



CHUAN HUAT RESOURCES BERHAD

(290729-W)

Condensed Consolidated Financial Statements
For the Quarter and Twelve Months Ended
31 December 2014

CHUAN HUAT RESOURCES BERHAD

Company No. 290729-W
(Incorporated in Malaysia)



**Condensed Consolidated Statement of Financial Position
As at 31 December 2014**

(The figures below have not been audited)

	Unaudited As at 31.12.14 (RM'000)	Audited As at 31.12.13 (RM'000)
ASSETS		
Non-Current assets		
Property, plant & equipment	155,309	82,506
Investment properties	31,436	13,242
Investments	2,757	3,874
Goodwill	777	777
	<u>190,279</u>	<u>100,399</u>
Current assets		
Inventories	139,800	100,223
Trade & other receivables	168,243	215,635
Cash & cash equivalents	26,793	25,646
	<u>334,836</u>	<u>341,504</u>
TOTAL ASSETS	<u>525,115</u>	<u>441,903</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share Capital	83,578	83,578
Reserves	161,179	82,389
	<u>244,757</u>	<u>165,967</u>
Non-controlling interest	14,545	13,968
Total equity	<u>259,302</u>	<u>179,935</u>
Non-current liabilities		
Borrowings	20,272	9,280
Deferred tax liabilities	14,189	1,788
	<u>34,461</u>	<u>11,068</u>
Current liabilities		
Trade & other payables	45,582	48,732
Borrowings	185,684	202,068
Taxation	86	100
	<u>231,352</u>	<u>250,900</u>
Total liabilities	<u>265,813</u>	<u>261,968</u>
TOTAL EQUITY AND LIABILITIES	<u>525,115</u>	<u>441,903</u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	1.46	0.99

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 2013

CHUAN HUAT RESOURCES BERHAD

Company No. 290729-W
(Incorporated in Malaysia)



**Condensed Consolidated Statement of Comprehensive Income
For the Quarter and Twelve months ended 31 December 2014**

(The figures below have not been audited)

	Individual quarter		Cumulative quarter	
	31/12/14 (RM'000)	31/12/13 (RM'000)	31/12/14 (RM'000)	31/12/13 (RM'000)
Revenue	181,828	179,086	708,732	693,220
Operating expenses	(177,980)	(175,118)	(687,679)	(669,440)
Other income	270	880	2,438	3,410
Operating profit	4,118	4,848	23,491	27,190
Depreciation and amortisation	(2,075)	(1,914)	(7,912)	(6,809)
Interest expenses	(2,355)	(2,300)	(9,079)	(8,725)
Interest income	660	353	1,518	1,744
Provision for and write off of receivables	(59)	(549)	(1,417)	(1,777)
Provision for and write off of inventories	-	33	(21)	(13)
Gain/(loss) on disposal of quoted or unquoted investments or properties	30	(10)	30	50
Impairment of assets	(13)	(13)	(54)	(54)
Foreign exchange gain or loss	(18)	1	(7)	(24)
Profit from operation	288	449	6,549	11,582
Fair value gain on investment property	-	-	18,678	-
Impairment loss on quoted shares	(1,137)	-	(1,137)	-
Profit before tax	(849)	449	24,090	11,582
Taxation	(62)	1,260	(2,200)	(1,532)
Profit for the period	(911)	1,709	21,890	10,050
Other Comprehensive Income net of tax				
Gain on revaluation of property	-	-	58,943	-
Exchange translation reserve	426	65	392	112
Total Comprehensive Income for the period	(485)	1,774	81,225	10,162
Profit attributable to:-				
Owner of the parent	(935)	1,627	21,336	9,409
Non-controlling interest	24	82	554	641
Profit for the period	(911)	1,709	21,890	10,050
Comprehensive Income attributable to:-				
Owner of the parent	(509)	1,692	80,671	9,521
Non-controlling interest	24	82	554	641
Comprehensive Income for the period	(485)	1,774	81,225	10,162
Earnings per share (sen):-				
Basic earning per share	(0.56)	1.07	12.76	5.63
Diluted earning per share	(0.45)	0.86	10.21	4.50

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 2013.

