate to any substantial extent; or
  - (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.
- (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) At the date of this report, there does not exist:
  - (i) any charge on the assets of the Group or of the Company which have arisen since the end of the financial year which secures the liabilities of any other person; and
  - (ii) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.
- (f) In the opinion of the Directors:
  - (i) no contingent liability or other liability has become enforceable or are 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 and of the Company to meet their obligations as and when they fall due;
  - (ii) the results of 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; and
  - (iii) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

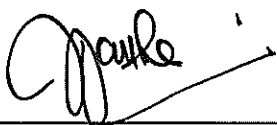
### **Significant Events**

The significant events are disclosed in Note 34 to the financial statements.

**Auditors**


The Auditors, Messrs UHY, have expressed their willingness to continue in office.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 30 October 2013.



---

NG AH CHAI



---

CHEONG YEE KIONG

KUALA LUMPUR



**SYF RESOURCES BERHAD**  
(Incorporated in Malaysia)

**STATEMENT BY DIRECTORS**  
**Pursuant to Section 169(15) of the Companies Act, 1965**

We, the undersigned, being two of the Directors of SYF RESOURCES BHD., do hereby state that, in the opinion of the Directors, the financial statements of the Group and of the Company set out on pages 12 to 107 are drawn up in accordance with Financial Reporting Standards and the requirements of 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 of 31 July 2013 and of their financial performance and cash flows for the financial year then ended.

The supplementary information set out on page 108 to the financial statements has been compiled 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 and the directive of Bursa Malaysia Securities Berhad.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 30 October 2013.



---

NG AH CHAI



---

CHEONG YEE KIONG

KUALA LUMPUR

**SYF RESOURCES BERHAD**  
(Incorporated in Malaysia)

**STATUTORY DECLARATION**  
**Pursuant to Section 169(16) of the Companies Act, 1965**

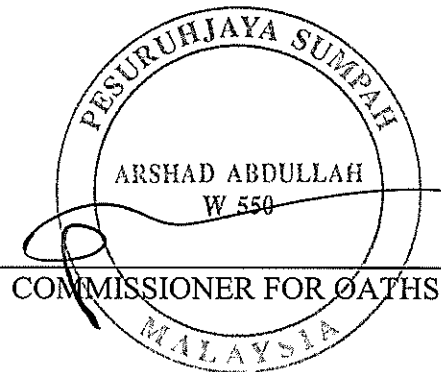
I, LEE OON KAR, being the officer primarily responsible for the financial management of SYF RESOURCES BERHAD, do solemnly and sincerely declare that the financial statements set out on pages 12 to 108 are to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously 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 LEE OON KAR at )  
KUALA LUMPUR in the Federal )  
Territory on 30 October 2013 )



\_\_\_\_\_  
LEE OON KAR

Before me,



NO. 102 & 104 16, FLOOR BANGUNAN PERSATUAN YAP SELANGOR JALAN TUN HS LEE 50000 KUALA LUMPUR
------------------------------------------------------------------------------------------------------

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
SYF RESOURCES BERHAD**

(Company No.: 364372-H)  
(Incorporated in Malaysia)

**Report on the Financial Statements**

We have audited the financial statements of SYF Resources Berhad, which comprise the statements of financial position as at 31 July 2013 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory information as set out on pages 12 to 107.

*Directors' Responsibility for the Financial Statements*

The Directors of the Company are responsible for the preparation of financial statements so as to give a true and fair view in accordance with Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia. The Directors are also responsible 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 judgement, including the assessment of risk 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 the 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 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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
SYF RESOURCES BERHAD (CONT'D)**

(Company No.: 364372-H)  
(Incorporated in Malaysia)

*Opinion*

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the requirements of 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 of 31 July 2013 and of their financial performance and cash flows for the financial year then ended.

**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 subsidiary companies of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.
- (b) We are satisfied that the accounts of the subsidiary companies that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.
- (c) Our audit reports on the accounts of the subsidiary companies did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

**Other Reporting Responsibilities**

The supplementary information set out on page 108 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. 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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
SYF RESOURCES BERHAD (CONT'D)**

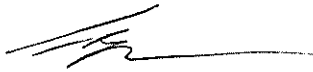
(Company No.: 364372-H)  
(Incorporated in Malaysia)

**Other Matters**

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.



