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ELAINE TAN AI LIN  
Advocate & Solicitor  
Selangor  
T/979

**TG AGRO SEEDLINGS SDN. BHD.**

(Incorporated in Malaysia)  
Company No : 1010480-W

**FINANCIAL REPORT**  
*for the financial period from 18 July 2012*  
*(date of incorporation) to 31 December 2012*

**CONTENTS**

	Page
Directors' Report .....	1
Statement by Directors .....	5
Statutory Declaration .....	5
Independent Auditors' Report .....	6
Balance Sheet .....	8
Income Statement .....	9
Statement of Changes in Equity .....	10
Cash Flow Statement .....	11
Notes to the Financial Statements .....	12

**TG AGRO SEEDLINGS SDN. BHD.**

(Incorporated In Malaysia)

Company No : 1010480-W

**DIRECTORS' REPORT**

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The directors hereby submit their report and the audited financial statements of the Company for the financial period from 18 July 2012 (date of incorporation) to 31 December 2012.

**PRINCIPAL ACTIVITIES**

The Company commenced operations during the financial period and is principally engaged in the business of oil palm nursery and trading of budded rubber stump.

**RESULTS**

	RM
Loss after taxation for the financial period	<u>2,822</u>

**DIVIDENDS**

No dividend was declared or paid by the Company since the date of incorporation and the directors do not recommend the payment of any dividend for the current financial period.

**RESERVES AND PROVISIONS**

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

**ISSUES OF SHARES AND DEBENTURES**

The Company was incorporated with an authorised share capital of RM100,000 comprising 100,000 ordinary shares of RM1 each, of which 2 ordinary shares of RM1 each were subscribed for on date of incorporation.

During the financial period, there were no issues of debentures by the Company.

**OPTIONS GRANTED OVER UNISSUED SHARES**

During the financial period, no options were granted by the Company to any person to take up any unissued shares in the Company.

**TG AGRO SEEDLINGS SDN. BHD.**

(Incorporated In Malaysia)

Company No : 1010480-W

**DIRECTORS' REPORT**

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**BAD AND DOUBTFUL DEBTS**

Before the financial statements of the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts, and satisfied themselves that there are no known bad debts and that no allowance for doubtful debts is required.

At the date of this report, the directors are not aware of any circumstances that would require the writing off of bad debts, or making of allowance for doubtful debts in the financial statements of the Company.

**CURRENT ASSETS**

Before the financial statements of the Company were made out, the directors took reasonable steps to ascertain that any current assets other than debts, which were unlikely to be realised in the ordinary course of business, including their value as shown in the accounting records of the Company have been written down to an amount which they might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances which would render the values attributed to the current assets in the financial statements misleading.

**VALUATION METHODS**

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing methods of valuation of assets or liabilities of the Company misleading or inappropriate.

**CONTINGENT AND OTHER LIABILITIES**

At the date of this report, there does not exist:-

- (a) any charge on the assets of the Company that has arisen since the end of the financial period which secures the liabilities of any other person; or
- (b) any contingent liability of the Company which has arisen since the end of the financial period.

No contingent or other liability of the Company has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial period which, in the opinion of the directors, will or may substantially affect the ability of the Company to meet their obligations when they fall due.

**TG AGRO SEEDLINGS SDN. BHD.**

(Incorporated In Malaysia)

Company No : 1010480-W

**DIRECTORS' REPORT**

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**CHANGE OF CIRCUMSTANCES**

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

**ITEMS OF AN UNUSUAL NATURE**

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

There has not arisen in the interval between the end of the financial period and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of the Company for the financial period.

**DIRECTORS**

The directors who served since the date of incorporation are as follows:-

Yap Foot Loy	)	First directors
Tan Lai Choo	)	

**DIRECTORS' INTERESTS**

According to the register of directors' shareholdings, the interests of directors holding office at the end of the financial period in shares in the Company during the financial period are as follows:-

	Number of ordinary shares of RM1 each			
	At 18.7.2012 (date of incorporation)	Bought	Sold	At 31.12.2012
Yap Foot Loy	1	-	-	1
Tan Lai Choo	1	-	-	1

**TG AGRO SEEDLINGS SDN. BHD.**

(Incorporated In Malaysia)

Company No : 1010480-W

**DIRECTORS' REPORT**

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**DIRECTORS' BENEFITS**

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by directors as shown in the financial statements, or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or a related corporations 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.