CHUAN HUAT RESOURCES BERHAD

Company No. 290729-W
(Incorporated in Malaysia)



Condensed Consolidated Statement of Changes in Equity
For the Twelve months ended 31 December 2014
(The figures below have not been audited)

	Attributable to equity holders of the parent					Distributable		Minority interests (RM'000)	Total Equity (RM'000)
	Share Capital (RM'000)	Capital Reserve (RM'000)	Warrant Reserve (RM'000)	Exchange Translation Reserve (RM'000)	Revaluation Reserve (RM'000)	Retained Earnings (RM'000)	Total (RM'000)		
At 1 January 2014	83,578	21,923	566	112	-	59,788	165,967	13,968	179,935
Total comprehensive income for the period	-	-	-	392	58,943	21,336	80,671	554	81,225
Dividend paid	-	-	-	-	-	(1,881)	(1,881)	-	(1,881)
Acquisition of additional equity interests in subsidiary company	-	-	-	-	-	-	-	23	23
At 31 December 2014	83,578	21,923	566	504	58,943	79,243	244,757	14,545	259,302
At 1 January 2013	83,578	21,923	566	-	-	53,425	159,492	13,738	173,230
Total comprehensive income for the period	-	-	-	112	-	9,409	9,521	641	10,162
Acquisition of additional equity interests in subsidiary company	-	-	-	-	-	-	-	(327)	(327)
Difference arising on acquisition of equity interests in subsidiary company	-	-	-	-	-	89	89	-	89
Disposal of subsidiary company	-	-	-	-	-	(1)	(1)	-	(1)
Dividend paid	-	-	-	-	-	(3,134)	(3,134)	(84)	(3,218)
At 31 December 2013	83,578	21,923	566	112	-	59,788	165,967	13,968	179,935

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 2013

CHUAN HUAT RESOURCES BERHAD

Company No. 290729-W
(Incorporated in Malaysia)



**Condensed Consolidated Statement of Cash Flows
For the Twelve months ended 31 December 2014**

(The figures below have not been audited)

	12 months ended	
	31/12/14	31/12/13
	(RM'000)	(RM'000)
Cash flows from operating activities		
Profit before tax from operation	24,090	11,582
<u>Adjustment for non-cash items :-</u>		
Depreciation and amortization	7,912	6,809
Interest expenses	9,079	8,725
Interest income	(1,518)	(1,744)
Provision for and write off of receivables	1,417	1,777
Non-cash items	(18,794)	(1,914)
Operating profit before working capital changes	22,186	25,235
Increase in inventories	(39,599)	(3,916)
Decrease/ (Increase) in receivables	46,367	(9,766)
(Decrease)/ increase in payables	(3,174)	6,796
Cash generated from operations	25,780	18,349
Interest received	1,342	1,585
Interest paid	(8,504)	(7,491)
Net tax (paid)/ refund	(1,205)	(3,170)
Net cash inflow from operating activities	17,413	9,273
Cash flows from investing activities		
Purchase of property, plant and equipment	(7,642)	(10,542)
Purchase of investment and investment properties	(20)	(9)
Purchase of additional investment in subsidiary company	(10)	(327)
Net cash inflow from acquisition of a subsidiary company	-	87
Net cash inflow from disposal of a subsidiary company	-	9
Proceeds from disposal of property, plant and equipment	250	491
Proceeds from disposal of investment properties	460	410
Interest received	176	159
Interest paid	-	(846)
Net cash outflow from investing activities	(6,786)	(10,568)
Cash flows from financing activities		
Net proceeds from /(repayments to) term loans	14,103	(444)
Repayments of finance lease liabilities	(1,431)	(2,282)
Net (repayments to)/ proceeds from short term borrowings	(6,223)	19,173
Dividend paid to shareholders and non-controlling interest	(1,881)	(3,218)
Interest paid	(575)	(389)
(Increased)/ decreased in fixed deposit pledged	(129)	1
Net cash inflow from financing activities	3,864	12,841
Effects of changes in exchange rates	(392)	112
Net increase in cash & cash equivalents	14,491	11,546
Cash & cash equivalents at beginning of the financial year	9,830	(1,828)
Cash & cash equivalents at end of the financial period	23,929	9,830

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 2013.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED
31 DECEMBER 2014**

1. Basis of Preparation

These interim financial statements of the Group are not audited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("MFRS") 134 – *Interim Financial Reporting* and the applicable disclosure provisions 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 2013 which were prepared under the Financial Reporting Standards ("FRS").

