



CHUAN HUAT RESOURCES BERHAD

Condensed Consolidated Financial Statements
For the Quarter and Nine Months Ended
30 September 2010

CHUAN HUAT RESOURCES BERHADCompany No. 290729-W
(Incorporated in Malaysia)**Condensed Consolidated Statement of Comprehensive Income
For the Quarter and Nine months ended 30 September 2010**

(The figures below are unaudited)

	Individual quarter		Cumulative quarter	
	30-Sep-10 (RM'000)	30-Sep-09 (RM'000)	30-Sep-10 (RM'000)	30-Sep-09 (RM'000)
Revenue	133,201	131,937	412,478	381,694
Operating expenses	(126,134)	(123,071)	(388,504)	(359,920)
Depreciation and amortisation	(1,173)	(1,179)	(3,478)	(3,499)
Other income	317	802	1,591	2,133
Operating profit	6,211	8,489	22,087	20,408
Interest expenses	(1,817)	(1,211)	(4,640)	(4,195)
Interest income	166	293	666	956
Profit before taxation	4,560	7,571	18,113	17,169
Taxation	(1,379)	(1,923)	(5,033)	(4,721)
Profit for the period	3,181	5,648	13,080	12,448
Other Comprehensive income net of tax	-	-	-	-
Total Comprehensive Income for the period	3,181	5,648	13,080	12,448
Profit attributable to:-				
Owner of the parent	2,871	5,413	12,288	11,900
Non-Controlling Interest	310	235	792	548
Profit for the period	3,181	5,648	13,080	12,448
Total Comprehensive Income attributable to:-				
Owner of the parent	2,871	5,413	12,288	11,900
Non-Controlling Interest	310	235	792	548
Total Comprehensive Income for the period	3,181	5,648	13,080	12,448
Earnings per share				
Basic (sen)	2.29	4.32	9.80	9.49
Diluted (sen)	2.29	4.32	9.80	9.49

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

CHUAN HUAT RESOURCES BERHADCompany No. 290729-W
(Incorporated in Malaysia)**Condensed Consolidated Statement of Financial Position****As at 30 September 2010**

(The figures below are unaudited)

	Unaudited As at 30.09.10 (RM'000)	Audited As at 31.12.09 (RM'000)
ASSETS		
Non-Current assets		
Property, plant & equipment	46,984	47,619
Investment properties	6,193	5,823
Prepaid land lease payments	11,226	11,455
Investments	2,830	2,839
Goodwill	777	777
	<u>68,010</u>	<u>68,513</u>
Current assets		
Inventories	81,604	77,196
Trade & other receivables	195,299	178,390
Cash & cash equivalents	23,185	17,121
	<u>300,088</u>	<u>272,707</u>
TOTAL ASSETS	<u>368,098</u>	<u>341,220</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share Capital	62,684	62,684
Reserves	73,528	64,719
	<u>136,212</u>	<u>127,403</u>
Non-controlling interest	<u>11,683</u>	<u>10,902</u>
Total equity	<u>147,895</u>	<u>138,305</u>
Non-current liabilities		
Borrowings	720	1,463
Hire purchase liabilities	2,175	2,827
Deferred tax liabilities	2,814	2,756
	<u>5,709</u>	<u>7,046</u>
Current liabilities		
Trade & other payables	37,757	41,582
Borrowings	174,925	153,391
Taxation	1,812	896
	<u>214,494</u>	<u>195,869</u>
	<u>220,203</u>	<u>202,915</u>
TOTAL EQUITY AND LIABILITIES	<u>368,098</u>	<u>341,220</u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	1.09	1.02

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2009 and accompanying explanatory notes attached to the interim financial statements.

CHUAN HUAT RESOURCES BERHADCompany No. 290729-W
(Incorporated in Malaysia)**Condensed Consolidated Statement of Changes in Equity
For the Nine months ended 30 September 2010**

(The figures below are unaudited)