UHY  
Firm Number: AF 1411  
Chartered Accountants



STEPHEN WAN YENG LEONG  
Approved Number: 2963/07/15 (J)  
Chartered Accountant

KUALA LUMPUR

30 October 2013

**SYF RESOURCES BERHAD**  
(Incorporated in Malaysia)

**STATEMENTS OF FINANCIAL POSITION**  
**AS AT 31 JULY 2013**

		Group		Company	
	Note	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
<b>ASSETS</b>					
<b>Non-Current Assets</b>					
Property, plant and equipment	4	157,648	128,703	-	-
Investment in subsidiary companies	5	-	-	50,079	33,849
Deferred tax assets	6	700	-	-	-
		<u>158,348</u>	<u>128,703</u>	<u>50,079</u>	<u>33,849</u>
<b>Current Assets</b>					
Land and property development costs	7	6,516	7,944	-	-
Inventories	8	56,802	48,165	-	-
Trade receivables	9	11,387	19,993	-	-
Other receivables	10	18,403	26,255	-	-
Derivative financial assets	11	-	136	-	-
Amount owing by subsidiary companies	12	-	-	71,238	68,061
Tax recoverable		31	31	-	-
Fixed deposits with a licensed bank	13	221	240	-	-
Cash and bank balances	14	3,018	3,057	180	327
		<u>96,378</u>	<u>105,821</u>	<u>71,418</u>	<u>68,388</u>
<b>Total Assets</b>		<u>254,726</u>	<u>234,524</u>	<u>121,497</u>	<u>102,237</u>

**SYF RESOURCES BERHAD**  
(Incorporated in Malaysia)

**STATEMENTS OF FINANCIAL POSITION**  
**AS AT 31 JULY 2013 (CONT'D)**

		Group		Company	
	Note	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Share capital	15	68,281	67,714	68,281	67,714
Reserves	16	96,151	81,573	49,300	34,128
<b>Total equity</b>		<u>164,432</u>	<u>149,287</u>	<u>117,581</u>	<u>101,842</u>
<b>Non-Current Liabilities</b>					
Hire purchase payables	18	927	656	-	-
Bank borrowings	19	18,721	7,079	-	-
Deferred tax liabilities	6	8,938	8,736	-	-
		<u>28,586</u>	<u>16,471</u>	<u>-</u>	<u>-</u>
<b>Current Liabilities</b>					
Trade payables	20	19,916	28,262	-	-
Other payables	21	11,814	11,061	357	365
Derivative financial liabilities	11	777	-	-	-
Amount owing to subsidiary companies	12	-	-	3,559	-
Amount owing to a Director	22	-	2,400	-	-
Hire purchase payables	18	374	231	-	-
Bank borrowings	19	28,609	26,781	-	-
Tax payable		218	31	-	30
		<u>61,708</u>	<u>68,766</u>	<u>3,916</u>	<u>395</u>
<b>Total Liabilities</b>		<u>90,294</u>	<u>85,237</u>	<u>3,916</u>	<u>395</u>
<b>Total Equity and Liabilities</b>		<u>254,726</u>	<u>234,524</u>	<u>121,497</u>	<u>102,237</u>

The accompanying notes form an integral part of the financial statements.

**SYF RESOURCES BERHAD**  
(Incorporated in Malaysia)

**STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL YEAR ENDED 31 JULY 2013**

	Note	Group		Company	
		2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Revenue	23	219,666	198,570	-	-
Cost of sales		<u>(195,532)</u>	<u>(174,400)</u>	<u>-</u>	<u>-</u>
Gross profit		24,134	24,170	-	-
Other income		4,110	42,241	16,310	34,673
Distribution expenses		(5,590)	(3,088)	-	-
Administrative expenses		(8,604)	(9,676)	(1,659)	(13,344)
Other expenses		-	(715)	-	-
Finance costs	24	<u>(2,602)</u>	<u>(2,288)</u>	<u>-</u>	<u>-</u>
Profit before taxation	25	11,448	50,644	14,651	21,329
Taxation	26	<u>407</u>	<u>74</u>	<u>(39)</u>	<u>(30)</u>
Net profit for the financial year		11,855	50,718	14,612	21,299
Other comprehensive income for the financial year, net of tax					
- Revaluation of leasehold land, freehold land and buildings	4	2,620	31,752	-	-
- Deferred tax liabilities relating to components of other comprehensive income	6	(457)	(4,899)	-	-
		<u>2,163</u>	<u>26,853</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the financial year		<u>14,018</u>	<u>77,571</u>	<u>14,612</u>	<u>21,299</u>



**SYF RESOURCES BERHAD**  
(Incorporated in Malaysia)

**STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE FINANCIAL YEAR ENDED 31 JULY 2013 (CONT'D)**

	Group	
	2013	2012
Note	RM'000	RM'000
Net profit for the financial year attributable to:		
Owners of the parent	<u>11,855</u>	<u>50,718</u>
Total comprehensive income for the financial year attributable to:		
Owners of the parent	<u>14,018</u>	<u>77,571</u>
Earnings per share attributable to owners of the parent (sen)	27	
Basic	<u>4.4</u>	<u>23.0</u>
Fully diluted	<u>4.3</u>	<u>23.0</u>

The accompanying notes form an integral part of the financial statements.