The 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 2013.

2. Significant Accounting Policies

The accounting policies and methods of computation applied in these interim financial statements are consistent with those applied in the preparation of the Group's recent audited financial statements for the FYE 31 December 2013, except for the adoption of the following MFRSs, Issues Committee ("IC") Interpretations and amendments to MFRSs and IC Interpretations during the current financial period :-

Effective for annual periods beginning on or after 1 January 2014

Amendments to MFRS 10, MFRS 12 and MFRS 127 - Investment Entities
Amendments to MFRS 132 - Offsetting Financial Assets and Financial Liabilities
Amendments to MFRS 136 - Recoverable Amount Disclosures for Non-Financial Assets
Amendments to MFRS 139 - Novation of Derivatives and Continuation of Hedge Accounting
IC Interpretation 21 - Levies

As at the date of authorisation of these interim financial statements, the Group have not made early adoption of the following MFRSs, IC Interpretations and Amendments to MFRSs which have been issued and will be effective for the financial periods as stated below:-

Effective for annual periods beginning on or after 1 July 2014

Amendments to MFRS 119, Defined Benefit Plans : Employee Contributions
Amendments to MFRSs Classified as "Annual Improvements to MFRSs 2010 - 2012 Cycle"
Amendments to MFRSs Classified as "Annual Improvements to MFRSs 2011 - 2013 Cycle"

Effective for a date yet to be confirmed

MFRS 9 - Financial Instruments (IFRS 9 issued in November 2009)
MFRS 9 - Financial Instruments (IFRS 9 issued in October 2010)
Amendments to MFRS 7 and MFRS 9 - Mandatory Effective Date of MFRS 9 and Transition Disclosures
MFRS 9, Financial Instruments (Hedge Accounting and Amendments to MFRS 9, MFRS 7 and MFRS 139) (IFRS 9 as amended in November 2013)

The Group will apply the above MFRSs and amendments to MFRSs once they become effective. The above standards and amendments are not expected to have any material financial impact on the financial statements of the Group on initial adoption

CHUAN HUAT RESOURCES BERHAD

Company No. 290729-W
(Incorporated in Malaysia)



3. Auditors' Report in respect of the 2013 Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 31 December 2013 was not qualified.

4. 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.

5. 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 twelve months ended 31 December 2014.

6. Changes in Estimates

There were no changes in estimates that have had a material effect during the quarter and twelve months ended 31 December 2014.

7. Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayment of debt and equity securities during the quarter and twelve months ended 31 December 2014.

8. Dividends Paid

Ordinary Shares	3 months ended		12 months ended	
	31.12.14 (RM'000)	31.12.13 (RM'000)	31.12.14 (RM'000)	31.12.13 (RM'000)
<u>First and Final dividend paid</u> [YE2013- Single Tier Exempt Dividend of 1.125 sen per Ordinary shares (50 sen)]	-	-	1,881	-
<u>First and Final dividend paid</u> [YE2012- 2.5sen gross per Ordinary Shares (50sen), less Income tax at 25%]	-	-	-	3,134
	-	-	1,881	3,134

CHUAN HUAT RESOURCES BERHAD

Company No. 290729-W
(Incorporated in Malaysia)

