



**CHUAN HUAT RESOURCES BERHAD
(290729-W)**

Condensed Consolidated Financial Statements
For the Quarter and Year Ended
31 December 2017

CHUAN HUAT RESOURCES BERHADCompany No. 290729-W
(Incorporated in Malaysia)**Condensed Consolidated Statement of Financial Position
As at 31 December 2017**

(The figures below have not been audited)

| | Unaudited As at 31/12/17 (RM'000) | Audited As at 31/12/16 (RM'000) |
|---|--|--|
| ASSETS | | |
| Non-Current assets | | |
| Property, plant & equipment | 169,419 | 169,897 |
| Investment properties | 42,443 | 30,190 |
| Investments | 4,087 | 3,778 |
| Intangible assets | 77 | 39- |
| | <u>216,026</u> | <u>203,904</u> |
| Current assets | | |
| Inventories | 108,534 | 103,462 |
| Trade & other receivables | 213,791 | 184,099 |
| Cash & cash equivalents | 19,954 | 24,571 |
| | <u>342,279</u> | <u>312,132</u> |
| TOTAL ASSETS | <u>558,305</u> | <u>516,036</u> |
| EQUITY AND LIABILITIES | | |
| Share Capital | 84,335 | 84,335 |
| Reserves | 187,841 | 181,095 |
| | <u>272,176</u> | <u>265,430</u> |
| Non-controlling interest | 14,999 | 14,538 |
| Total equity | <u>287,175</u> | <u>279,968</u> |
| Non-current liabilities | | |
| Borrowings | 27,608 | 16,892 |
| Deferred tax liabilities | 7,107 | 9,844 |
| | <u>34,715</u> | <u>26,736</u> |
| Current liabilities | | |
| Trade & other payables | 51,954 | 59,334 |
| Borrowings | 184,362 | 149,928 |
| Taxation | 99 | 70 |
| | <u>236,415</u> | <u>209,332</u> |
| Total liabilities | <u>271,130</u> | <u>236,068</u> |
| TOTAL EQUITY AND LIABILITIES | <u>558,305</u> | <u>516,036</u> |
| Net assets per share attributable to ordinary equity holders of the parent (RM) | <u>1.61</u> | <u>1.57</u> |

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 2016

CHUAN HUAT RESOURCES BERHADCompany No. 290729-W
(Incorporated in Malaysia)**Condensed Consolidated Statement of Comprehensive Income
For the Quarter and Year ended 31 December 2017**

(The figures below have not been audited)

| | Individual quarter | | Cumulative quarter | |
|---|----------------------|----------------------|----------------------|----------------------|
| | 31/12/17 (RM'000) | 31/12/16 (RM'000) | 31/12/17 (RM'000) | 31/12/16 (RM'000) |
| Revenue | 188,515 | 164,482 | 688,188 | 646,000 |
| Operating expenses | (183,851) | (159,257) | (664,980) | (618,774) |
| Other income | 8,541 | 1,469 | 12,250 | 2,803 |
| Operating profit | 13,205 | 6,694 | 35,458 | 30,029 |
| Depreciation and amortisation | (1,845) | (2,062) | (7,497) | (8,075) |
| Interest expenses | (2,013) | (1,954) | (7,936) | (7,645) |
| Interest income | 273 | 145 | 970 | 556 |
| Provision for and write off of receivables | (8,383) | (59) | (10,647) | (1,264) |
| Provision for and write off of inventories | - | - | - | - |
| Gain/(loss) on disposal of quoted or unquoted investments or properties | - | 3 | - | 7 |
| Impairment of assets | (5) | - | - | - |
| Foreign exchange gain or (loss) | 35 | (94) | 1 | (110) |
| Profit from operation | 1,267 | 2,673 | 10,349 | 13,498 |
| Fair value gain on investment properties | - | - | - | - |
| Profit before tax | 1,267 | 2,673 | 10,349 | 13,498 |
| Taxation | (129) | (865) | (3,761) | (3,452) |
| Profit for the period | 1,138 | 1,808 | 6,588 | 10,046 |
| Other Comprehensive Income net of tax | 697 | 2,375 | 3,655 | 2,481 |
| Total Comprehensive Income for the period | 1,835 | 4,183 | 10,243 | 12,527 |
| Profit attributable to:- | | | | |
| Owner of the parent | 1,362 | 1,962 | 6,127 | 9,986 |
| Non-controlling interest | (224) | (154) | 461 | 60 |
| Profit for the period | 1,138 | 1,808 | 6,588 | 10,046 |
| Comprehensive Income attributable to:- | | | | |
| Owner of the parent | 2,059 | 4,337 | 9,782 | 12,467 |
| Non-controlling interest | (224) | (154) | 461 | 60 |
| Comprehensive Income for the period | 1,835 | 4,183 | 10,243 | 12,527 |
| Earnings per share (sen):- | | | | |
| Basic and diluted earnings per share | 0.81 | 1.16 | 3.63 | 5.92 |

