

KIM LOONG RESOURCES BERHAD

(Company Number : 22703-K)

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT

| | INDIVIDUAL QUARTER | | CUMULATIVE QUARTER | |
|-----------------------------------|----------------------------|---|----------------------------|--|
| | CURRENT YEAR QUARTER | PRECEDING YEAR CORRESPONDING QUARTER | CURRENT YEAR TO-DATE | PRECEDING YEAR CORRESPONDING PERIOD |
| | 31/10/2009 RM'000 | 31/10/2008 RM'000 | 31/10/2009 RM'000 | 31/10/2008 RM'000 |
| Revenue | 122,558 | 108,549 | 347,578 | 426,942 |
| Cost of sales | <u>(95,186)</u> | <u>(90,351)</u> | <u>(273,086)</u> | <u>(321,722)</u> |
| Gross profit | 27,372 | 18,198 | 74,492 | 105,220 |
| Other income | 597 | 921 | 1,680 | 2,568 |
| Operating expenses | (4,651) | (5,572) | (13,962) | (16,037) |
| Finance costs | <u>(330)</u> | <u>(147)</u> | <u>(936)</u> | <u>(499)</u> |
| Profit before tax | 22,988 | 13,400 | 61,274 | 91,252 |
| Tax expenses | <u>(5,288)</u> | <u>(2,208)</u> | <u>(14,945)</u> | <u>(21,146)</u> |
| Profit for the period | <u>17,700</u> | <u>11,192</u> | <u>46,329</u> | <u>70,106</u> |
| Attributable to : | | | | |
| Equity holders of the Company | 14,574 | 7,923 | 36,581 | 56,660 |
| Minority interests | <u>3,126</u> | <u>3,269</u> | <u>9,748</u> | <u>13,446</u> |
| | <u>17,700</u> | <u>11,192</u> | <u>46,329</u> | <u>70,106</u> |
| Earnings per share (sen) : | | | | |
| - Basic | 4.80 | 2.62 | 12.07 | 18.89 |
| - Diluted | 4.77 | 2.60 | 12.00 | 18.69 |
| Dividends per share (sen) | - | - | 4.00 | 33.00 |

(The Unaudited Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Report for the financial year ended 31 January 2009)

KIM LOONG RESOURCES BERHAD

(Company Number : 22703-K)

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET

| | AS AT CURRENT QUARTER ENDED 31/10/2009 RM'000 | AS AT PRECEDING FINANCIAL YEAR ENDED 31/01/2009 RM'000 |
|---|--|---|
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 182,309 | 169,515 |
| Biological assets | 64,074 | 65,330 |
| Prepaid land lease payments | 164,411 | 164,647 |
| Quoted investments | 13 | 13 |
| Development expenditure | 2,621 | 1,453 |
| Deferred tax assets | 3,704 | 3,359 |
| | 417,132 | 404,317 |
| Current assets | | |
| Inventories | 18,644 | 24,287 |
| Receivables | 21,968 | 26,319 |
| Tax recoverable | 95 | 1,177 |
| Deposits with licensed banks and other financial institution | 103,482 | 67,320 |
| Cash and bank balances | 22,017 | 9,059 |
| | 166,206 | 128,162 |
| TOTAL ASSETS | 583,338 | 532,479 |
| EQUITY AND LIABILITIES | | |
| Equity attributable to equity holders of the Company | | |
| Share capital | 304,042 | 302,253 |
| Share premium | 756 | 623 |
| Revaluation reserve | 43,902 | 44,521 |
| Other reserve | 306 | 218 |
| Retained profits | 73,489 | 43,483 |
| | 422,495 | 391,098 |
| Minority interests | 36,294 | 27,729 |
| Total equity | 458,789 | 418,827 |
| Non-current liabilities | | |
| Interest bearing borrowings (secured) | 30,167 | 22,323 |
| Other borrowings | 12,805 | 13,672 |
| Deferred tax liabilities | 42,722 | 42,348 |
| | 85,694 | 78,343 |
| Current liabilities | | |
| Payables | 30,035 | 23,376 |
| Interest bearing borrowings (secured) | 5,111 | 9,315 |
| Tax payable | 3,709 | 2,618 |
| | 38,855 | 35,309 |
| Total liabilities | 124,549 | 113,652 |
| TOTAL EQUITY AND LIABILITIES | 583,338 | 532,479 |
| Net assets per share attributable to ordinary equity holders of the Company (RM) | 1.39 | 1.29 |

(The Unaudited Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report for the financial year ended 31 January 2009)