**9. Segment Information**

<u>Segment Revenue</u>	3 months ended		12 months ended	
	31.12.14 (RM'000)	31.12.13 (RM'000)	31.12.14 (RM'000)	31.12.13 (RM'000)
Trading of hardware & building materials	224,473	212,488	867,700	843,263
Trading of IT related products	18,233	23,371	74,222	80,661
Others	469	812	2,058	2,957
Total revenue including inter-segment sales	243,175	236,671	943,980	926,881
Elimination of inter segment sales	(61,347)	(57,585)	(235,248)	(233,661)
Total revenue	181,828	179,086	708,732	693,220
<u>Profit/ (loss) from operations</u>				
Trading of hardware & building materials	3,570	3,822	21,953	25,379
Trading of IT related products	284	700	1,267	1,557
Others	264	326	271	254
Total Operating Profit	4,118	4,848	23,491	27,190
<u>Profit/ (loss) before taxation</u>				
Trading of hardware & building materials	218	470	6,672	12,041
Trading of IT related products	110	215	553	977
Others	(40)	(236)	(676)	(1,436)
Fair value gain on investment property	-	-	18,678	-
Impairment loss on quoted shares	(1,137)	-	(1,137)	-
Total Profit before taxation	(849)	449	24,090	11,582

10. Carrying Amount of Revalued Assets

During the period, the Group had revalued its property, plant & equipment and investment properties and generated a revaluation reserve of RM 77.62 million net of deferred tax.

11. 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.

CHUAN HUAT RESOURCES BERHAD

Company No. 290729-W
(Incorporated in Malaysia)



12. Changes in Composition of the Group

The were no changes in the composition of the Group during the quarter and twelve months ended 31 December 2014 and up to the date of this Interim Financial Report.

13. Contingent Liabilities/Contingent Assets

	31/12/14 (RM'000)	31/12/13 (RM'000)	Changes (RM'000)
Corporate guarantees in respect of Banking facilities granted to subsidiary Companies	302,792	286,792	16,000
Corporate guarantees in respect of the Supply of goods to subsidiary companies	64,400	36,900	27,500

14. Capital Commitments

The Group has commitments as follows:

	31/12/14 (RM'000)	31/12/13 (RM'000)	Changes (RM'000)
Capital expenditure approved and contracted for	1,993	3,126	(1,133)

15. 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) Pineapple Resources Berhad, a 63.85% owned subsidiary and it's subsidiary companies (PRB Group)
- iii) Keyline Consulting Sdn Bhd (KLC), a 70% owned subsidiary
- iv) CHRB Building Materials Sdn Bhd (CHRB BM), a 60% owned subsidiary
- v) CHRB Trading Sdn Bhd (CHRB Trading), a 55% 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.

CHUAN HUAT RESOURCES BERHAD

Company No. 290729-W
(Incorporated in Malaysia)

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

The significant related party transactions are as follows:

	12 months ended 31/12/14 (RM'000)	12 months ended 31/12/13 (RM'000)
a) Sale of goods to		
i) <u>Other related parties</u>		
Ahmad Zaki Sdn Bhd	13,299	7,168
ii) <u>Subsidiaries</u>		
CHM	3,005	6,228
CHRB BM	3,954	1,987
CHRB Trading	374	245
b) Purchase of goods from		
i) <u>Other related parties</u>		
Amalgamated Industrial Steel Berhad	1,124	1,500
ii) <u>Subsidiaries</u>		
KLC	1,922	977
CHM	469	641
CHRB BM	661	593
i) <u>Subsidiaries</u>		
Rental income received from subsidiaries	291	345
Security, water & electricity charges received from subsidiaries	48	48
Management fee and incentive received from subsidiaries	82	84
Interest expenses	7	41

Ahmad Zaki Sdn Bhd is a company in which Dato' Sri Haji Wan Zaki bin Haji Wan Muda, a Director of a subsidiary of the Company and 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.

16. Cash and Cash Equivalents

	12 months ended	
	31/12/14 (RM'000)	31/12/13 (RM'000)
Fixed deposit with a licensed bank	2,404	1,424
Cash and bank balances	24,389	24,001
Bank overdraft	(2,010)	(14,868)
	<u>24,783</u>	<u>10,557</u>
Less : Fixed Deposits pledged	(854)	(727)
	<u>23,929</u>	<u>9,830</u>

17. Review of Performance

The Group's revenue for the fourth quarter and twelve (12) months financial year ended 31 December 2014 increased by 1.53% and 2.24% respectively, as compared to the preceding year's corresponding financial period.