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 2016.

CHUAN HUAT RESOURCES BERHADCompany No. 290729-W
(Incorporated in Malaysia)**Condensed Consolidated Statement of Changes in Equity
For the Year ended 31 December 2017**

(The figures below have not been audited)

| | Attributable to equity holders of the Company | | | | | | Total (RM'000) | 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) | Distributable Retained Earnings (RM'000) | | | |
| At 1 January 2017 | 84,335 | 21,923 | 566 | 756 | 71,033 | 86,817 | 265,430 | 14,538 | 279,968 |
| Total comprehensive income for the year | - | - | - | (447) | 4,102 | 6,127 | 9,782 | 461 | 10,243 |
| Transferred to retained profits upon expiry of warrant 2011/2016 | | | (566) | | | 566 | - | | - |
| Increase paid-up capital | | - | - | - | - | - | | - | |
| Dividend paid | - | - | - | - | - | (3,036) | (3,036) | - | (3,036) |
| At 31 December 2017 | 84,335 | 21,923 | - | 309 | 75,135 | 90,474 | 272,176 | 14,999 | 287,175 |
| At 1 January 2016 | 84,127 | 21,923 | 566 | 676 | 68,632 | 76,831 | 252,755 | 14,478 | 267,233 |
| Total comprehensive income for the year | - | - | - | 80 | 2,401 | 9,986 | 12,467 | 60 | 12,527 |
| Increase paid-up capital | 208 | - | - | - | - | - | 208 | - | 208 |
| Dividend paid | - | - | - | - | - | - | - | - | - |
| At 31 December 2016 | 84,335 | 21,923 | 566 | 756 | 71,033 | 86,817 | 265,430 | 14,538 | 279,968 |

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 2016

CHUAN HUAT RESOURCES BERHADCompany No. 290729-W
(Incorporated in Malaysia)**Condensed Consolidated Statement of Cash Flows
For the Year ended 31 December 2017***(The figures below have not been audited)*