	Attributable to equity holders of the Company			Total (RM'000)	Minority interests (RM'000)	Total equity (RM'000)
	Share Capital (RM'000)	Non- Distributable Capital Reserves (RM'000)	Distributable Accumulated profits (RM'000)			
At 1 January 2010	62,684	21,923	42,796	127,403	10,902	138,305
Effects of applying FRS 139	-	-	(188)	(188)	-	(188)
Restated balance	62,684	21,923	42,608	127,215	10,902	138,117
Total comprehensive income for the period	-	-	12,288	12,288	792	13,080
Dividend paid	-	-	(3,291)	(3,291)	(11)	(3,302)
At 30 September 2010	62,684	21,923	51,605	136,212	11,683	147,895
At 1 January 2009	62,684	21,073	33,018	116,775	10,467	127,242
Total comprehensive income for the period	-	-	11,900	11,900	548	12,448
Dividend paid	-	-	(3,761)	(3,761)	-	(3,761)
Issue of shares to non-controlling interest	-	-	-	-	57	57
Disposal of a subsidiary company	-	-	-	-	(53)	(53)
At 30 September 2009	62,684	21,073	41,157	124,914	11,019	135,933

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2009 and accompanying explanatory notes attached to the interim financial statements.

CHUAN HUAT RESOURCES BERHADCompany No. 290729-W
(Incorporated in Malaysia)**Condensed Consolidated Statement of Cash Flows****For the Nine months ended 30 September 2010**

(The figures below are unaudited)

	9 months ended	
	30 Sep 10	30 Sep 09
	(RM'000)	(RM'000)
Cash flows from operating activities		
Profit before tax	18,113	17,169
Adjustment for non-cash flow :-		
Depreciation and amortization	3,478	3,499
Interest expenses	4,640	4,195
Interest income	(666)	(956)
Non-cash items	1,445	(2,739)
Operating profit before changes in working capital	27,010	21,168
Changes in working capital:		
Net change in current assets	(23,891)	(9,816)
Net change in current liabilities	(3,768)	3,194
Cash (used) in/ generated from operations	(649)	14,546
Interest received	666	956
Interest expenses paid	(4,640)	(4,195)
Net tax paid	(3,526)	(3,761)
Net cash used in operating activities	(8,149)	7,546
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,236)	(2,420)
Proceeds from disposal of property, plant and equipment	23	1,301
Proceeds from disposal of investment property	92	-
Proceeds from disposal of quoted investment	4	-
Proceeds from issuance of shares to minority interest	-	57
Net cash outflow from disposal of a subsidiary company	-	(61)
Net cash used in investing activities	(2,117)	(1,123)
Cash flows from financing activities		
Repayments of term loans	(1,507)	(2,192)
Net repayments of hire purchase liabilities	(1,159)	(1,138)
Net (repayment)/ proceeds from of short term borrowings	21,892	(8,208)
Dividend paid	(3,291)	(3,761)
Dividend paid to non-controlling interest	(11)	-
Increased in fixed deposit pledged	(8)	-
Net cash generated from/ (used) in financing activities	15,916	(15,299)
Net (decrease)/ increase in cash & cash equivalents	5,650	(8,876)
Cash & cash equivalents at beginning of the period	14,909	25,821
Cash & cash equivalents at end of the period	20,559	16,945

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2009 and accompanying explanatory notes attached to the interim financial statements

PART A- EXPLANATORY NOTES PURSUANT TO FRS 134**1. Basis of Preparation**

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Financial Reporting Standards (“FRS”), FRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”).

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2009. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2009.

The interim financial statements have been prepared in accordance with the same accounting policies and methods of computation adopted in audited financial statements for the financial year ended 31 December 2009, EXCEPT for the following new and revised FRSs, IC Interpretations and Amendments to FRSs and IC Interpretation which are applicable to its financial statements:

FRS 7	Financial Instruments: Disclosures.
FRS 8	Operating Segments.
FRS 101	Presentation of Financial Statements.(revised)
FRS 123	Borrowing Costs (revised).
FRS 139	Financial Instruments: Recognition and Measurement.
Amendments to FRS 7	Financial Instruments: Disclosure
Amendments to FRS 8	Operating Segments
Amendments to FRS 107	Statement of Cash Flows
Amendments to FRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
Amendments to FRS 110	Events after Reporting Period
Amendments to FRS 116	Property, Plant and Equipment
Amendments to FRS 117	Leases
Amendments to FRS 118	Revenue
Amendments to FRS 119	Employee Benefits
Amendments to FRS 123	Borrowing Costs
Amendments to FRS 127	Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
Amendments to FRS 128	Investments in Associates
Amendments to FRS 131	Interest in Joint Ventures
Amendments to FRS 132	Financial Instruments: Presentation
Amendments to FRS 134	Interim Financial Reporting
Amendments to FRS 136	Impairment of Assets
Amendments to FRS 139	Financial Instruments: Recognition and Measurement
IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 10	Interim Financial Reporting and Impairment