Neither during nor at the end of the financial period, was the Company a party to any arrangements whose object 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.

**AUDITORS**

The auditors, Messrs. Crowe Horwath, have expressed their willingness to continue in office.

**SIGNED IN ACCORDANCE WITH A RESOLUTION OF THE DIRECTORS**

**DATED 11 JUN 2013**



**Yap Foot Loy**



**Tan Lai Choo**

**TG AGRO SEEDLINGS SDN. BHD.**

(Incorporated In Malaysia)

Company No : 1010480-W

**STATEMENT BY DIRECTORS**

We, Yap Foot Loy and Tan Lai Choo, being the two directors of TG Agro Seedlings Sdn. Bhd., state that, in the opinion of the directors, the financial statements set out on pages 8 to 20 are drawn up in accordance with Private Entity Reporting Standards and the Companies Act 1965 in Malaysia, so as to give a true and fair view of the state of affairs of the Company at 31 December 2012 and of its results and cash flows for the financial period ended on that date.

**SIGNED IN ACCORDANCE WITH A RESOLUTION OF THE DIRECTORS**

**DATED 11 JUN 2013**



**Yap Foot Loy**



**Tan Lai Choo**

**STATUTORY DECLARATION**

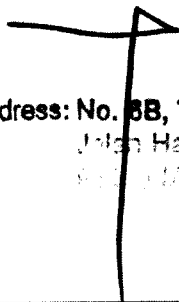
I, Yap Foot Loy, I/C. No. 590606-10-5433, being the director primarily responsible for the financial management of TG Agro Seedlings Sdn. Bhd., do solemnly and sincerely declare that the financial statements set out on pages 8 to 20 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declaration Act 1960.

Subscribed and solemnly declared by  
Yap Foot Loy, I/C No. 590606-10-5433  
at Miri in the state of Sarawak  
on this **11 JUN 2013**



**Yap Foot Loy**

Before me



Business Address: No. 88, Tingkat Satu  
Jalan Haji Lampam,  
Miri, Sarawak



## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TG AGRO SEEDLINGS SDN. BHD.**

(Incorporated In Malaysia)  
Company No : 1010480-W

### **Report on the Financial Statements**

We have audited the financial statements of TG Agro Seedlings Sdn. Bhd., which comprise balance sheet as at 31 December 2012, and income statement, statement of changes in equity and cash flow statement for the financial period then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 8 to 20.

#### *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 Private Entity 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 is 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 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 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 Company as of 31 December 2012 and of its financial performance and cash flows for the financial period then ended in accordance with Private Entity Reporting Standards and the requirements of the Companies Act 1965 in Malaysia.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
TG AGRO SEEDLINGS SDN. BHD. (CONT'D)**

(Incorporated In Malaysia)  
Company No : 1010480-W

***Emphasis of matter***

Without qualifying our opinion, we draw attention to Note 3 to the financial statements.

The Company incurred a loss of RM2,822 for the financial period ended 31 December 2012 and as of that date, the Company had capital deficiency of RM2,820 and the current liabilities exceeded the current assets by RM197,851.

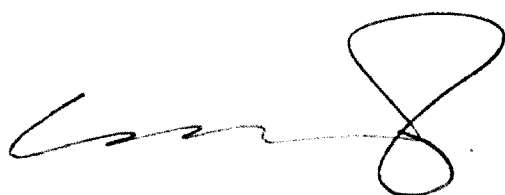
The above conditions indicate the existence of an uncertainty which may cast doubt on the ability of the Company to continue as a going concern. The validity of the going concern assumption is dependent upon continuous support from the directors of the Company and the ability of the Company to attain profitable operations in the future to fulfil its obligations as and when they fall due.

