

**KIM LOONG RESOURCES BERHAD**

(Company Number : 22703-K)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/07/2013 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/07/2012 RM'000	CURRENT YEAR TO-DATE 31/07/2013 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/07/2012 RM'000
Revenue	142,031	154,484	279,341	312,246
Cost of sales	<u>(120,762)</u>	<u>(126,328)</u>	<u>(225,572)</u>	<u>(250,024)</u>
Gross profit	21,269	28,156	53,769	62,222
Other income	2,213	2,152	4,083	3,812
Operating expenses	(6,642)	(7,765)	(16,676)	(14,544)
Finance costs	<u>(325)</u>	<u>(326)</u>	<u>(592)</u>	<u>(668)</u>
Profit before tax	16,515	22,217	40,584	50,822
Tax	<u>(4,081)</u>	<u>(5,641)</u>	<u>(10,208)</u>	<u>(12,530)</u>
<b>Profit for the period</b>	<u>12,434</u>	<u>16,576</u>	<u>30,376</u>	<u>38,292</u>
<b>Other comprehensive income:</b>				
Cash flow hedge	5	(750)	7	(838)
Tax relating to other comprehensive income	(2)	187	(2)	209
<b>Other comprehensive income for the period, net of tax</b>	3	(563)	5	(629)
<b>Total comprehensive income for the period</b>	<u>12,437</u>	<u>16,013</u>	<u>30,381</u>	<u>37,663</u>
<b>Profit for the period attributable to :</b>				
Owners of the Company	11,363	13,682	25,491	31,072
Non-controlling interests	<u>1,071</u>	<u>2,894</u>	<u>4,885</u>	<u>7,220</u>
	<u>12,434</u>	<u>16,576</u>	<u>30,376</u>	<u>38,292</u>
<b>Total comprehensive income for the period attributable to :</b>				
Owners of the Company	11,365	13,219	25,494	30,568
Non-controlling interests	<u>1,072</u>	<u>2,794</u>	<u>4,887</u>	<u>7,095</u>
	<u>12,437</u>	<u>16,013</u>	<u>30,381</u>	<u>37,663</u>
<b>Earnings per share (sen) :</b>				
- Basic	3.68	4.44	8.26	10.10
- Diluted	3.68	4.43	8.26	10.09
<b>Dividends per share (sen)</b>	5.00	5.00	5.00	5.00

(The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the financial year ended 31 January 2013)

**KIM LOONG RESOURCES BERHAD**

(Company Number : 22703-K)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>AS AT CURRENT QUARTER ENDED 31/07/2013 RM'000</b>	<b>AS AT PRECEDING FINANCIAL YEAR ENDED 31/01/2013 RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	373,803	371,360
Biological assets	79,471	78,028
Land use rights	2,535	2,593
Deferred tax assets	8,332	8,358
	464,141	460,339
<b>Current assets</b>		
Inventories	29,146	42,776
Receivables	22,463	26,184
Prepayments	6,486	6,635
Tax recoverable	3,379	3,166
Derivative financial asset	-	622
Deposits with licensed banks and other financial institutions	185,191	126,768
Cash and bank balances	54,209	64,137
	300,874	270,288
<b>TOTAL ASSETS</b>	<b>765,015</b>	<b>730,627</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	308,783	308,667
Reserves	213,751	209,542
Treasury shares	(217)	(60)
	522,317	518,149
Non-controlling interests	78,637	77,510
<b>Total equity</b>	<b>600,954</b>	<b>595,659</b>
<b>Non-current liabilities</b>		
Interest bearing borrowings (secured)	31,913	24,234
Other payables	2,397	2,314
Deferred tax liabilities	50,708	49,254
	85,018	75,802
<b>Current liabilities</b>		
Payables and accruals	42,188	42,952
Interest bearing borrowings (secured)	13,419	14,229
Dividend payable	21,607	-
Derivative financial liability	408	21
Tax payable	1,421	1,964
	79,043	59,166
<b>Total liabilities</b>	<b>164,061</b>	<b>134,968</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>765,015</b>	<b>730,627</b>
<b>Net assets per share (RM)</b>	<b>1.69</b>	<b>1.68</b>

(The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the financial year ended 31 January 2013)

**KIM LOONG RESOURCES BERHAD**

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	Attributable to owners of the Company							Non-controlling interests	Total equity	
	Non-distributable				Distributable					
	Share capital	Share premium	Revaluation reserve	Hedging reserve	Other reserve	Retained profits	Treasury shares			Total
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
<b>6 months ended</b>										
<b>31 July 2013</b>										
<b>Balance as at 1 February 2013</b>	308,667	2,110	41,218	(10)	435	165,789	(60)	518,149	77,510	595,659
<b>Changes in equity for the period:</b>										
Realisation of revaluation reserve to retained earnings	-	-	(412)	-	-	412	-	-	-	-
Profit or loss	-	-	-	-	-	25,491	-	25,491	4,885	30,376
Other comprehensive income	-	-	-	3	-	-	-	3	2	5
<b>Total comprehensive income for the period</b>	-	-	-	3	-	25,491	-	25,494	4,887	30,381
Dividends	-	-	-	-	-	(21,607)	-	(21,607)	(3,760)	(25,367)
Share-based payment under ESOS	-	-	-	-	197	-	-	197	-	197
Transfer of reserve arising from exercise of ESOS	-	43	-	-	(43)	-	-	-	-	-
Issuance of shares pursuant to: - exercise of ESOS	116	127	-	-	-	-	-	243	-	243
Buy-back of shares	-	-	-	-	-	-	(157)	(157)	-	(157)
Expenses in relation to issuance of shares	-	(2)	-	-	-	-	-	(2)	-	(2)
<b>Total for transactions with owners</b>	116	168	-	-	154	(21,607)	(157)	(21,326)	(3,760)	(25,086)
<b>Balance as at 31 July 2013</b>	<u>308,783</u>	<u>2,278</u>	<u>40,806</u>	<u>(7)</u>	<u>589</u>	<u>170,085</u>	<u>(217)</u>	<u>522,317</u>	<u>78,637</u>	<u>600,954</u>