The Principal effects of the changes in presentation, changes in methods of computation and in accounting policies resulting from the adoption of the new and revised FRSs, IC Interpretations and Amendments are set out below:

(a) FRS 8, Operating Segments

FRS 8, requires segment information to be presented on a similar basis to that used for internal reporting purposes. As a result, the Group's segmental reporting had been presented based on the internal reporting to the chief operating decision maker who makes decisions on the allocation of resources and assesses the performance of the reportable segment. This standard does not have any impact on the financial position and results of the Group.

(b) FRS 101, Presentation of Financial Statements

FRS 101 separates owner and non-owner changes in equity. Therefore, the current consolidated statement of changes only includes details of transactions with owners. All non-owner changes in equity are presented as a single line labeled as total comprehensive income. Comparative information, with exception of the requirements under FRS 139, had been re-presented so that it is also in conformity with the revised standard. This standard does not have any impact on the financial position and results of the Group.

(c) FRS 139, Financial Instruments: Recognition and Measurement

Prior to the adoption of FRS 139, financial derivatives were recognised on their settlement dated. Outstanding derivatives at the balance sheet date were not recognised. With the adoption of FRS 139, all financial assets and financial liabilities, including derivatives, are recognised at contract dated when, and only when, the Company or any subsidiary becomes a party to the contractual provisions of the instruments.

The measurement bases applied to the financial assets and financial liabilities in the prior financial year are changed to conform to the measurement standards of FRS 139 in the current quarter. At initial recognition, all financial assets and financial liabilities are measured at their fair value plus in the case of financial instruments not at fair value through profit or loss, transaction costs directly attributable to the acquisition or issuance of the instruments. Subsequent to their initial recognition, the financial assets and financial liabilities are measured as follows:

	Category	Measurement basis
1	Financial instruments at fair value through profit loss	At fair value through profit or loss
2	Held –to-maturity investments	At amortised costs effective interest method
3	Loans and receivables	At amortised costs effective interest method
4	Available-for-sale investment	At fair value through other comprehensive income, unless fair value cannot be reliably measured, in which case, they are measured at cost
5	Loans and other financial liabilities	At amortised cost effective interest method

In accordance with FRS 139, the recognition, derecognition, measurement and hedge accounting requirements are applied prospectively from 1 January 2010. The effects of the re-measurement on 1 January 2010 of the financial assets and financial liabilities brought forward from the previous financial year are adjusted to the opening retained earnings as disclosed in the statement of changes in equity.

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The adoption of the above new policies has the following effects:

	Retained Profit/(loss) (RM'000)
At 1 January 2010, as previously stated	42,796
Adjustments arising from adoption of FRS 139:	
- Loan and receivables	(188)
At 1 January 2010, as restated	42,608

The adoption of the other new and revised FRSs, IC Interpretations and Amendments has no material effect to the Group's consolidated financial statements of the quarter or the comparative consolidated financial statements of the prior financial year.

2. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 31 December 2009 was not qualified.

3. Seasonality or Cyclicity of Interim Operations

The Group's performance was not affected by any significant seasonal or cyclical factors in the current quarter under review.

4. Unusual Items affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the quarter and nine months ended 30 September 2010.

5. Changes in Estimates

There were no changes in estimates that have had a material effect during the quarter and nine months ended 30 September 2010.

6. Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayment of debt and equity securities during the quarter and nine months ended 30 September 2010.

CHUAN HUAT RESOURCES BERHADCompany No. 290729-W
(Incorporated in Malaysia)**7. Dividends Paid**

	3 months ended		9 months ended	
	30.09.10 (RM'000)	30.09.09 (RM'000)	30.09.10 (RM'000)	30.09.09 (RM'000)
Ordinary Shares				
<u>Final dividend paid</u> [YE2009-2.0 sen gross per Ordinary Shares (50sen), less Income tax at 25%]	1,881	-	1,881	-
<u>Interim dividend paid</u> [YE2009-1.5 sen gross per Ordinary Shares (50sen), less Income tax at 25%]	-	-	1,410	-
<u>Final dividend paid</u> [YE2008-4.0 sen gross per Ordinary Shares (50sen), less Income tax at 25%]	-	3,761	-	3,761
	1,881	3,761	3,291	3,761