**Report on Other Legal and Regulatory Requirements**

In accordance with the requirements of the Companies Act 1965 in Malaysia, we also report that in our opinion the accounting and other records and the registers required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

**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.



**Crowe Horwath**  
Firm No. : AF 1018  
Chartered Accountants

Miri

Date 11 JUN 2013



**Yeu Sion Bin**  
Approval No : 1511/07/14 (J)  
Chartered Accountant



**TG AGRO SEEDLINGS SDN. BHD.**

(Incorporated In Malaysia)

Company No : 1010480-W

**BALANCE SHEET AT 31 DECEMBER 2012**

	NOTE	31.12.2012 RM
<b>NON-CURRENT ASSET</b>		
Property, plant and equipment	5	201,126
<b>CURRENT ASSETS</b>		
Inventories	6	360,044
Trade receivable		30
Other receivable		94
Amount due by a director	7	37,757
Cash balance		122,793
		520,718
<b>CURRENT LIABILITIES</b>		
Trade payables		144,885
Other payables and accruals		435,320
Amount due to a director	7	65,806
Bank overdraft	8	42,162
Tax payable		30,396
		718,569
<b>NET CURRENT LIABILITIES</b>		(197,851)
		3,275
<b>REPRESENTED BY:-</b>		
Share capital	9	2
Accumulated losses		(2,822)
<b>SHAREHOLDERS' DEFICITS</b>		(2,820)
<b>NON-CURRENT LIABILITY</b>		
Deferred tax liabilities	10	6,095
		3,275

**TG AGRO SEEDLINGS SDN. BHD.**

(Incorporated In Malaysia)

Company No : 1010480-W

**INCOME STATEMENTS****FOR THE FINANCIAL PERIOD FROM 18 JULY 2012****(DATE OF INCORPORATION) TO 31 DECEMBER 2012**

	NOTE	18.7.2012 to 31.12.2012 RM
Revenue	11	1,524,424
Cost of sales		(1,202,471)
Gross profit		321,953
Administrative expenses		(288,239)
Profit from operations		33,714
Finance costs		(45)
Profit before taxation	12	33,669
Income tax expense	13	(36,491)
Loss after taxation		(2,822)

**TG AGRO SEEDLINGS SDN. BHD.**

(Incorporated In Malaysia)

Company No : 1010480-W

**STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL PERIOD FROM 18 JULY 2012  
(DATE OF INCORPORATION) TO 31 DECEMBER 2012**

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	SHARE CAPITAL RM	ACCUMULATED LOSSES RM	TOTAL RM
At date of incorporation (18.7.2012)	2	-	2
Loss after taxation for the financial period	-	(2,822)	(2,822)
Balance as at 31 December 2012	2	(2,822)	(2,820)

**TG AGRO SEEDLINGS SDN. BHD.**

(Incorporated In Malaysia)

Company No : 1010480-W

**CASH FLOW STATEMENT  
FOR THE FINANCIAL PERIOD FROM 18 JULY 2012  
(DATE OF INCORPORATION) TO 31 DECEMBER 2012**

	NOTE	18.7.2012 to 31.12.2012 RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation		33,669
Adjustments for:-		
Depreciation		32,162
Interest expense		45
Operating profit before working capital changes		65,876
Increase in inventories		(360,044)
Increase in trade receivable		(30)
Increase in other receivable		(94)
Increase in amount due by a director		(37,757)
Increase in trade payables		144,885
Increase in other payables and accruals		435,320
Increase in amount due to a director		65,806
<b>CASH FROM OPERATIONS</b>		313,962
Interest paid		(45)
<b>NET CASH FROM OPERATING ACTIVITIES</b>		313,917
<b>CASH FLOWS FOR INVESTING ACTIVITY</b>		
Purchase of property, plant and equipment, representing net cash for investing activity		(233,288)
<b>CASH FLOWS FROM FINANCING ACTIVITY</b>		
Proceeds from issuance of shares, representing net cash from financing activity		2
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD</b>	15	80,631

**TG AGRO SEEDLINGS SDN. BHD.**

(Incorporated In Malaysia)  
Company No : 1010480-W

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD FROM 18 JULY 2012  
(DATE OF INCORPORATION) TO 31 DECEMBER 2012**

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**1. GENERAL INFORMATION**

The Company is a private company limited by shares and is incorporated under the Companies Act 1965 in Malaysia. The domicile of the Company is Malaysia. The registered office is Lot 1609, Kg. Riam Jaya, Jalan Sze Chuan 1, 98000 Miri, Sarawak.

The financial statements of the Company are reported in Ringgit Malaysia (RM).