**KIM LOONG RESOURCES BERHAD**

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	Attributable to owners of the Company							Non-controlling interests	Total equity	
	Non-distributable				Distributable					
	Share capital	Share premium	Revaluation reserve	Hedging reserve	Other reserve	Retained profits	Treasury shares			Total
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
<b>6 months ended</b>										
<b>31 July 2012</b>										
<b>Balance as at 1 February 2012</b>	306,555	1,449	42,044	(23)	325	157,029	(23)	507,356	71,180	578,536
<b>Changes in equity for the period:</b>										
Realisation of revaluation reserve to retained earnings	-	-	(413)	-	-	413	-	-	-	-
Profit or loss	-	-	-	-	-	31,072	-	31,072	7,220	38,292
Other comprehensive income	-	-	-	(504)	-	-	-	(504)	(125)	(629)
<b>Total comprehensive income for the period</b>	-	-	-	(504)	-	31,072	-	30,568	7,095	37,663
Dividends	-	-	-	-	-	(30,699)	-	(30,699)	(2,140)	(32,839)
Share-based payment under ESOS	-	-	-	-	152	-	-	152	-	152
Transfer of reserve arising from exercise of ESOS	-	148	-	-	(148)	-	-	-	-	-
Issuance of shares pursuant to:										
- exercise of ESOS	435	342	-	-	-	-	-	777	-	777
- exercise of Warrants	1,508	-	-	-	-	-	-	1,508	-	1,508
Dilution of interest in subsidiary company	-	-	-	-	-	121	-	121	(61)	60
Issuance of shares to non-controlling interests of subsidiary company	-	-	-	-	-	-	-	-	613	613
Acquisition from non-controlling interests	-	-	-	-	-	(1)	-	(1)	(29)	(30)
Buy-back of shares	-	-	-	-	-	-	(26)	(26)	-	(26)
Expenses in relation to issuance of shares	-	(23)	-	-	-	-	-	(23)	-	(23)
Reversal of non-controlling interests' share of loss previously setoff against their advances	-	-	-	-	-	-	-	-	(137)	(137)
<b>Total for transactions with owners</b>	1,943	467	-	-	4	(30,579)	(26)	(28,191)	(1,754)	(29,945)
<b>Balance as at 31 July 2012</b>	<u>308,498</u>	<u>1,916</u>	<u>41,631</u>	<u>(527)</u>	<u>329</u>	<u>157,935</u>	<u>(49)</u>	<u>509,733</u>	<u>76,521</u>	<u>586,254</u>

(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 2013)

**KIM LOONG RESOURCES BERHAD**

(Company Number : 22703-K)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	<b>6 months ended 31/07/2013 RM'000</b>	<b>6 months ended 31/07/2012 RM'000</b>
<b>Cash flows from operating activities</b>		
Cash receipts from customers	282,705	319,337
Rental received	22	22
Interest received	3,013	2,824
Cash paid to suppliers and employees	(213,126)	(253,732)
Cash generated from operations	72,614	68,451
Interest paid	(482)	(571)
Tax paid	(9,485)	(14,704)
Net cash from operating activities	62,647	53,176
<b>Cash flows from investing activities</b>		
Additional investment in existing subsidiary company	-	(30)
Proceeds from disposal of interest in subsidiary company	-	60
Proceeds from disposal of property, plant and equipment	311	311
Acquisition of biological assets and property, plant and equipment	(17,153)	(13,666)
Interest paid	(504)	(346)
Net cash used in investing activities	(17,346)	(13,671)
<b>Cash flows from financing activities</b>		
Proceeds from issuance of shares	243	2,285
Proceeds from issuance of shares to non-controlling interests (NCI) in subsidiary companies	-	613
Expenses paid in relation to issuance of shares	(2)	(24)
Drawdown of bank borrowings	9,800	-
Repayments of bank borrowings	(1,116)	(1,116)
Other borrowings	-	(165)
Dividend paid to NCI in subsidiary companies	(3,760)	(1,690)
Purchase of treasury shares	(157)	(26)
Net cash from/(used in) financing activities	5,008	(123)
<b>Net increase in cash and cash equivalents</b>	<b>50,309</b>	<b>39,382</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>186,409</b>	<b>185,194</b>
<b>Cash and cash equivalents at end of period (Note a)</b>	<b>236,718</b>	<b>224,576</b>
<b>Note a : Cash and cash equivalents at end of period</b>		
Cash and bank balances	54,209	55,758
Deposits with licensed banks and other financial institution	185,191	171,867
Bank overdrafts	(2,682)	(3,049)
	236,718	224,576

(The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the financial year ended 31 January 2013)