8. Segment Information

	3 months ended		9 months ended	
	30.09.10 (RM'000)	30.09.09 (RM'000)	30.09.10 (RM'000)	30.09.09 (RM'000)
Segment Revenue				
Trading in hardware & building materials	156,585	157,531	505,042	455,565
Trading of IT related products	13,830	14,371	47,339	39,244
Investment holding	429	425	1,280	1,275
Trading in properties	1,193	102	1,491	276
Total revenue including inter-segment sales	172,037	172,429	555,152	496,360
Elimination of inter segment sales	(38,836)	(40,492)	(142,674)	(114,666)
Total revenue	133,201	131,937	412,478	381,694
Segment Results				
<u>Profit/ (loss) from operations</u>				
Trading in hardware & building materials	5,236	8,467	20,915	20,604
Trading of IT related products	345	258	1,137	634
Investment holding	(418)	(260)	(1,222)	(910)
Trading in properties	1,048	24	1,257	80
	6,211	8,489	22,087	20,408

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	3 months ended		9 months ended	
	30.09.10 (RM'000)	30.09.09 (RM'000)	30.09.10 (RM'000)	30.09.09 (RM'000)
Segment Results				
<u>Profit/ (loss) before taxation</u>				
Trading in hardware & building materials	3,576	7,578	16,960	17,430
Trading of IT related products	372	274	1,198	726
Investment holding	(417)	(265)	(1,222)	(936)
Trading in properties	1,029	(16)	1,177	(51)
	<u>4,560</u>	<u>7,571</u>	<u>18,113</u>	<u>17,169</u>

9. Carrying Amount of Revalued Assets

There were no revaluation of property, plant and equipment brought forward from the previous audited financial statements as the Group did not adopt a revaluation on its property, plant and equipment.

10. Material Events Subsequent to the Balance Sheet Date

There were no material events which occurred subsequent to the balance sheet date until the date of this announcement.

11. Changes in Composition of the Group

There were no changes in the composition of the Group during the quarter and nine months ended 30 September 2010.

12. Contingent Liabilities/Contingent Assets

	30/09/10 (RM'000)	31/12/09 (RM'000)	Changes (RM'000)
Corporate guarantees in respect of banking facilities granted to subsidiary Companies	<u>191,923</u>	<u>193,423</u>	<u>(1,500)</u>
Corporate guarantees in respect of the Supply of goods to subsidiary companies	<u>14,000</u>	<u>14,000</u>	<u>-</u>

13. Capital Commitments

The Group has commitments as follows:

	30/09/10 (RM'000)	31/12/09 (RM'000)	Changes (RM'000)
Capital expenditure approved and contracted for	<u>879</u>	<u>1,130</u>	<u>(251)</u>

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14. Related Party Transactions

The related parties of the Group and of the Company comprise the following:

Related companies being subsidiary companies of Chuan Huat Resources Berhad (CHRB) are as follow:-

- i) Chuan Huat Metal Sdn Bhd (CHM), a 80% owned subsidiary
- ii) Discomp Berhad (DCB), a 63.85% owned subsidiary and it's subsidiary companies (DCB Group)
- iii) Keyline Consulting Sdn Bhd (KLC), a 70% owned subsidiary
- iv) CHRB Building Materials Sdn Bhd (CHRBBM), a 60% owned subsidiary

Other related parties being an associated company of the Chuan Huat Resources Berhad Group of companies and companies in which Directors of the Company and Directors of subsidiary companies have an interest.

The significant related party transactions are as follows:

	9 months ended 30/09/10 (RM'000)	9 months ended 30/09/09 (RM'000)
a) Sale of goods to		
i) <u>Other related parties</u>		
Ahmad Zaki Sdn Bhd	12,956	6,788
ii) <u>Subsidiaries</u>		
CHM	1,683	458
KLC	1,805	491
CHRB BM	1,506	3,370
b) Purchase of goods from		
i) <u>Other related parties</u>		
Anshin Steel Processor Sdn Bhd	1,796	1,101
ii) <u>Subsidiaries</u>		
KLC	1,177	896
CHM	1,142	3,226
CHRB BM	311	-
c) Others		
i) <u>Subsidiaries</u>		
Rental income received from subsidiaries	203	191
Security, water & electricity charges received from subsidiaries	29	23
Management fee and incentive received from subsidiaries	57	57
Interest expenses	111	56

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Ahmad Zaki Sdn Bhd is a company in which Dato' Sri Haji Wan Zaki bin Haji Wan Muda, a Director of the Company, has a substantial financial interest.