**SYF RESOURCES BERHAD**

(Incorporated in Malaysia)

**STATEMENTS OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 31 JULY 2013**

	Attributable to Owners of the Parent							Total Equity RM'000
	Non-Distributable			Distributable				
	Share Capital RM'000	Share Premium RM'000	Assets Revaluation Reserve RM'000	Share Premium RM'000	Assets Revaluation Reserve RM'000	Distributable Retained Earnings/ Losses RM'000	Total Equity RM'000	
<b>Group</b>								
At 1 August 2011	21,017	-	15,374	11,435	(22,807)	25,019		
Net profit for the financial year	-	-	-	-	50,718	50,718		
Other comprehensive income for the financial year	-	-	26,853	-	-	26,853		
Total comprehensive income for the financial year	-	-	26,853	-	50,718	77,571		
Realisation of assets revaluation reserve	-	-	(119)	-	119	-		
<b>Transaction with the owners:</b>								
Issuance of RCSLS	15	-	25,680	-	-	-	25,680	
Rights Issue	15	21,017	-	-	-	-	21,017	
Conversion of RCSLS to ordinary shares	15	25,680	(25,680)	-	-	-	-	
	46,697	-	-	-	-	-	46,697	
At 31 July 2012	67,714	-	15,374	38,169	28,030	149,287		

**SYF RESOURCES BERHAD**

(Incorporated in Malaysia)

**STATEMENTS OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 31 JULY 2013 (CONT'D)**

	Attributable to Owners of the Parent						Total Equity RM'000
	Non-Distributable			Distributable			
	Share Capital RM'000	Share Premium RM'000	Treasury Shares RM'000	Revaluation Reserve RM'000	Retained Earnings RM'000		
<b>Group</b>							
At 1 August 2012	67,714	15,374	-	38,169	28,030		149,287
Net profit for the financial year	-	-	-	-	11,855		11,855
Other comprehensive income for the financial year	-	-	-	2,163	-		2,163
Total comprehensive income for the financial year	-	-	-	2,163	11,855		14,018
Realisation of assets revaluation reserve	-	-	-	(378)	378		-
<b>Transaction with the owners:</b>							
Employees' Share Options	567	567	-	-	-		1,134
Purchase of treasury shares	-	-	(7)	-	-		(7)
	567	567	(7)	-	-		1,127
At 31 July 2013	68,281	15,941	(7)	39,954	40,263		164,432

**SYF RESOURCES BERHAD**  
(Incorporated in Malaysia)

**STATEMENTS OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 31 JULY 2013 (CONT'D)**

Company	Non-Distributable				Distributable Retained Earning/ Accumulated Loss) RM'000	Total Equity RM'000
	Share Capital RM'000	Share Loan Stocks ("RCCLS") RM'000	Share Premium RM'000	Share Premium RM'000		
At 1 August 2011	21,017	-	15,374	(2,545)	33,846	
Net profit for the financial year, representing total comprehensive income for the financial year	-	-	-	21,299	21,299	
<i>Transaction with the owners:</i>						
Issuance of RCCLS	15	-	25,680	-	25,680	
Rights Issue	15	21,017	-	-	21,017	
Conversion of RCCLS to ordinary shares	15	25,680	(25,680)	-	-	
		46,697	-	-	46,697	
At 31 July 2012		67,714	-	15,374	18,754	101,842

**SYF RESOURCES BERHAD**

(Incorporated in Malaysia)

**STATEMENTS OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 31 JULY 2013 (CONT'D)**

	Company	Non-Distributable			Distributable		Total Equity RM'000
		Share Capital RM'000	Share Premium RM'000	Treasury Shares RM'000	Retained Earnings RM'000		
	At 1 August 2012	67,714	15,374	-	18,754		101,842
	Net profit for the financial year, representing total comprehensive income for the financial year	-	-	-	14,612		14,612
	<b>Transaction with the owners:</b>						
	Employees' Share Options	15	567	-	-		1,134
	Purchase of treasury shares	16(b)	-	(7)	-	(7)	(7)
			567	(7)	-		1,127
	At 31 July 2013		68,281	15,941	(7)	33,366	117,581

The accompanying notes form an integral part of the financial statements.