| | 12 months ended | |
|---|----------------------|----------------------|
| | 31/12/17 (RM'000) | 31/12/16 (RM'000) |
| Cash flows from operating activities | | |
| Profit/(loss) before tax from operation | 10,403 | 13,498 |
| Adjustment for non-cash items :- | | |
| Depreciation and amortization | 7,497 | 8,075 |
| Interest expenses | 7,936 | 7,645 |
| Interest income | (970) | (556) |
| Provision for and write off of receivables | 9,967 | 1,264 |
| Provision for and write off of inventories | - | - |
| Non-cash items | (10,832) | (2,837) |
| Operating profit before working capital changes | 24,001 | 27,089 |
| (Increase)/Decrease in inventories | (5,253) | 1,382 |
| Decrease/(Increase) in receivables | (30,638) | (18,337) |
| (Decrease)/ increase in payables | (7,267) | (9,157) |
| Cash (used)/ generated from operations | (19,157) | 977 |
| Interest received | 913 | 478 |
| Interest paid | (6,852) | (6,256) |
| Net tax (paid)/ refund | (1,935) | (2,620) |
| Net cash (outflow) from operating activities | (27,031) | (7,421) |
| Cash flows from investing activities | | |
| Purchase of property, plant and equipment | (12,173) | (4,654) |
| Purchase of investment and investment properties | (8,858) | (221) |
| Purchase of intangible assets | (38) | (39) |
| Proceeds from issuance of shares | - | 208 |
| Proceeds from disposal of property, plant and equipment | 267 | 300 |
| Proceeds from disposal of investment properties | 2,538 | 1,018 |
| Proceeds from disposal of quoted and unquoted shares | 57 | 35 |
| ..Net cash inflow from disposal of a subsidiary company | 2 | - |
| Interest received | 58 | 78 |
| Net cash outflow from investing activities | (18,147) | (3,275) |
| Cash flows from financing activities | | |
| Net proceeds from /(repayments to) term loans | 11,970 | (1,732) |
| Repayments of finance lease liabilities | (1,308) | (1,488) |
| Net (repayments to)/ proceeds from short term borrowings | 34,363 | 16,850 |
| Dividend paid | (3,036) | - |
| Interest paid | (1,084) | (1,389) |
| (Increased)/ decreased in fixed deposit pledged | 9 | 135 |
| Net cash inflow from financing activities | 40,914 | 12,376 |
| Effects of changes in exchange rates | 448 | (80) |
| Net increase in cash & cash equivalents | (4,264) | 1,680 |
| Cash & cash equivalents at beginning of the financial year | 22,390 | 20,790 |
| Cash & cash equivalents at end of the financial period | 18,574 | 22,390 |

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 2016

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED
31 DECEMBER 2017**

1. Basis of Preparation

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2016 which were prepared under the Malaysian Financial Reporting Standards (“MFRS”) and amendments to standards to be applied by all Entities Other Than Private Entities.

These interim financial statements of the Group are not audited and have been prepared in accordance with the requirements of MFRS 134 – *Interim Financial Reporting* and the applicable disclosure provisions of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.

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 2016.

2. Significant Accounting Policies

The accounting policies applied by the Group in these interim consolidated interim financial statements are consistent with the audited financial statements for the financial year ended 31 December 2016, except for the adoption of the following newly-issued MFRS for the financial periods beginning on or after 1 January:

Effective for annual periods beginning on or after 1 January 2017

- Amendments to MFRS 12: Annual Improvements to MFRSs 2014–2016 Cycle
- Amendments to MFRS 107: Disclosure Initiative
- Amendments to MFRS112: Recognition of Deferred Tax Assets for Unrealised Losses

Initial application of the above applicable standards, is not expected to have any material impact on the financial statements of the Group.

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 January 2018

- MFRS 9: Financial Instruments (IFRS 9 as issued by IASB in July 2014)
- MFRS15: Revenue from Contracts with Customers
- Amendments to MFRS 1: Annual Improvements to MFRSs 2014–2016 Cycle
- Amendments to MFRS 2: Classification and Measurement of Share-based Payment Transactions
- Amendments to MFRS 4: Applying FRS 9 Financial Instruments with MFRS 4 Insurance Contracts
- Amendments to MFRS 128: Annual Improvements to MFRSs 2014–2016 Cycle
- Amendments to MFRS 140: Transfer of Investment Property
- IC Interpretation 22: Foreign Currency Transactions and Advance Consideration

Effective for annual periods beginning on or after 1 January 2019

- MFRS 16 : Leases

The Group plans to apply the abovementioned MFRSs (and its consequential amendments) and Interpretations in the respective annual periods based on their effective dates and applicability

3. Auditors' Report in respect of the 2016 Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 31 December 2016 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 nine months ended 30 September 2017.

6. Changes in Estimates

There were no changes in estimates that have had a material effect during the quarter and nine months ended 30 September 2017.

7. Debt and Equity Securities

There were no issuance, cancellation, repurchases, resale and repayment of debt and equity securities during the quarter and nine months ended 30 September 2017.