The Group recorded a Loss Before Tax ("LBT") of RM0.849 million for the fourth quarter and a Profit Before Tax ("PBT") of RM24.090 million for the financial year ended 31 December 2014 as compared to a profit before tax RM0.449 million and RM11.582 million in the preceding year corresponding financial period. The increase in the PBT for the financial year ended 31 December 2014 was mainly due to fair value gain on the investment properties.

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

	3 months ended			12 months ended		
	31.12.14 RM'000	31.12.13 RM'000	Change %	31.12.14 RM'000	31.12.13 RM'000	Change %
Revenue						
Trading of hardware & building materials	168,700	162,660	3.71	657,878	638,619	3.02
Trading of IT related products	12,837	15,863	-19.08	49,494	52,641	-5.98
Others	291	563	-48.31	1,360	1,960	-30.61
Total	181,828	179,086	1.53	708,732	693,220	2.24
Profit / (Loss) before taxation						
Trading of hardware & building materials	218	470	-53.62	6,672	12,041	-44.59
Trading of IT related products	110	215	-48.84	553	977	-43.40
Others	(40)	(236)	83.05	(676)	(1,436)	52.92
Fair value gain on investment property	-	-	-	18,678	-	100.00
Impairment loss on quoted shares	(1,137)	-	-100.00	(1,137)	-	-100.00
Total	(849)	449	-289.09	24,090	11,582	108.00

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

- (i) Trading of hardware & building materials
The decrease in PBT for the fourth quarter and the twelve (12) months of the financial year ended 31 December 2014 as compared to the corresponding year ended 31 December 2013 were mainly due to lower profit margin and increase in operating expenses. There was also a decrease in other operating income.

17. Review of Performance (continued)

- (ii) Trading of IT related products
The division reported a lower PBT for the fourth quarter and for the financial year ended 31 December 2014 which were mainly due to decrease in revenue from the closure of two non-performing outlets.
- (iii) Others
The lower Loss Before Tax recorded in the period under review was mainly due to lower interest cost on borrowings.

18. Material changes in profit before taxation against preceding quarter

Despite the Group revenue increase by 8.46%, it reported a LBT of RM0.849 million as compared to the immediate preceding quarter. The detail analysis by business segment are as follow:

	Individual Quarter 3 months ended		
	31/12/14 (RM'000)	30/09/14 (RM'000)	Change %
Revenue			
Trading of hardware & building Materials	168,700	156,789	7.60
Trading of IT related products	12,837	10,603	21.07
Others	291	256	13.67
Total	181,828	167,648	8.46
	Individual Quarter 3 months ended		
	31/12/14 (RM'000)	30/09/14 (RM'000)	Change %
Profit / (Loss) before taxation			
Trading of hardware & building Materials	218	1,573	-86.14
Trading of IT related products	110	(7)	1671.43
Others	(40)	(289)	86.16
Impairment loss on quoted shares	(1,137)	-	-100
Total	(849)	1,277	-166.48

Apart from the impairment loss on quoted shares, the reasons for the changes in the various sectors are as follows:-

- (i) Trading of hardware & building materials
The drop in PBT was mainly due to decrease in gross profit margin and increase of operating expenses and received lower other operating income during the quarter under review.
- (ii) Trading of IT related products
The division achieved a higher PBT mainly due to the increase in revenue generated from additional AEON members' day special offers and promotions during the quarter under review.
- (iii) Others
The decrease in LBT was mainly due to the lower interest cost on borrowings incurred during the quarter under review.

CHUAN HUAT RESOURCES BERHAD

Company No. 290729-W
(Incorporated in Malaysia)



19. Commentary on Prospects

The overall economy is facing a lot of uncertainties due to a few major factors especially post GST 2015, the declining oil prices and a volatile currency exchange rates. Consumer spending is expected to slow down.

Although the property market is expected to slow down, the construction of infrastructure projects such as the Mass Rapid Transit (MRT) and Light Rail Transit (LRT) extensions should be able to sustain the industry.