**SYF RESOURCES BERHAD**  
(Incorporated in Malaysia)

**STATEMENTS OF CASH FLOWS**  
**FOR THE FINANCIAL YEAR ENDED 31 JULY 2013**

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
<b>Cash Flows From Operating Activities</b>				
Profit before taxation	11,448	50,644	14,651	21,329
<i>Adjustment for:</i>				
Bad debts written off	7	1,377	-	-
Deposits written off	-	2	-	-
Depreciation of property, plant and equipment	6,328	5,494	-	-
Impairment on:				
- trade receivables	-	461	-	-
- amount owing by a subsidiary company	-	-	-	7,000
- property, plant and equipment	-	715	-	-
Inventories written down	350	-	-	-
Inventories written off	163	-	-	-
Property, plant and equipment written off	1,977	1,504	-	-
Interest expenses	2,602	2,288	-	-
Gain on disposal of property, plant and equipment	(158)	(177)	-	-
Waiver of debts owing by a subsidiary company	-	-	-	3,624
Interest income	(15)	(56)	-	(43)
Loss on foreign exchange - unrealised	82	168	-	-
Loss on derivative financial assets/liabilities	913	275	-	-
Reversal of impairment on:				
- investment in a subsidiary company	-	-	(16,230)	-
- trade receivables	-	(1,249)	-	-
- other receivables	-	(166)	-	-
- property, plant and equipment	-	(1,651)	-	-
Waiver of debts by financial institutions (net of bank overdraft)	-	(30,968)	-	(29,981)
Overprovision of interest on borrowings (net of bank overdraft)	-	(5,021)	-	(4,569)
Operating profit/(loss) before working capital changes	23,697	23,640	(1,579)	(2,640)

**SYF RESOURCES BERHAD**  
(Incorporated in Malaysia)

**STATEMENTS OF CASH FLOWS**  
**FOR THE FINANCIAL YEAR ENDED 31 JULY 2013 (CONT'D)**

	Note	Group		Company	
		2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Operating profit/(loss) before working capital changes (Cont'd)		23,697	23,640	(1,579)	(2,640)
Changes in working capital:					
Land and property development costs		1,428	(7,944)	-	-
Inventories		(9,150)	(8,893)	-	-
Trade receivables		8,599	(12,765)	-	-
Other receivables		(5,987)	(20,766)	-	1
Trade payables		(8,346)	16,475	-	-
Other payables		671	932	(8)	(106)
Amount owing by/to subsidiary company		-	-	382	(7,025)
Amount owing to a Director		(2,400)	2,400	-	-
		<u>(15,185)</u>	<u>(30,561)</u>	<u>374</u>	<u>(7,130)</u>
Cash generated from/(used in) operations		8,512	(6,921)	(1,205)	(9,770)
Interest paid		(2,602)	(2,288)	-	-
Tax paid		(361)	(17)	(69)	-
Tax refund		-	2	-	-
		<u>(2,963)</u>	<u>(2,303)</u>	<u>(69)</u>	<u>-</u>
Net cash from/(used in) operating activities		<u>5,549</u>	<u>(9,224)</u>	<u>(1,274)</u>	<u>(9,770)</u>
<b>Cash Flows From Investing Activities</b>					
Interest income		15	56	-	43
Investment in a subsidiary company		-	-	-	(2,000)
Proceeds from disposal of property, plant and equipment		210	372	-	-
Purchase of property, plant and equipment	4(f)	(10,893)	(1,986)	-	-
Net cash used in investing activities		<u>(10,668)</u>	<u>(1,558)</u>	<u>-</u>	<u>(1,957)</u>

**SYF RESOURCES BERHAD**  
(Incorporated in Malaysia)

**STATEMENTS OF CASH FLOWS**  
**FOR THE FINANCIAL YEAR ENDED 31 JULY 2013 (CONT'D)**

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
<b>Cash Flows From Financing Activities</b>				
Drawdown of bank borrowings	7,000	4,000	-	-
Purchase of treasury shares	(7)	-	(7)	-
Exercised of Employees' Share Options	1,134	-	1,134	-
Proceeds from issuance of rights shares	-	21,017	-	21,017
Repayment of bank borrowings	(10,166)	(11,889)	-	(9,220)
Repayment of hire purchase payables	(336)	(170)	-	-
Upliftment/(Placement) of fixed deposits pledged with a licensed bank	19	(190)	-	-
Net cash (used in)/from financing activities	<u>(2,356)</u>	<u>12,768</u>	<u>1,127</u>	<u>11,797</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>	(7,475)	1,986	(147)	70
<b>Cash and cash equivalents at beginning of the financial year</b>	<u>(260)</u>	<u>(2,246)</u>	<u>327</u>	<u>257</u>
<b>Cash and cash equivalents at end of the financial year</b>	<u>(7,735)</u>	<u>(260)</u>	<u>180</u>	<u>327</u>
<b>Cash and cash equivalents at the end of the financial year comprise:</b>				
Fixed deposits with a licensed bank	221	240	-	-
Cash and bank balances	3,018	3,057	180	327
Bank overdrafts	(10,753)	(3,317)	-	-
	<u>(7,514)</u>	<u>(20)</u>	<u>180</u>	<u>327</u>
Less: Fixed deposits pledged with a licensed bank	(221)	(240)	-	-
	<u>(7,735)</u>	<u>(260)</u>	<u>180</u>	<u>327</u>

The accompanying notes form an integral part of the financial statements.