



CHUAN HUAT RESOURCES BERHAD

Condensed Consolidated Financial Statements
For the Quarter and Six Months Ended
30 June 2012

CHUAN HUAT RESOURCES BERHAD

Company No. 290729-W
(Incorporated in Malaysia)



**Condensed Consolidated Statement of Comprehensive Income
For the Quarter and Six months ended 30 June 2012**

(The figures below have not been audited)

	Individual quarter		Cumulative quarter	
	30/06/12 (RM'000)	30/06/11 (RM'000)	30/06/12 (RM'000)	30/06/11 (RM'000)
Revenue	191,804	147,579	363,305	296,614
Operating expenses	(182,314)	(139,456)	(348,078)	(279,457)
Other income	652	863	1,471	1,482
Operating profit	10,142	8,986	16,698	18,639
Depreciation and amortisation	(1,628)	(1,302)	(3,270)	(2,562)
Interest expenses	(2,346)	(1,641)	(4,649)	(3,293)
Interest income	431	285	659	660
Provision for and write off of receivables	(1,087)	(96)	(1,813)	(998)
Provision for and write off of inventories	-	-	-	-
Gain/(loss) on disposal of quoted or unquoted investments or properties	-	-	-	2,970
Impairment of assets	14	(13)	-	(27)
Foreign exchange gain or loss	(6)	-	(3)	3
Profit before tax	5,520	6,219	7,622	15,392
Taxation	(1,397)	(1,735)	(2,440)	(3,558)
Profit for the period	4,123	4,484	5,182	11,834
Other Comprehensive Income net of tax	-	-	-	-
Total Comprehensive Income for the period	4,123	4,484	5,182	11,834
Profit attributable to:-				
Owner of the parent	3,643	4,149	4,457	11,174
Non-controlling interest	480	335	725	660
Profit for the period	4,123	4,484	5,182	11,834
Earnings per share (sen):-				
Basic earning per share	2.18	2.48	2.67	6.68
Diluted earning per share	1.74	1.99	2.13	5.35

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying Notes to the Interim Financial Report and the audited financial statements of the Company for the financial year ended 31 December 2011.

CHUAN HUAT RESOURCES BERHAD

Company No. 290729-W
(Incorporated in Malaysia)



**Condensed Consolidated Statement of Financial Position
As at 30 June 2012**

(The figures below have not been audited)

	Unaudited As at 30.06.12 (RM'000)	Audited As at 31.12.11 (RM'000)
ASSETS		
Non-Current assets		
Property, plant & equipment	70,993	77,105
Investment properties	13,713	7,702
Investments	3,852	3,839
Goodwill	777	777
	<u>89,335</u>	<u>89,423</u>
Current assets		
Inventories	99,235	93,159
Trade & other receivables	221,782	210,961
Cash & cash equivalents	27,032	23,129
	<u>348,049</u>	<u>327,249</u>
TOTAL ASSETS	<u>437,384</u>	<u>416,672</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share Capital	83,578	83,578
Reserves	72,529	68,072
	<u>156,107</u>	<u>151,650</u>
Non-controlling interest	14,094	13,391
Total equity	<u>170,201</u>	<u>165,041</u>
Non-current liabilities		
Borrowings	3,910	3,923
Deferred tax liabilities	3,398	3,495
	<u>7,308</u>	<u>7,418</u>
Current liabilities		
Trade & other payables	41,368	37,477
Borrowings	217,795	206,580
Taxation	712	156
	<u>259,875</u>	<u>244,213</u>
	<u>267,183</u>	<u>251,631</u>
TOTAL EQUITY AND LIABILITIES	<u>437,384</u>	<u>416,672</u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	0.93	0.90

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying Notes to the Interim Financial Report and the audited financial statements of the Company for the financial year ended 31 December 2011

CHUAN HUAT RESOURCES BERHAD

Company No. 290729-W
(Incorporated in Malaysia)



Condensed Consolidated Statement of Changes in Equity
For the Six months ended 30 June 2012
(The figures below have not been audited)