8. Dividends Paid

The Company paid a first and final single tier dividend of 1.8 sen per ordinary share amounting to RM3,036,054 in respect of the financial year ended 31 December 2016 on 10 July 2017

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9. Segment Information

| | 3 months ended | | 12 months ended | |
|--|----------------|----------------|-----------------|----------------|
| | 31/12/17 | 31/12/16 | 31/12/17 | 31/12/16 |
| | (RM'000) | (RM'000) | (RM'000) | (RM'000) |
| <u>Segment Revenue</u> | | | | |
| Trading of hardware & building materials | 226,220 | 167,018 | 742,923 | 671,941 |
| Trading of IT related products | 19,994 | 13,905 | 62,114 | 53,124 |
| Others | 475 | 407 | 1,881 | 1,672 |
| Total revenue including inter-segment sales | 246,689 | 181,330 | 806,918 | 726,737 |
| Elimination of inter segment sales | (58,174) | (16,848) | (118,730) | (80,737) |
| Total revenue | 188,515 | 164,482 | 688,188 | 646,000 |
| Trading of hardware & building materials | 13,368 | 5,439 | 34,927 | 28,483 |
| Trading of IT related products | 192 | 197 | 850 | 355 |
| Others | (353) | 1,063 | (317) | 1,196 |
| Total Operating Profit | 13,207 | 6,699 | 35,460 | 30,034 |
| <u>Profit/ (loss) before taxation</u> | | | | |
| Trading of hardware & building materials | 1,750 | 1,850 | 11,122 | 13,349 |
| Trading of IT related products | 80 | 45 | 388 | (366) |
| Others | (564) | 779 | (1,161) | 515 |
| Total Profit before taxation | 1,266 | 2,674 | 10,349 | 13,498 |

10. Valuation of Property, Plant and Equipment

The valuation of property, plant and equipment has been brought forward without amendment from the previous audited financial statements as at 31 December 2016.

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.

12. 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 2017 and up to the date of this Interim Financial Report.

13. Contingent Liabilities/Contingent Assets

| | 31/12/17 (RM'000) | 31/12/16 (RM'000) | Changes (RM'000) |
|---|----------------------|----------------------|---------------------|
| Corporate guarantees in respect of Banking facilities granted to subsidiary Companies | 352,792 | 352,792 | - |
| Corporate guarantees in respect of the Supply of goods to subsidiary companies | 78,100 | 81,100 | (3,000) |

14. Capital Commitments

The Group has commitments as follows:

| | 31/12/17 (RM'000) | 31/12/16 (RM'000) | Changes (RM'000) |
|---|----------------------|----------------------|---------------------|
| Capital expenditure approved and contracted for | 2,643 | 2,977 | (334) |

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
- vi) CH Sweestech Door Sdn Bhd ("CHSD"), a 52.5% owned subsidiary

Other related parties being companies in which a Substantial shareholder or a Director of the Company and subsidiary companies have interest..

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15. Related Party Transactions (cont'd)

The significant related party transactions are as follows:

| | 12 months ended 31/12/17 (RM'000) | 12 months ended 31/12/16 (RM'000) |
|--|--|--|
| a) Sale of goods to | | |
| i) <u>Other related parties</u> | | |
| Ahmad Zaki Sdn Bhd | 22,537 | 13,676 |
| ii) <u>Subsidiaries</u> | | |
| CHM | 3,639 | 14,417 |
| CHRB BM | 1,090 | 1,172 |
| CHSD | 239 | 155 |
| KLC | 580 | 7 |
| b) Purchase of goods from | | |
| i) <u>Other related parties</u> | | |
| Amalgamated Industrial Steel Berhad | 142 | 932 |
| ii) <u>Subsidiaries</u> | | |
| KLC | 1,676 | 2,335 |
| CHM | 906 | 427 |
| CHRB BM | 85 | 9 |
| CHSD | 1 | 290 |
| i) <u>Subsidiaries</u> | | |
| Rental income received from subsidiaries | 256 | 281 |
| Security, water & electricity charges received from subsidiaries | 48 | 48 |
| Management fee and incentive received from subsidiaries | 316 | 76 |
| Rental of motor vehicle | 30 | 12 |
| Handling fee | 313 | 300 |
| Transport charges | 313 | 1 |
| Interest expenses | 86 | 39 |

Ahmad Zaki Sdn Bhd is a company in which Dato' Sri Haji Wan Zaki bin Haji Wan Muda is a substantial shareholder of Chuan Huat Resources Berhad.