Anshin Steel Processor Sdn Bhd is a company in which Dato' Lim Khoon Heng is a Director and has indirect interest through Chuan Huat Hardware Holdings Sdn Bhd, a 100% owned subsidiary of CHRB.

In the opinion of the Directors, the above related party transactions have been entered into in the normal course of business and have been established under terms that are no more favourable than those arranged with independent third parties.

15. Cash and Cash Equivalents

	9 months ended	
	30/09/10 (RM'000)	30/09/09 (RM'000)
Fixed deposit with a licensed bank	5,735	9,803
Cash and bank balances	17,450	9,066
Bank overdraft	(1,827)	(1,133)
	<u>21,358</u>	<u>17,736</u>
Less : Fixed Deposits pledged	(799)	(791)
	<u>20,559</u>	<u>16,945</u>

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CHUAN HUAT RESOURCES BERHADCompany No. 290729-W
(Incorporated in Malaysia)**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD****16. Performance Review**

	3 months ended		9 months ended	
	30/09/10 (RM'000)	30/09/09 (RM'000)	30/09/10 (RM'000)	30/09/09 (RM'000)
Revenue				
- continuing operations	133,201	131,937	412,478	381,694
Profit before taxation				
- continuing operations	4,560	7,571	18,113	17,169

The Group's revenue for the third quarter and nine (9) months financial period ended 30 September 2010 have increased by approximately 1% and 8% respectively, as compared to the preceding year's corresponding financial period ended 30 September 2009. The increase was mainly due to the higher selling price of steel products.

The Group recorded a profit before tax of RM4.6 million for the third quarter and RM18.1 million for the nine (9) months financial period ended 30 September 2010 as compared to RM7.6 million and RM17.1 million in the corresponding financial period ended 30 September 2009. The lower profit before tax for the third quarter was mainly due to the decrease of gross profit margin.

17. Variation of results against preceding quarter

	3 months ended	
	30/09/10 (RM'000)	30/06/10 (RM'000)
Revenue	133,201	149,993
Profit before taxation	4,560	9,867

During the financial quarter under review, the Group recorded a lower profit before taxation of RM4.56 million, as compared to the profit before tax of RM9.87 million for the preceding quarter ended 30 June 2010. The decrease of profit before taxation is mainly due to the decrease in both revenue and gross profit margin.

18. Commentary on Prospects

The construction industry is expected to grow in line with the announcement of a few mega projects during the recent national budget 2011. It is also supported by the private sector's launching of various housing projects throughout the country. In line with this optimistic outlook, the group has expanded its steel service center division by upgrading and increasing the production capacity to cater to the increased demand.

Discomp Berhad, the subsidiary company within the group is also looking at adding in new retail outlets, especially in the outstation area to capture a bigger market share for its IT products. With the growth in the GDP and consumer spending, the retail industry is also expected to be good.

19. Profit Forecast and Profit Guarantee

The Group did not announce any profit forecast or profit guarantee for the financial year ending 31 December 2010.

20. Income Tax Expenses

	3 months ended		9 months ended	
	30/09/10 (RM'000)	30/09/09 (RM'000)	30/09/10 (RM'000)	30/09/09 (RM'000)
Malaysia income tax				
- current	1,278	2,004	5,048	4,596
- under/(over) provision in prior years	15	(40)	(73)	72
	<u>1,293</u>	<u>1,964</u>	<u>4,975</u>	<u>4,668</u>
Deferred taxation	86	(41)	58	53
TOTAL	<u>1,379</u>	<u>1,923</u>	<u>5,033</u>	<u>4,721</u>

The effective tax rate for the financial period ended 30 September 2010 and 30 September 2009 are not reflective of the statutory tax rate principally due to the losses of certain subsidiaries which cannot be set off against taxable profits made by other subsidiaries, and certain expenses which are not deductible for tax purposes.

21. Sale of Unquoted Investment and Properties

There were no sales of unquoted investments for the current quarter and financial period to date. The sale of an apartment during the financial period ended 30 September resulted in a loss of RM18,000 and is recognized in the operating expenses.