	Attributable to equity holders of the parent						Total Equity (RM'000)
	Share Capital (RM'000)	Non- Distributable Capital Reserves (RM'000)	Distributable Warrant Reserve (RM'000)	Retained earnings (RM'000)	Total (RM'000)	Minority interests (RM'000)	
At 1 January 2012	83,578	21,923	566	45,583	151,650	13,391	165,041
Total comprehensive income for the period	-	-	-	4,457	4,457	725	5,182
Acquisition of additional shares in a subsidiary company from minority interest	-	-	-	-	-	(22)	(22)
At 30 June 2012	83,578	21,923	566	50,040	156,107	14,094	170,201
At 1 January 2011	83,578	21,923	-	33,192	138,693	12,016	150,709
Total comprehensive income for the period	-	-	-	11,174	11,174	660	11,834
Dividend paid	-	-	-	(1,880)	(1,880)	-	(1,880)
Issue of share by subsidiary company to MI	-	-	-	-	-	80	80
At 30 June 2011	83,578	21,923	-	42,486	147,987	12,756	160,743

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying Notes to the Interim Financial Report and the audited financial statements of the Company for the financial year ended 31 December 2011

CHUAN HUAT RESOURCES BERHAD

Company No. 290729-W
(Incorporated in Malaysia)



Condensed Consolidated Statement of Cash Flows
For the Six months ended 30 June 2012
(The figures below have not been audited)

	6 months ended	
	30/06/12 (RM'000)	30/06/11 (RM'000)
Cash flows from operating activities		
Profit before tax from operation	7,622	15,392
<u>Adjustment for non-cash items :-</u>		
Depreciation and amortization	3,270	2,562
Interest expenses	4,649	3,293
Interest income	(659)	(660)
Provision for and write off of receivables	1813	998
Non-cash items	(1,211)	(4,238)
Operating profit before working capital changes	15,484	17,347
(Increase)/ decrease in inventories	(6,077)	(11,880)
(Increase)/ decrease in receivables	(10,884)	11,759
Increase/ (decrease) in payables	3,892	(3,805)
Cash generated from operations	2,415	13,421
Interest received	580	552
Interest paid	(4,305)	(3,130)
Net tax paid	(2,677)	(3,099)
Net (outflow)/ cash inflow from operating activities	(3,987)	7,744
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,201)	(1,594)
Purchase of quoted investment	(13)	(3,608)
Purchase of investment properties	(36)	-
Purchase of additional shares in a subsidiary company from MI	(5)	-
Proceeds from disposal of property, plant and equipment	188	217
Proceeds from disposal of unquoted investment	-	5,670
Interest received	79	108
Issue of share by subsidiary company to minority interest	-	80
Net cash (outflow)/ inflow from investing activities	(1,988)	873
Cash flows from financing activities		
Net proceed from/ (repayments of) term loans	509	(556)
Repayments of finance lease liabilities	(1,797)	(1,080)
Net proceeds from short term borrowings	16,703	3,890
Dividend paid	-	(1,880)
Interest paid	(344)	(163)
Decreased/ (increased) in fixed deposit pledged	4,157	307
Net cash inflow from financing activities	19,228	518
Net increase in cash & cash equivalents	13,253	9,135
Cash & cash equivalents at beginning of the financial year	(7,780)	15,322
Cash & cash equivalents at end of the period	5,473	24,457

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying Notes to the Interim Financial Report and the audited financial statements of the Company for the financial year ended 31 December 2011.

CHUAN HUAT RESOURCES BERHAD

Company No. 290729-W
(Incorporated in Malaysia)



QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2012

1. Basis of Preparation

This interim financial statements of the Group are unaudited and have been prepared in accordance with the requirements of Financial Reporting Standards (“FRS”) 134 (Interim Financial Reporting) and paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2011. 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 2011.