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated **11 JUN 2013**

**2. PRINCIPAL ACTIVITIES**

The Company commenced operations during the financial period and is principally engaged in the business of oil palm nursery and trading of budded rubber stump.

**3. BASIS OF PREPARATION**

The financial statements of the Company are prepared under the historical cost convention except as otherwise stated in the financial statements and in compliance with Private Entity Reporting Standards and the Companies Act 1965 in Malaysia.

The Company incurred a loss of RM2,822 for the financial period ended 31 December 2012 and as of that date, the Company had capital deficiency of RM2,820 and the current liabilities exceeded the current assets by RM197,851.

The above conditions indicate the existence of uncertainty which may cast doubt on the ability of the Company to continue as a going concern. The validity of the going concern assumption is dependent upon continuous support from the directors of the Company and the ability of the Company to attain profitable operations in the future to fulfil its obligations as and when they fall due.

**4. SIGNIFICANT ACCOUNTING POLICIES**

**(a) Property, Plant and Equipment**

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

**TG AGRO SEEDLINGS SDN. BHD.**

(Incorporated In Malaysia)

Company No : 1010480-W

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD FROM 18 JULY 2012  
(DATE OF INCORPORATION) TO 31 DECEMBER 2012**

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**4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**(a) Property, Plant and Equipment – Cont'd**

Depreciation is calculated under the straight-line method to write off the cost of the assets over their estimated useful lives. The principal annual rates used for this purpose are as follows:-

Plant and machinery	20%
Worker quarter and shelter	10%
Office equipment, furniture and fittings	10% - 50%
Renovation	10%

The depreciation method, useful life and residual values are reviewed, and adjusted if appropriate, at each balance sheet date to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of the property, plant and equipment.

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

**(b) Impairment of Assets**

The carrying amounts of assets, other than financial assets, are reviewed at each balance sheet date for impairment when there is an indication that the assets might be impaired. Impairment is measured by comparing the carrying values of the assets with their recoverable amounts.

An impairment loss is charged to the income statement immediately unless the asset is carried at its revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease to the extent of a previously recognised revaluation surplus for the same asset.

In respect of assets other than goodwill, and when there is a change in the estimates used to determine the recoverable amount, a subsequent increase in the recoverable amount of an asset is treated as a reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in the income statement immediately unless the asset is carried at its revalued amount. A reversal of an impairment loss on a revalued asset is credited directly to the revaluation surplus. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense in the income statement, a reversal of that impairment loss is recognised as income in the income statement.

**TG AGRO SEEDLINGS SDN. BHD.**

(Incorporated In Malaysia)

Company No : 1010480-W

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD FROM 18 JULY 2012  
(DATE OF INCORPORATION) TO 31 DECEMBER 2012**

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**4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**(c) Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weight-average basis, and comprises the purchase price and incidentals incurred in bringing the inventories to their present location and condition.

Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

Where necessary, due allowance is made for all damaged, obsolete and slowing-moving items.

**(d) Receivables**

Receivables are carried at anticipated realisable value. Bad debts are written off in the period in which they are identified. An estimate is made for doubtful debts based on a review of all outstanding amounts at the balance sheet date.

**(e) Payables**

Payables are stated at cost which is the fair value of the consideration to be paid in the future for goods and services received.

**(f) Interest-bearing Borrowings**

Interest-bearing borrowings are recorded at the amount of proceeds received, net of transactions costs.

All borrowing costs are charged to the income statement as an expense in the period in which they are incurred.

**(g) Equity Instruments**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from proceeds.

Dividends on ordinary shares are recognised as liabilities when approved for appropriation.

**TG AGRO SEEDLINGS SDN. BHD.**

(Incorporated In Malaysia)

Company No : 1010480-W

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD FROM 18 JULY 2012  
(DATE OF INCORPORATION) TO 31 DECEMBER 2012**

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**4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**(h) Cash and Cash Equivalents**

Cash and cash equivalents comprise cash in hand, bank balances, demand deposits, deposits pledged with financial institutions, bank overdrafts and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**(i) Employee Benefits**

*(i) Short term benefits*

Wages, salaries, paid annual leave, bonuses, and non-monetary benefits are accrued in the period in which the associated services are rendered by employees of the Company.