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22. Quoted Securities

- (a) There were no purchase or disposal of quoted securities during the quarter under review and financial year-to-date.
- (b) Total investment in quoted securities by the Group as at 30 September 2010 were as follows:-

	9 months ended	
	30/09/10 (RM'000)	30/09/09 (RM'000)
At cost	18	18
At book value	5	5
At market value	5	5

23. Corporate Proposals

Save as disclosed below, The Group does not have any corporate proposals announced but not completed as at the date of this report.

On 27 July 2010, HwangDBS Investment Bank Berhad has on behalf of the Board of Directors of the Company announced that the Company proposes to implement the following corporate exercise:-

- (i) proposed bonus issue of 41,789,066 new ordinary shares of RM0.50 each in CHRB ("CHRB Shares") ("Bonus Shares"), to be credited as fully paid up, on the basis of one (1) Bonus Share for every three (3) CHRB Shares held ("Proposed Bonus Issue");
- (ii) proposed renounceable rights issue of 41,789,066 five (5)-year warrants 2010/2015 ("Warrants") on the basis of one (1) Warrant for every four (4) CHRB Shares held after the Proposed Bonus Issue at an issue price of RM0.02 per Warrant;
- (iii) proposed increase in authorised share capital of CHRB from RM100,000,000 comprising 200,000,000 CHRB Shares to RM500,000,000 comprising 1,000,000,000 CHRB Shares by the creation of an additional 800,000,000 CHRB Shares ("Proposed Increase in Authorised Share Capital"); and
- (iv) proposed alteration of M&A of CHRB to ensure the M&A reflects the Proposed Increased in Authorised Share Capital

(collectively referred to as "Proposals")

The above Proposals has been approved by all relevant authorities including Bursa Securities, Bank Negara Malaysia, Securities Commission and the shareholders at an Extraordinary General Meeting ("EGM") held on 3 November 2010.

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24. Borrowings

	9 months ended	
	30/09/10 (RM'000)	30/09/09 (RM'000)
<u>Short Term</u>		
Bank overdrafts (unsecured)	1,827	1,133
Bills payable (unsecured)	172,516	150,047
Term loans (amount payable within 12 months)	582	1,670
	<u>174,925</u>	<u>152,850</u>
<u>Long Term</u>		
Term Loans (secured)	1,302	3,543
Less : amount payable within 12 months	(582)	(1,670)
	<u>720</u>	<u>1,873</u>

25. Off Balance Sheet Financial Instruments

There were no off balance sheet financial instruments as at the date of this report.

26. Changes in Material Litigation

As at date of this report, there were no changes in material litigation, including the status of pending material litigation since the last annual balance sheet date of 31 December 2009.

27. Dividends

The Board of Directors recommended a final dividend of 2.0 sen gross per ordinary share, less income tax at 25% in addition to the interim dividend of 1.5 sen gross per ordinary share less income tax at 25% which was paid on 8 April 2010 in respect of the financial year ended 31 December 2009 (2008: final dividend of 4.0 sen gross per ordinary share, less income tax at 25% in addition to the interim dividend of 1.5 sen gross per ordinary share less income tax at 26%) and was approved by the shareholders at the Sixteen Annual General Meeting of CHRB held on 29 June 2010. The dividend was paid on 18 August 2010.

28. Earnings per share

Basic and diluted earnings per share

The basic and diluted earnings per share is calculated by dividing the profit attributable to owners of the parent for the period by the total average number of ordinary shares of the Company in issue for the respective period as follows:

CHUAN HUAT RESOURCES BERHAD

Company No. 290729-W
(Incorporated in Malaysia)



	3 months ended		9 months ended	
	30/09/10 (RM'000)	30/09/09 (RM'000)	30/09/10 (RM'000)	30/09/09 (RM'000)
Profit attributable to the owners of the parent (RM'000)	2,871	5,413	12,288	11,900
Total number of ordinary shares in issue ('000)	125,367	125,367	125,367	125,367
Basic earnings per share (sen)	2.29	4.32	9.80	9.49

There were no potential dilutive components in the shareholdings of the Company as at 30 September 2010 and 30 September 2009.

29. Authorisation for Issue

This interim financial statement were authorised for issue by the Board of Directors in accordance with a resolution of the Directors.

BY ORDER OF THE BOARD**DATO' LIM LOONG HENG
DEPUTY MANAGING DIRECTOR**

Date: 29 November 2010