Amalgamated Industrial Steel Berhad is a company in which CHRB had 6.67% 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 31/12/17 (RM'000) | 31/12/16 (RM'000) |
|------------------------------------|---|----------------------|
| Fixed deposit with a licensed bank | 786 | 2,896 |
| Cash and bank balances | 19,167 | 21,675 |
| Bank overdraft | (593) | (1,385) |
| | 19,360 | 23,186 |
| Less : Fixed Deposits pledged | (786) | (796) |
| | 18,574 | 22,390 |

17. Review of Performance

The Group's revenue for the year ended 31 December 2017 has increased by 6.53% to RM688 million as compared to RM646 million in the previous year.

However, the revenue for the fourth quarter has increased by 14.61% to RM188 million as compared to RM164 million during corresponding period in the previous year.

As for the profit before tax for the twelve months ended 31st December 2017, it was lower by 23% at RM10.34 million against RM13.49 million previously, whilst for the fourth quarter performance, it was lower by 52% to RM1.26 million against RM2.67 million previously.

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

| | 3 months ended | | | 12 months ended | | |
|--|--------------------|--------------------|---------------|--------------------|--------------------|---------------|
| | 31.12.17 RM'000 | 31.12.16 RM'000 | Change % | 31.12.17 RM'000 | 31.12.16 RM'000 | Change % |
| Revenue | | | | | | |
| Trading of hardware & building materials | 171,588 | 150,355 | 14.12 | 629,974 | 593,797 | 6.09 |
| Trading of IT related products | 16,682 | 13,873 | 20.25 | 57,254 | 51,221 | 11.78 |
| Others | 245 | 254 | -3.54 | 960 | 982 | -2.24 |
| Total | 188,515 | 164,482 | 14.61 | 688,188 | 646,000 | 6.53 |
| Profit / (Loss) before taxation | | | | | | |
| Trading of hardware & building materials | 1,750 | 1,850 | -5.41 | 11,122 | 13,349 | -16.68 |
| Trading of IT related products | 80 | 45 | 77.78 | 388 | (366) | 206.01 |
| Others | (564) | 779 | -172.40 | (1,161) | 515 | -325.44 |
| Total | 1,266 | 2,674 | -52.66 | 10,349 | 13,498 | -23.33 |

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

- (i) Trading of hardware & building materials
 The increase in the revenue for the year was mainly due to stronger demand for steel whilst for the fourth quarter the increase was due to more completed projects before the year end.
 Despite the higher revenue, the division recorded a lower profit before tax and was mainly due to stiff competition, thus pushing down the margins.
- (ii) Trading of IT related products
 The 11.78% increase in year to date revenue was mainly due to contribution from the online and corporate sales division where more efforts and resources were invested, whilst the 20.25% increase in the fourth quarter was derived from additional Aeon members day and trade fairs. The overall improvement on the profit before tax was mainly due to higher revenue and cost cutting exercise implemented during the year.

17. Review of Performance (cont'd)(iii) Others

Whilst the revenue for the year was relatively unchanged, there was a drop in the profit before tax and was due to a reversal of over provision of depreciation during FY 2016.

