

**CHUAN HUAT RESOURCES BHD (Company No.290729-W)**

**ii) UNAUDITED CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2000**

	<b>AS AT END OF 3RD QUARTER 30.09.00 RM</b>	<b>AS AT PRECEDING FINANCIAL YEAR ENDED 31.12.99 RM</b>
Fixed assets	56,685,635	59,632,645
Investment properties	6,232,219	7,518,876
Associated company	2,150,338	1,897,142
Investment	4,122,915	1,430,946
Intangible assets	311,217	324,876
	69,502,324	70,804,485
<b>CURRENT ASSETS</b>		
Stocks	28,290,435	27,397,158
Trade debtors	103,993,444	94,040,743
Other debtors, deposits and prepayment	3,058,605	5,221,406
Cash and bank balances	4,565,232	1,607,148
	139,907,716	128,266,455
<b>CURRENT LIABILITIES</b>		
Trade creditors	23,878,888	19,623,741
Other creditors and accrual	7,163,272	8,538,893
Short term borrowings	82,750,390	74,852,566
Taxation	381,780	-
Proposed dividend	86	287,993
	114,174,416	103,303,193
Net Current Assets	25,733,300	24,963,262
	95,235,624	95,767,747
<b>Financed by :</b>		
Share Capital	40,021,000	39,999,000
Share Premium	16,722,712	16,722,712
Reserves on Consolidation	10,493,710	10,864,142
Capital Reserves	136,352	136,352
Profit And Loss Account	14,492,502	10,709,360
Shareholders' Funds	81,866,276	78,431,566
Minority Interest	7,231,632	6,078,679
Term Loans	2,521,982	4,840,580
Deferred Creditors	3,247,344	6,048,532
Deferred Taxation	368,390	368,390
	95,235,624	95,767,747
Net Tangible Assets Per Share (Sen)	204	195

**CHUAN HUAT RESOURCES BERHAD (Company No.290729-W)**

The Board of Directors is pleased to announce the following :

**I) UNAUDITED RESULTS OF THE GROUP FOR THE 3RD QUARTER  
FOR THE NINE MONTHS PERIOD ENDED 30 SEPT 2000  
-CONSOLIDATED INCOME STATEMENT**

	Individual Quarter		Cumulative Quarter	
	Current	Preceding	Current	Preceding
	year	year	year	year
	quarter	quarter	quarter	quarter
	30.09.00	30.09.99	30.09.00	30.09.99
	RM'000	RM'000	RM'000	RM'000
1 (a) Turnover	79,790	40,669	218,719	135,655
(b) Investment income	-	-	-	-
(c.) Other income including interest income	-	-	-	-
2 (a) Operating profit before interest on borrowings, depreciation and amortisation, exceptional items, income tax and minority interest.	4,046	3,890	11,592	12,304
(b) Interest on borrowings	(466)	(1,366)	(1,489)	(4,244)
(c.) Depreciation and amortisation	(1,377)	(1,415)	(4,119)	(4,176)
(d) Exceptional items	-	-	-	-
(e) Operating profit after interest on borrowings, depreciation and amortisation, exceptional items	2,203	1,109	5,984	3,884
(f) Share in the results of associated company	8	-	23	-
(g) Profit before taxation and minority interests	2,211	1,109	6,007	3,884
(h) Taxation	(622)	553	(1,695)	553
(I) Profit after taxation before deducting minority interests	1,589	1,662	4,312	4,437
Less : minority interests	(318)	(334)	(529)	(786)
(j) Profit after taxation attributable to members of the Company	1,271	1,328	3,783	3,651
(k) (I) extraordinary items	-	-	-	-
(ii) less minority interests	-	-	-	-
(iii) extraordinary items attributable to members of the Company	-	-	-	-
(l) Profit after taxation and extraordinary items attributable to members of the Company	1,271	1,328	3,783	3,651
3 Earnings per share based on 2 (j) above				
(I) Basic (based on 40,021,000 ordinary shares-Sept 00, 40,010,000 ordinary shares-June 00 & 39,999,000 ordinary shares-Sept99 ) (sen)	3.18	3.32	9.45	9.13
(ii) Fully diluted (based on 53,110,283 ordinary shares) (sen)	2.39	2.50	7.12	6.87

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## CHUAN HUAT RESOURCES BERHAD (Company No.290729-W)

### iii) NOTES

#### 1) **ACCOUNTING POLICIES**

The same accounting policies and methods of computation used in the preparation of the Group's most recent annual financial statements have been applied in the preparation of this financial statement.

#### 2) **EXCEPTIONAL ITEMS**

There were no exceptional items for the financial period ended 30.09.2000.

#### 3) **EXTRAORDINARY ITEMS**

There were no extraordinary items for the financial period ended 30.09.2000.

#### 4) **TAXATION**

	Current Year Quarter 30.09.2000 RM	Current Year To Date 30.09.2000 RM
Provision for the period		
-based on financial year to-date profit	600,918	1,695,164
-under/(over) provision in prior years	20,855	-
-deferred taxation	-	-
	<u>621,773</u>	<u>1,695,164</u>

#### 5) **PRE-ACQUISITION PROFIT**

No pre-acquisition profit was included in the operating profit for the financial period ended 30.09.2000.