*(ii) Defined contribution plans*

The Company's contributions to defined contribution plans are charged to the income statement in the period to which they relate. Once the contributions have been paid, the Company has no further liabilities in respect of the defined contribution plans.

**(j) Income Taxes**

Income taxes on the profit or loss for the financial period comprises current and deferred tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the period and is measured using the tax rates that have been enacted or substantively enacted at the balance sheet date.

Deferred taxation is provided in full, using the liability method, on all material temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax liabilities are recognised for all taxable temporary differences other than those that arise from goodwill or excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the business combination costs or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.



**TG AGRO SEEDLINGS SDN. BHD.**

(Incorporated In Malaysia)

Company No : 1010480-W

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD FROM 18 JULY 2012  
(DATE OF INCORPORATION) TO 31 DECEMBER 2012**

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**4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**(j) Income Taxes – Cont'd**

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

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

Deferred tax is recognised in the income statement, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also charged or credited directly to equity, or when it arises from a business combination that is an acquisition, in which case the deferred tax is included in the resulting goodwill or excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the business combination costs. The carrying amounts of deferred tax assets are reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the deferred tax assets to be utilised.

**(k) Revenue Recognition**

Revenue from sale of goods is measured at the fair value of the consideration receivable and is recognised in the income statement when the significant risks and rewards of ownership have been transfer to the buyer.

**TG AGRO SEEDLINGS SDN. BHD.**

(Incorporated In Malaysia)

Company No : 1010480-W

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD FROM 18 JULY 2012  
(DATE OF INCORPORATION) TO 31 DECEMBER 2012****5. PROPERTY, PLANT AND EQUIPMENT**

	<b>Additions RM</b>	<b>Depreciation Charge RM</b>	<b>At 31.12.2012 RM</b>
Plant and machinery	79,030	(15,806)	63,224
Worker quarter and shelter	44,152	(4,416)	39,736
Office equipment, furniture and fittings	10,578	(1,987)	8,591
Renovation	99,528	(9,953)	89,575
	<u>233,288</u>	<u>(32,162)</u>	<u>201,126</u>
	<b>At Cost RM</b>	<b>Accumulated Depreciation RM</b>	<b>Net Book Value RM</b>
At 31 December 2012			
Plant and machinery	79,030	(15,806)	63,224
Worker quarter and shelter	44,152	(4,416)	39,736
Office equipment, furniture and fittings	10,578	(1,987)	8,591
Renovation	99,528	(9,953)	89,575
	<u>233,288</u>	<u>(32,162)</u>	<u>201,126</u>

**6. INVENTORIES**

	<b>31.12.2012 RM</b>
At cost :	
Oil palm and budded rubber seedlings	339,604
Consumables stores	20,440
	<u>360,044</u>

**7. AMOUNTS DUE BY/(TO) A DIRECTOR**

The amounts due by/(to) a director are unsecured, interest free and repayable on demand.

**8. BANK OVERDRAFT, unsecured**

Unsecured overdraft represents a temporarily overdrawn account which arose as a result of cheques issued before the financial year end but presented for payments subsequent to the financial year end. The Company has no overdraft facility with the bank.

**TG AGRO SEEDLINGS SDN. BHD.**

(Incorporated In Malaysia)

Company No : 1010480-W

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD FROM 18 JULY 2012  
(DATE OF INCORPORATION) TO 31 DECEMBER 2012**

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**9. SHARE CAPITAL**

	<b>31.12.2012 Number of shares</b>	<b>31.12.2012 RM</b>
<b>ORDINARY SHARES OF RM1 EACH :</b>		
<b>AUTHORISED</b>		
At date of incorporation and 31.12.2012	<u>100,000</u>	<u>100,000</u>
<b>ISSUED AND FULLY PAID</b>		
At date of incorporation and 31.12.2012	<u>2</u>	<u>2</u>

The Company was incorporated with an authorised share capital of RM100,000 comprising 100,000 ordinary shares of RM1 each, of which 2 ordinary shares of RM1 each were subscribed for on date of incorporation.