The Group's Information Technology division is also expecting similar slow down in the overall retail market post GST 2015. However, the Group will focus to increase the revenue through the e-commerce division.

20. Profit Forecast and Profit Guarantee

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

21. Income Tax Expenses

	3 months ended		12 months ended	
	31/12/14 (RM'000)	31/12/13 (RM'000)	31/12/14 (RM'000)	31/12/13 (RM'000)
Malaysia income tax				
- current	447	22	2,632	3,206
- under/ (over) provision in prior years	(116)	-	(248)	(423)
Deferred taxation	331	22	2,384	2,783
	(269)	(1,282)	(184)	(1,251)
TOTAL	62	(1,260)	2,200	1,532

The effective tax rate for the financial year ended 31 December 2014 and 31 December 2013 are not reflective of the statutory tax rate mainly 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.

22. Corporate Proposals

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

CHUAN HUAT RESOURCES BERHAD

Company No. 290729-W
(Incorporated in Malaysia)

**23. Borrowings**

	12 months ended	
	31/12/14 (RM'000)	31/12/13 (RM'000)
<u>Short Term</u>		
Bank overdrafts (unsecured)	2,010	15,091
Bills payable (unsecured)	178,192	184,415
Finance lease liabilities	1,188	1,341
Term loans (amount payable within 12 months)	4,294	1,221
	<u>185,684</u>	<u>202,068</u>
<u>Long Term</u>		
Finance lease liabilities	3,282	3,473
Less : amount payable within 12 months	(1,188)	(1,341)
	<u>2,094</u>	<u>2,132</u>
Term Loans (secured)	22,472	8,369
Less : amount payable within 12 months	(4,294)	(1,221)
	<u>18,178</u>	<u>7,148</u>
	<u>20,272</u>	<u>9,280</u>

24. Realised and Unrealised Profits / (Losses)

	As at	As at
	31/12/2014	31/12/2013
	RM'000	RM'000
Total retained earnings of the Company and its subsidiaries:		
-Realised	75,145	61,529
-Unrealised	4,398	(1,441)
	<u>79,543</u>	<u>60,088</u>
Consolidation adjustments	(300)	(300)
Retained earnings as per statements of financial positions	<u>79,243</u>	<u>59,788</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 2013.

CHUAN HUAT RESOURCES BERHAD

Company No. 290729-W
(Incorporated in Malaysia)



27. Dividends

The Board of Directors had recommended a first and final dividend of 1.5 sen gross per ordinary share of RM0.50 each less income tax at 25% in respect of the financial year ended 31 December 2013 and was approved by the shareholders at the Twentieth Annual General Meeting held on 26 June 2014. However, as the transitional provisions to move to a single tier system lapsed on 31 December 2013, the dividend announced and approved on 26 June 2014 should correctly be a single tier exempt dividend. This disclosure correction from 1.5 sen less 25% Malaysian Income Tax per Ordinary Share of RM0.50 each to Single Tier Exempt Dividend of 1.125 sen, did not result in a change of the amount of dividend, to be received by the shareholders. The dividend was paid on 26 August 2014.

28. 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		12 months ended	
	31/12/14 (RM'000)	31/12/13 (RM'000)	31/12/14 (RM'000)	31/12/13 (RM'000)
Profit attributable to the owners of the parent (RM'000)	(935)	1,791	21,336	9,409
Total number of ordinary shares in issue ('000)	167,156	167,156	167,156	167,156
Basic earnings per share (sen)	(0.56)	1.07	12.76	5.63

(This part of this page is intentionally left blank)

CHUAN HUAT RESOURCES BERHADCompany No. 290729-W
(Incorporated in Malaysia)**28. 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		12 months ended	
	31/12/14 (RM'000)	31/12/13 (RM'000)	31/12/14 (RM'000)	31/12/13 (RM'000)
Profit attributable to the owners of the parent (RM'000)	(935)	1,791	21,336	9,409
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)	(0.45)	0.86	10.21	4.50

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: 27 February 2015