KIM LOONG RESOURCES BERHAD

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

| | Attributable to equity holders of the Company | | | | | | Minority interests | Total equity |
|--|---|---------------|---------------------|---------------|------------------|----------------|--------------------|----------------|
| | Non-distributable | | | | Distributable | | | |
| | Share capital | Share premium | Revaluation reserve | Other reserve | Retained profits | Total | | |
| RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | |
| 9 months ended | | | | | | | | |
| <u>31 October 2009</u> | | | | | | | | |
| Balance as at 1 February 2009 | 302,253 | 623 | 44,521 | 218 | 43,483 | 391,098 | 27,729 | 418,827 |
| Realisation of revaluation surplus, net of tax | - | - | (619) | - | 619 | - | - | - |
| Income and expenses recognised directly in equity | - | - | (619) | - | 619 | - | - | - |
| Profit for the period | - | - | - | - | 36,581 | 36,581 | 9,748 | 46,329 |
| Total recognised income and expenses for the period | - | - | (619) | - | 37,200 | 36,581 | 9,748 | 46,329 |
| Dividends | - | - | - | - | (7,194) | (7,194) | (1,200) | (8,394) |
| Share-based payment under ESOS | - | - | - | 179 | - | 179 | - | 179 |
| Transfer of reserve arising from exercise of ESOS | - | 91 | - | (91) | - | - | - | - |
| Issuance of shares pursuant to: | | | | | | | | |
| - exercise of ESOS | 780 | 51 | - | - | - | 831 | - | 831 |
| - exercise of Warrants | 1,009 | - | - | - | - | 1,009 | - | 1,009 |
| Share issuance expenses | - | (9) | - | - | - | (9) | - | (9) |
| Minority interests' share of losses set off against their advances | - | - | - | - | - | - | 17 | 17 |
| Balance as at 31 October 2009 | 304,042 | 756 | 43,902 | 306 | 73,489 | 422,495 | 36,294 | 458,789 |

KIM LOONG RESOURCES BERHAD

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

| | Attributable to equity holders of the Company | | | | | | Minority interests | Total equity |
|---|---|---------------|---------------------|---------------|------------------|----------------|--------------------|----------------|
| | Non-distributable | | | Distributable | | | | |
| | Share capital | Share premium | Revaluation reserve | Other reserve | Retained profits | Total | | |
| RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | |
| 9 months ended | | | | | | | | |
| 31 October 2008 | | | | | | | | |
| Balance as at 1 February 2008 | | | | | | | | |
| As previously stated | 209,957 | 36,263 | 44,785 | - | 92,947 | 383,952 | 15,222 | 399,174 |
| Prior year adjustments : | | | | | | | | |
| Effects of adopting FRS 112 on deferred tax | - | - | - | - | 1,971 | 1,971 | 844 | 2,815 |
| As restated | 209,957 | 36,263 | 44,785 | - | 94,918 | 385,923 | 16,066 | 401,989 |
| Realisation of revaluation surplus, net of tax | - | - | (619) | - | 619 | - | - | - |
| Reduction in deferred tax arising from change in tax rate | - | - | 561 | - | - | 561 | 103 | 664 |
| Income and expenses recognised directly in equity | - | - | (58) | - | 619 | 561 | 103 | 664 |
| Profit for the period | - | - | - | - | 56,660 | 56,660 | 13,446 | 70,106 |
| Total recognised income and expenses for the period | - | - | (58) | - | 57,279 | 57,221 | 13,549 | 70,770 |
| Dividends | - | - | - | - | (67,651) | (67,651) | (1,200) | (68,851) |
| Share-based payment under ESOS | - | - | - | 317 | - | 317 | - | 317 |
| Transfer of reserve arising from exercise of ESOS | - | 194 | - | (194) | - | - | - | - |
| Issuance of shares pursuant to: | | | | | | | | |
| - exercise of ESOS | 1,238 | 475 | - | - | - | 1,713 | - | 1,713 |
| - exercise of Warrant | 4,681 | - | - | - | - | 4,681 | - | 4,681 |
| - Bonus Issue | 86,248 | (36,263) | - | - | (49,985) | - | - | - |
| Share issuance expenses | - | (36) | - | - | - | (36) | - | (36) |
| Reversal of minority interests' share of losses previously set off against their advances | - | - | - | - | - | - | (1,937) | (1,937) |
| Balance as at 31 October 2008 | 302,124 | 633 | 44,727 | 123 | 34,561 | 382,168 | 26,478 | 408,646 |

(The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the financial year ended 31 January 2009)

KIM LOONG RESOURCES BERHAD

(Company Number : 22703-K)

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT

| | 9 months ended 31/10/2009 RM'000 | 9 months ended 31/10/2008 RM'000 |
|---|---|---|
| Net cash from operating activities | 80,533 | 90,058 |
| Net cash used in investing activities | (28,518) | (43,599) |
| Net cash used in financing activities | (3,460) | (43,728) |
| Net increase in cash and cash equivalents | 48,555 | 2,731 |
| Cash and cash equivalents at beginning of period | 75,278 | 100,123 |
| Cash and cash equivalents at end of period (Note a) | <u>123,833</u> | <u>102,854</u> |
| <u>Note a : Cash and cash equivalents at end of period</u> | | |
| Cash and bank balances | 22,017 | 18,538 |
| Deposits with licensed banks and other financial institution | 103,482 | 85,023 |
| Bank overdrafts | (1,666) | (707) |
| | <u>123,833</u> | <u>102,854</u> |

(The Unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the financial year ended 31 January 2009)