**10. DEFERRED TAX LIABILITIES**

	<b>31.12.2012</b>
Recognised in income statement (Note 13) and at 31 December	<u>6,095</u>
Representing the tax effect:	
Temporary differences arising from property, plant and equipment	<u>6,095</u>

**11. REVENUE**

	<b>18.7.2012 to 31.12.2012 RM</b>
Sale of goods	<u>1,524,424</u>

**TG AGRO SEEDLINGS SDN. BHD.**

(Incorporated In Malaysia)

Company No : 1010480-W

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD FROM 18 JULY 2012  
(DATE OF INCORPORATION) TO 31 DECEMBER 2012**

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**12. PROFIT BEFORE TAXATION**

	18.7.2012 to 31.12.2012 RM
Profit before taxation is arrived at after charging:-	
Audit fee	3,500
Depreciation	32,162
Director's other emolument	1,170
Rental	26,100
Bank interest	45
	<hr/>

**13. INCOME TAX EXPENSE**

	18.7.2012 to 31.12.2012 RM
Current tax expense	
- for the financial period	30,396
Deferred tax expense (Note 10)	
- relating to origination of temporary differences	6,095
	<hr/>
	36,491
	<hr/>

The numerical reconciliation between tax expense at the applicable tax rate, which is the statutory income tax rate and the average effective tax rate on results for the financial period is as follows:-

	18.7.2012 to 31.12.2012 RM
Profit before taxation	33,669
	<hr/>
Tax expense at tax applicable tax rate	6,734
Tax effects:	
Non-deductible expenses	27,686
Depreciation of non qualifying property, plant and equipment	2,071
	<hr/>
Total tax expense	36,491
	<hr/>

The corporate tax rate of the Company on the first RM500,000 of chargeable income is 20% and the balance of the chargeable income is 25%.

**TG AGRO SEEDLINGS SDN. BHD.**

(Incorporated In Malaysia)

Company No : 1010480-W

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD FROM 18 JULY 2012  
(DATE OF INCORPORATION) TO 31 DECEMBER 2012**

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**14. EMPLOYEE BENEFIT EXPENSES**

	<b>18.7.2012 to 31.12.2012 RM</b>
Salaries and wages (including director's other emolument)	468,520
Employees Provident Fund Contributions	10,622
Social Security Contributions	1,201
	<hr/> 480,343 <hr/>

**15. CASH AND CASH EQUIVALENTS**

For the purpose of the cash flow statement, cash and cash equivalents comprise the following:-

	<b>31.12.2012 RM</b>
Cash balance	122,793
Bank overdraft	(42,162)
	<hr/> 80,631 <hr/>

**16. COMPARATIVE FIGURES**

As the Company was incorporated on 18 July 2012 and accordingly there are no comparative figures.

Lodge by : INTER-STATE SECRETAX SERVICES SDN. BHD. (108563-U)  
1st Floor, Lot 2941, Faradale Garden,  
Jalan Bulan Sabit, 98000 Miri, Sarawak.  
Telephone : 085-415635 Fax : 085-410089

Company No : 1010480-W

The additional financial data presented in the following pages

which is in accordance with the books and records of

**TG AGRO SEEDLINGS SDN. BHD. (CO.NO. 1010480-W)**

does not form part of the audited statutory financial statements

**TG AGRO SEEDLINGS SDN. BHD.**

(Incorporated In Malaysia)

Company No : 1010480-W

**DETAILED INCOME STATEMENT****FOR THE FINANCIAL PERIOD FROM 18 JULY 2012****(DATE OF INCORPORATION) TO 31 DECEMBER 2012**

	18.7.2012 to 31.12.2012 RM
SALES	1,524,424
LESS: COST OF SALES	
Chemical and fertilizer	3,688
Consumable store	122,859
Purchases	933,559
Salaries and wages	467,350
Transportation	35,059
Closing inventories	1,562,515 (360,044)
	1,202,471
GROSS PROFIT	321,953
LESS: ADMINISTRATIVE EXPENSES (SCHEDULE A)	288,239
	33,714
LESS: FINANCE COSTS	
Bank interest	45
PROFIT BEFORE TAXATION	33,669

**TG AGRO SEEDLINGS SDN. BHD.**

(Incorporated In Malaysia)