The accounting policies, methods of computation and basis of consolidation adopted by the Group in these interim financial statements are consistent with those adopted in the most recent annual audited financial statements for the financial year ended 31 December 2011, save as follows:-

- (a) On 1 January 2012, the Group adopted the following applicable new accounting standards and interpretations (including the consequential amendments) for annual financial periods beginning on or after 1 January 2012
- FRS 124 (Revised) Related Party Disclosures
 - Amendments to FRS 1 (Revised): Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters
 - Amendments to FRS 7: Disclosures – Transfers of Financial Assets
 - Amendments to FRS 112: Recovery of Underlying Assets
 - IC Interpretation 19 Extinguishing Financial Liabilities with Equity Instruments
 - Amendments to IC Interpretation 14: Prepayments of a Minimum Funding Requirement

Adoption of the above standards and interpretation did not have any effect on the financial performance or position of the Group.

- (b) On 19 November 2011, the MASB issued a new MASB approved accounting framework, the Malaysia Financial Reporting Standards (“MFRS”). The MFRS is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities subject to the application of MFRS 141 Agriculture and IC Interpretation 15 – Agreement for Construction of Real Estate, including its parent, significant investor and venture (herein referred to as “Transitioning Entities”).

Transitioning Entities will be allowed to defer adoption of the new MFRS for an additional year, i.e. to annual periods beginning on or after 1 January 2013 after which the MFRS will become mandatory.

CHUAN HUAT RESOURCES BERHAD

Company No. 290729-W
(Incorporated in Malaysia)



1. Basis of Preparation (cont'd)

The Group falls within the definition of Transitioning Entities and has opted to defer adoption of the new MFRS to 1 January 2013. Accordingly, the Group will be required to prepare its first MFRS financial statements for the financial year commencing 1 January 2013. In representing its first MFRS financial statements, the Company will quantify the financial effects of the differences between the current FRS and MFRS.

The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits.

The Group has commenced transitioning its accounting policies and financial reporting from the current FRSs to MFRSs. However, the Group has not completed its quantification of the financial effects of the differences between FRSs and MFRSs due to ongoing assessment by the management. Accordingly, the statements of financial position and the statements of comprehensive income as disclosed in these financial statements for the 3-month period ended 31 March 2012 could be different if prepared under MFRSs.

The Group expects to be in a position to fully comply with the requirements of MFRSs for the financial year ending 31 December 2013.

Other than as disclosed above, the accounting policies and methods of computation adopted by the Group in preparing this interim financial report are consistent with those in the financial statements for the financial year ended 31 December 2011.

2. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 31 December 2011 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 six months ended 30 June 2012.

5. Changes in Estimates

There were no changes in estimates that have had a material effect during the quarter and six months ended 30 June 2012.

6. Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayment of debt and equity securities during the quarter and six months ended 30 June 2012.

CHUAN HUAT RESOURCES BERHAD

Company No. 290729-W
(Incorporated in Malaysia)

**7. Dividends Paid**

	3 months ended		6 months ended	
	30.06.12 (RM'000)	30.06.11 (RM'000)	30.06.12 (RM'000)	30.06.11 (RM'000)
Ordinary Shares				
<u>Interim dividend paid</u> [YE2010-1.5sen gross per Ordinary Shares (50sen), less Income tax at 25%]	-	1,880	-	1,880

8. Segment Information

	3 months ended		6 months ended	
	30.06.12 (RM'000)	30.06.11 (RM'000)	30.06.12 (RM'000)	30.06.11 (RM'000)
Segment Revenue				
Trading of hardware & building materials	230,018	175,945	430,724	354,225
Trading of IT related products	21,953	17,160	42,975	33,244
Others	719	597	1,179	1,193
Total revenue including inter-segment sales	252,690	193,702	474,878	388,662
Elimination of inter segment sales	(60,886)	(46,123)	(111,573)	(92,048)
Total revenue	191,804	147,579	363,305	296,614
<u>Profit/ (loss) from operations</u>				
Trading of hardware & building materials	9,469	8,300	15,709	17,414
Trading of IT related products	657	712	1,005	1,247
Others	16	(26)	(16)	(22)
	10,142	8,986	16,698	18,639
<u>Profit/ (loss) before taxation</u>				
Trading of hardware & building materials	5,402	5,786	7,813	11,705
Trading of IT related products	526	671	755	1,152
Others	(408)	(238)	(946)	2,535
	5,520	6,219	7,622	15,392

CHUAN HUAT RESOURCES BERHAD

Company No. 290729-W
(Incorporated in Malaysia)



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 six months ended 30 June 2012.