#### 6) **PROFITS/LOSS ON ANY SALES OF PROPERTIES AND/OR INVESTMENTS**

The Group incurred losses on disposal of seven investment properties of RM73,292.00 for the financial period ended 30.09.2000.

There was no other disposal of investment for the financial period ended 30.09.2000.

#### 7) **PURCHASE AND SALES OF QUOTED SECURITIES**

(a) There is no purchase or disposal of quoted securities for the current financial year to date.

(b) Quoted shares at cost at end of period	<u>53,100</u>
Carrying value or book value at end of the period	<u>53,100</u>
Market value at end of the period	<u>14,700</u>

The Group did not transact in any quoted securities for the financial period ended 30.09.2000.

**8) CHANGES IN THE COMPOSITION OF THE GROUP**

Save for dilution of effective interest in one of our subsidiaries, Pineapple Computer System Sdn Bhd as announced in the 2<sup>nd</sup> quarter result, there were no other changes in the composition of the group during the financial period ended 30.09.2000.

**9) STATUS ON CORPORATE PROPOSALS**

Save for announcement to Kuala Lumpur Stock Exchange on Proposed Employee Share Option Scheme for the benefit of eligible directors and employees pending approval from Securities Commission, the Group to-date has not announced any other corporate proposals.

**10) SEASONALITY OR CYCLICALITY OF OPERATIONS**

The Group's business was generally dependent on the economic recovery in the development, construction and infrastructure projects for the financial period ended 30.09.2000.

**11) ISSUANCE OR REPAYMENT OF DEBTS AND EQUITY SECURITIES**

During the financial period ended 30.09.2000, the Company's paid up capital was increased by 22,000 ordinary share of RM1 from 39,999,000 ordinary share to 40,021,000 ordinary share of RM1 each. The increased arose from the exercise of warrant.

**12) GROUP BORROWINGS**

As at 30 Sept 2000, the Group had the following borrowings:

<b>Short Term</b>	<b>RM</b>
Bank overdrafts -unsecured	1,355,570
Bills payable -unsecured	79,038,000
Term loans (amount payable within 12 months)	<u>2,356,820</u>
	<u>82,750,390</u>
<b>Long Term</b>	<b>RM</b>
Term Loans -secured	4,878,802
Less : amount payable within 12 months	<u>-2,356,820</u>
	<u>2,521,982</u>

**13) CONTINGENT LIABILITIES**

Guarantees in respect of banking facilities granted to subsidiary companies -unsecured (as at 14 <sup>th</sup> November 2000)	RM <u>83,050,000</u>
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**14) OFF BALANCE SHEET FINANCIAL INSTRUMENTS**

The Group has no such financial instruments as at 14<sup>th</sup> November 2000.

**15) MATERIAL LITIGATIONS**

Save for those litigations engaged where the Group is acting as plaintiff for recovery of the trade debts during the ordinary course of business, there were no other material litigations involving the Group as at 14<sup>th</sup> November 2000.

**16) SEGMENT REPORT**

30.09.2000	Turnover	Profit/ (Loss)	Total Assets Employed
	RM	RM	RM
Trading in hardware & building materials	192,286,887	5,430,840	149,130,843
Manufacturing and trading of information technology related products	26,146,446	1,605,793	32,763,037
Investment holding	<u>285,324</u>	<u>-1,422,603</u>	<u>27,516,160</u>
	<u>218,718,657</u>	5,614,030	<u>209,410,040</u>
Share of profit in associated company		22,745	
Non segment activities		<u>370,432</u>	
		<u>6,007,207</u>	

**17) COMPARISON WITH PRECEDING QUARTER'S RESULTS**

There was an increase of profit before taxation in current year third quarter as compared with preceding year third quarter. The increase was due to increase in turnover while operating profit ratio remains constant.

**18) REVIEW OF PERFORMANCE**

(a) Turnover

The Group recorded a turnover of RM219 millions in the current year cumulative quarter to-date as compared to preceding year cumulative quarter of RM136 millions. The increased of RM83 millions or 61% was due to improved domestic economic recovery in development, construction and infrastructure projects.

(b) Operating profit before taxation

The Group significantly increased its operating profit before taxation to RM6 millions in current year cumulative quarter as compared with RM3.9 millions in preceding year cumulative quarter. The increased was mainly due to improved turnover.

**19) CURRENT YEAR PROSPECTS**

Barring any unforeseen circumstances the Group anticipates favourable improvement in their business for the year ending 31<sup>st</sup> December 2000.

**20) VARIANCE ON FORECAST PROFIT**

No profit forecast has been issued during the financial period ended 30.09.2000.

**21) DIVIDENDS**

The Board of Directors has not recommended any dividend.

**BY ORDER OF THE BOARD**

**LIM LOONG HENG  
DEPUTY MANAGING DIRECTOR**