Company No : 1010480-W

**DETAILED INCOME STATEMENT****FOR THE FINANCIAL PERIOD FROM 18 JULY 2012****(DATE OF INCORPORATION) TO 31 DECEMBER 2012****SCHEDULE A****18.7.2012  
to  
31.12.2012  
RM****ADMINISTRATIVE EXPENSES**

Accommodation	213
Advertisement	900
Agent fees	12,230
Audit fee	3,500
Bank charges	614
Courier charges	223
Depreciation	32,162
Director's other emolument	1,170
Donation	1,500
Electricity charges	2,402
EPF contribution	10,622
Food ration	9,266
Fuel and oil	51,489
General expenses	71,672
Insurance	8,119
Legal and professional charges	2,620
Licence fees	2,813
Medical fees	484
Office supplies	292
Parking	11
Permit	2,030
Printing and stationery	1,701
Registration fees	400
Rental	26,100
Repair and maintenance	39,829
Socso contribution	1,201
Telephone charges	1,579
Toll	379
Water charges	2,718
	<hr/>
	<b>288,239</b>



**TG AGRO SEEDLINGS SDN. BHD.**  
**SCHEDULES AS AT 31 DECEMBER 2012**

**RM**

**TRADE RECEIVABLE**

Gawan Ak Timang - I/C: 670805-13-5213	<u>30.00</u>
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**OTHER RECEIVABLE**

Laku Management Sdn. Bhd.	<u>93.50</u>
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**TRADE PAYABLES**

Agricultural Goods Enterprise	20,985.00
Agricultural Goods Trading Co. Sdn Bhd	31,556.00
Fujia Trading Sdn Bhd	14,097.65
TG Agribusiness	40,116.00
TG Agribusiness (Sabah) Sdn Bhd	15,490.00
Wagro Trading Sdn Bhd	22,640.00
	<u>144,884.65</u>

**OTHER PAYABLES AND ACCRUALS**

Add Sen Furniture Sdn. Bhd.	1,964.00
Babai Anak Manchu I/C: 551115-13-5409	350.00
Botanium Resources Sdn Bhd	5,000.00
BQ Concrete Sdn Bhd	5,130.00
C & E Technologies Enterprise Co.	3,830.00
Firazer Anak Giling I/C: 740615-13-5491	567.00
Fradulinarkan Bauk - I/C: 530210-13-5375	700.00
Gasah Anak Tedong I/C No: 660320-13-5873	3,000.00
Gaya Bistari S/B (Mr Tang)	1,875.00
Giling Anak Manggai:- I/C: 520402-13-5151	2,417.50
Ginam Ak Ricky Banyang I/C No: 710908-13-5367	600.00
Great Harvest Agriculture Supply Enterprise	1,000.00
Iqbal Enterprise	6,525.00
Jamba Ak Kreak - I/C: 650324-13-5257	756.00
John Velli	600.00
Karisma Plantation Sdn Bhd	40,000.00
Lemin Anak Rumba- Ic:- 521010-13-6117	945.00
Ling & Company	3,150.00
Lucas Dungau @ Lucas Ungau	870.00
Merani Anak Joly I/C No: 711015-13-5583	1,125.00
Mission Gain Sdn Bhd	45,235.00
Nesi Ak Gani I/C: 780208-13-5458	1,300.00
Nora Bt Kipli I/C: 740917-13-5876	3,750.00
Pagang Ak Ambau - I/C: 650104-13-5765	378.00
	<u>131,067.50</u>
Balance carried forward	

**TG AGRO SEEDLINGS SDN. BHD.**  
**SCHEDULES AS AT 31 DECEMBER 2012 - CONT'D**

	<b>RM</b>
<b>OTHER PAYABLES AND ACCRUALS</b>	
Balance brought forward	131,067.50
Power Ranch Sdn. Bhd.	101,050.00
Raymond Apoi Balan	500.00
Roselin Apoi- I/C:- 730314-13-6176	200.00
Siong Chiong Hing Hardware Sdn Bhd	35,468.30
Ting Chin Bian	158,734.00
Today Agrochemical Supplies	450.00
Tong Seng Tyres & Auto Services	750.00
Wan Ngau Lah - I/C: 550821-13-5401	375.00
Xin Kong Hardware Co.	2,050.00
Accruals - Audit fee	3,500.00
- Legal and professional charges	1,175.00
	<hr/>
	<b>435,319.80</b>