12. Contingent Liabilities/Contingent Assets

	30/06/12 (RM'000)	31/12/11 (RM'000)	Changes (RM'000)
Corporate guarantees in respect of banking facilities granted to subsidiary Companies	273,060	236,322	36,738
Corporate guarantees in respect of the Supply of goods to subsidiary companies	36,900	36,900	0

13. Capital Commitments

The Group has commitments as follows:

	30/06/12 (RM'000)	31/12/11 (RM'000)	Changes (RM'000)
Capital expenditure approved and contracted for	662	2,620	(1,958)

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) Disccomp 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

CHUAN HUAT RESOURCES BERHAD

Company No. 290729-W
(Incorporated in Malaysia)

**14. Related Party Transactions (Cont'd)**

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:

	6 months ended 30/06/12 (RM'000)	6 months ended 30/06/11 (RM'000)
a) Sale of goods to		
i) <u>Other related parties</u>		
Ahmad Zaki Sdn Bhd	11,194	15,860
ii) <u>Subsidiaries</u>		
CHM	7,207	1,355
KLC	597	1,214
CHRB BM	1,027	1,144
b) Purchase of goods from		
i) <u>Other related parties</u>		
Amalgamated Industrial Steel Berhad	863	-
ii) <u>Subsidiaries</u>		
KLC	1,210	1,307
CHM	433	424
CHRB BM	350	200
c) Others		
i) <u>Subsidiaries</u>		
Rental income received from subsidiaries	172	135
Security, water & electricity charges received from Subsidiaries	24	19
Management fee and incentive received from Subsidiaries	38	38
Interest expenses	46	8

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.

Amalgamated Industrial Steel Berhad is a company in which CHRB had 7.33% indirect interest through a 100% owned subsidiary, Chuan Huat Hardware Holdings Sdn Bhd.

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.

CHUAN HUAT RESOURCES BERHAD

Company No. 290729-W
(Incorporated in Malaysia)



15. Cash and Cash Equivalents

	6 months ended	
	30/06/12 (RM'000)	30/06/11 (RM'000)
Fixed deposit with a licensed bank	4,474	10,237
Cash and bank balances	22,558	15,764
Bank overdraft	(21,099)	(907)
	<u>5,933</u>	<u>25,094</u>
Less : Fixed Deposits pledged	(460)	(637)
	<u>5,473</u>	<u>24,457</u>

16. Review of Performance

The Group's revenue for the second quarter and six (6) months financial period ended 30 June 2012 have increased by 30.0% and 22.5% respectively, as compared to the preceding year's corresponding financial period.

The Group recorded a profit before tax of RM5.5 million and RM7.6 million for the second quarter and the six (6) months of the financial period ended 30 June 2012 as compared to RM6.2 million and RM15.4 million in the corresponding financial period.

The details of the performance of the various segments are as follows:

	3 months ended			6 months ended		
	30.06.12 RM'000	30.06.11 RM'000	change %	30.06.12 RM'000	30.06.11 RM'000	change %
Revenue						
Trading of hardware & building materials	174,200	135,260	28.8	331,019	273,539	21.0
Trading of IT related Products	17,118	12,087	41.6	31,576	22,615	39.6
Others	486	232	109.5	710	460	54.3
Total	<u>191,804</u>	<u>147,579</u>	<u>30.0</u>	<u>363,305</u>	<u>296,614</u>	<u>22.5</u>
Profit before taxation						
Trading of hardware & building materials	5,402	5,786	-6.6	7,813	11,705	-33.3
Trading of IT related Products	526	671	-21.6	755	1,152	-34.5
Others	(408)	(238)	-71.4	(946)	2,535	-137.3
Total	<u>5,520</u>	<u>6,219</u>	<u>-11.2</u>	<u>7,622</u>	<u>15,392</u>	<u>-50.5</u>

The reason for the changes in the various sectors are as follows:-

- (i) Trading of hardware & building materials
The increase in revenue was due to the consolidation of additional revenue from a newly acquired wholly owned subsidiary.