18. Material changes in profit before taxation against preceding quarter

| | Individual Quarter 3 months ended | | Change % |
|--|--------------------------------------|----------------------|---------------|
| | 31/12/17 (RM'000) | 30/09/17 (RM'000) | |
| Profit / (Loss) before taxation | | | |
| Trading of hardware & building Materials | 1,750 | 2,554 | -31.48 |
| Trading of IT related products | 80 | 143 | -44.06 |
| Others | (564) | (180) | -213.33 |
| Total | 1,266 | 2,517 | -49.70 |

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

- (i) Trading of hardware & building materials
The decrease was mainly due to an impairment loss on quoted investment.
- (ii) Trading of IT related products
The slightly lower profit was due to write down of obsolete inventories.
- (iii) Others
This was mainly due to an impairment loss on unquoted shares.

19. Commentary on Prospects

The demand for steel products and building material is expected to increase significantly with the recent announcement of various infrastructure projects, such as the railway line within the country, the MRT 3 (Mass Rapid Transit), whilst the private property sector may see a slight decline with the oversupply currently. The global steel prices are expected to be on a firmer ground and local prices are expected to follow.

As for the IT (Information Technology) division, more resources will be invested in the on-line business which is seeing a tremendous growth and believed to be still in its infant stage. With the improved economy in the country, consumer spending is expected to increase during the year.

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 | |
|--|----------------------|----------------------|----------------------|----------------------|
| | 31/12/17 (RM'000) | 31/12/16 (RM'000) | 31/12/17 (RM'000) | 31/12/16 (RM'000) |
| Malaysia income tax | | | | |
| - current | (508) | 649 | 2,468 | 2,925 |
| - under/ (over) provision in prior years | 20 | 262 | (71) | - |
| | | (220) | | (220) |
| | (488) | 691 | 2,397 | 2,705 |
| Deferred taxation | 617 | 174 | 1,364 | 747 |
| TOTAL | 129 | 865 | 3,761 | 3,452 |

The effective tax rate for the financial year ended 31 December 2017 and 31 December 2016 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.

23. Borrowings

| | 12 months ended | |
|--|----------------------|----------------------|
| | 31/12/17 (RM'000) | 31/12/16 (RM'000) |
| <u>Short Term</u> | | |
| Bank overdrafts (unsecured) | 594 | 1,386 |
| Bills payable (unsecured) | 175,492 | 142,202 |
| Trust receipts | 1,074 | - |
| Finance lease liabilities | 1,088 | 1,090 |
| Term loans (amount payable within 12 months) | 6,114 | 5,250 |
| | 184,362 | 149,928 |
| <u>Long Term</u> | | |
| Finance lease liabilities | 3,108 | 3,500 |
| Less : amount payable within 12 months | (1,088) | (1,090) |
| | 2,020 | 2,410 |
| Term Loans (secured) | 31,703 | 19,732 |
| Less : amount payable within 12 months | (6,115) | (5,250) |
| | 25,588 | 14,482 |
| | 27,608 | 16,892 |

24. Realised and Unrealised Profits / (Losses)

| | As at 31/12/17 (RM'000) | As at 30/12/16 (RM'000) |
|--|-------------------------------|-------------------------------|
| Total retained earnings of the Company and its subsidiaries: | | |
| - Realised | 85,939 | 77,780 |
| - Unrealised | 3,969 | 9,037 |
| | 89,908 | 86,817 |
| Consolidation adjustments | - | - |
| Retained earnings as per statements of financial positions | 89,908 | 86,817 |

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 2016.

27. Dividends

No dividend has been declared nor recommended for payment for the quarter and twelve months ended 31 December 2017.

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 | |
|---|----------------------|----------------------|----------------------|----------------------|
| | 31/12/17 (RM'000) | 31/12/16 (RM'000) | 31/12/17 (RM'000) | 31/12/16 (RM'000) |
| (Loss)/Profit attributable to the owners of the parent (RM'000) | 1,362 | 1,962 | 6,127 | 9,986 |
| Total number of ordinary shares in issue ('000) | 168,670 | 168,670 | 168,670 | 168,670 |
| Basic earnings per share (sen) | 0.81 | 1.16 | 3.63 | 5.92 |

CHUAN HUAT RESOURCES BERHAD

Company No. 290729-W
(Incorporated in Malaysia)



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: 23 February 2018