The decrease in Profit Before Tax ("PBT") was mainly due to the lower gross profit margins of the construction steel products.

CHUAN HUAT RESOURCES BERHAD

Company No. 290729-W
(Incorporated in Malaysia)



16. Review of Performance (Cont'd)

(ii) Trading of IT related products

The increase in revenue was due to improved performance from the retail outlets, Information Technology ("IT") fairs and sales of new products such as personal computers and mobile phones.

The decrease in PBT was due to lower profit margin for new products such as personal computers and mobile phones.

(iii) Others

The increase in revenue was due to sales of properties.

The increase in Loss Before Tax ("LBT") during the quarter under review was mainly due to bank interest incurred in respect of investment in a newly acquired wholly owned subsidiary.

However, the preceding financial period ended 30 June 2011 recorded a higher PBT mainly due to gain of RM2.97 million arising from a disposal of an unquoted investment.

17. Material changes in profit before taxation against preceding quarter

The total revenue of the Group for the current quarter was increased by RM20.3million or 11.8% as compared to the immediate preceding quarter and the total profit before taxation (PBT) in the current quarter increased by RM3.4 million or 162.6%. The details analysis by business segment is further analysed as follow:

	Individual Quarter 3 months ended		Change %
	30/06/12 (RM'000)	31/03/12 (RM'000)	
Revenue			
Trading of hardware & building Materials	174,200	156,818	11.1
Trading of IT related products	17,118	14,458	18.4
Others	486	225	116.0
Total	191,804	171,501	11.8
Profit before taxation			
Trading of hardware & building Materials	5,402	2,411	124.1
Trading of IT related products	526	229	129.7
Others	(408)	(538)	24.2
Total	5,520	2,102	162.6

The reason for the changes in the various sectors are as follows:-

(i) Trading of hardware & building materials

The increase in PBT during the quarter under review was mainly due to increase of revenue and higher profit margin of the construction steel products.

CHUAN HUAT RESOURCES BERHAD

Company No. 290729-W
(Incorporated in Malaysia)



17. Material changes in profit before taxation against preceding quarter (Cont'd)

- (ii) Trading of IT related products
The increase in PBT during the quarter under review was mainly due to more trade fairs and road shows.

18. Commentary on Prospects

The Malaysian construction industry is expected to remain active subsequent to the announcement of the launching of various mega projects especially the Klang Valley MRT (Mass Rapid Transit) and LRT (Light Rail Transit) Extension where the contracts have already been awarded. The Group's Trading of Hardware and Building Materials division is expected to benefit from these anticipated upward trends of demand for the wide range of construction materials especially steel products.

As for the Group's IT retail subsidiaries under the Disccomp Group, the Information and Communication Technology (ICT) industry is expected to be robust for the rest of the year with the Government participation in the usage of the internet widely in all sectors and the availability of lower price internet devices. The Disccomp Group will continue with its aggressive product promotions and participations in all major IT/PC fairs and road shows.

19. Profit Forecast and Profit Guarantee

The Group is not subject to any profit forecast or profit guarantee requirements.

20. Income Tax Expenses

	3 months ended		6 months ended	
	30/06/12 (RM'000)	30/06/11 (RM'000)	30/06/12 (RM'000)	30/06/11 (RM'000)
Malaysia income tax				
- current	1,531	1,641	2,471	3,364
- under/(over) provision in prior years	20	(11)	67	(11)
	<u>1,551</u>	<u>1,630</u>	<u>2,538</u>	<u>3,353</u>
Deferred taxation	(154)	105	(98)	205
TOTAL	<u>1,397</u>	<u>1,735</u>	<u>2,440</u>	<u>3,558</u>

The effective tax rate for the financial year ended 30 June 2012 and 30 June 2011 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. Corporate Proposals

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

22. Borrowings

	6months ended	
	30/06/12 (RM'000)	30/06/11 (RM'000)
<u>Short Term</u>		
Bank overdrafts (unsecured)	21,099	907
Bills payable (unsecured)	193,596	164,120
Finance lease liabilities	2,684	2,317
Term loans (amount payable within 12 months)	416	466
	<u>217,795</u>	<u>167,810</u>
<u>Long Term</u>		
Finance lease liabilities	5,143	5,582
Less : amount payable within 12 months	(2,684)	(2,317)
	<u>2,459</u>	<u>3,265</u>
Term Loans (secured)	1,867	485
Less : amount payable within 12 months	(416)	(466)
	<u>1,451</u>	<u>19</u>
	<u>3,910</u>	<u>3,284</u>

23. Realised and Unrealised Profits/ (Losses)

	As at	As at
	30/06/2012	31/12/2011
	RM'000	RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	53,398	49,080
-Unrealised	(3,008)	(3,197)
	<u>50,390</u>	<u>45,883</u>
Less: Consolidation adjustments	(350)	(300)
Total Group retained profits as per consolidated accounts	<u>50,040</u>	<u>45,583</u>

24. Off Balance Sheet Financial Instruments

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

25. 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 2011.

CHUAN HUAT RESOURCES BERHAD

Company No. 290729-W
(Incorporated in Malaysia)



26. Dividends

The Board of Directors recommended a first and final dividend of 3.50 sen (7.0%) gross per ordinary share, less income tax at 25% (2010: final dividend of 2.0 sen (4.0%) gross per ordinary share, less income tax at 25% in additional to the interim dividend of 1.5 sen (3.0%) gross per ordinary share less income tax at 25%).and was approved by the shareholders at the Eighteenth Annual General Meeting of CHRB held on 28 June 2012. The dividend was on 23 August 2012.

The entitlement date was fixed on 31 July 2012 and a Depositor shall qualify for entitlement only in respect of:

- (a) Shares transferred into Depositor's Securities Account before 4.00 p.m. on 31 July 2012 in respect of ordinary transfers;
- (b) Share bought on the Bursa Malaysia on a cum entitlement basis according to the rules of the Bursa Malaysia

27. Earnings per share

a. Basic earnings per share

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

	3 months ended		6 months ended	
	30/06/12 (RM'000)	30/06/11 (RM'000)	30/06/12 (RM'000)	30/06/11 (RM'000)
Profit attributable to the owners of the parent (RM'000)	3,643	4,149	4,457	11,174
Total number of ordinary shares in issue ('000)	167,156	167,156	167,156	167,156
Basic earnings per share (sen)	2.18	2.48	2.67	6.68

CHUAN HUAT RESOURCES BERHAD

Company No. 290729-W
(Incorporated in Malaysia)

**27. Earnings per share (Cont'd)**

b. Diluted earnings per share

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

	3 months ended		6 months ended	
	30/06/12 (RM'000)	30/06/11 (RM'000)	30/06/12 (RM'000)	30/06/11 (RM'000)
Profit attributable to the owners of the parent (RM'000)	3,643	4,149	4,457	11,174
Total number of ordinary shares in issue ('000)	167,156	167,156	167,156	167,156
Effects of dilution for Warrants ('000)	41,789	41,789	41,789	41,789
Adjusted number of ordinary shares in issue applicable to diluted earnings per share ('000)	208,945	208,945	208,945	208,945
Diluted earnings per share (sen)	1.74	1.99	2.13	5.35

28. 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

{ SIGNED }

DATO' LIM LOONG HENG
DEPUTY MANAGING DIRECTOR

Date: 28 August 2012