

CAM RESOURCES BERHAD (Company No: 535311-D)

Quarterly Report on consolidated results for the second quarter ended 30/6/2013

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	Current year quarter ended	Preceding year corresponding quarter ended	Current year to date	Preceding year corresponding period
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	30/6/13	30/6/12	30/6/13	30/6/12
	RM'000	RM'000	RM'000	RM'000
Revenue	36,139	34,826	71,699	53,408
Cost Of Sales	(32,739)	(31,333)	(64,815)	(46,150)
Gross Profit	<u>3,400</u>	<u>3,493</u>	<u>6,884</u>	<u>7,258</u>
Other Income	245	176	376	176
Distribution Costs	(1,640)	(1,481)	(3,204)	(2,803)
Administrative Expenses	(953)	(1,028)	(1,933)	(2,108)
Other Expenses	(167)	49	(181)	(74)
Finance Costs	(516)	(611)	(1,081)	(1,030)
Share of loss of associates	-	-	-	-
Profit Before Tax	<u>369</u>	<u>598</u>	<u>861</u>	<u>1,419</u>
Income tax Expense	(211)	(403)	(407)	(900)
Profit For The Period	<u><u>158</u></u>	<u><u>195</u></u>	<u><u>454</u></u>	<u><u>519</u></u>
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income For The Period	<u><u>158</u></u>	<u><u>195</u></u>	<u><u>454</u></u>	<u><u>519</u></u>
Attributable to:				
Equity Holders Of The Parent	157	195	440	519
Non-Controlling Interest	<u>1</u>	<u>1</u>	<u>14</u>	<u>-</u>
Total Comprehensive Income For The Period	<u><u>158</u></u>	<u><u>196</u></u>	<u><u>454</u></u>	<u><u>519</u></u>
EPS - Basic (sen)	0.09	0.20	0.25	0.48
- Diluted (sen)	N/A	N/A	N/A	N/A

(The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2012 and the accompanying notes attached to these interim financial statements)

CAM RESOURCES BERHAD (Company No: 535311-D)

Quarterly Report on consolidated results for the second quarter ended 30/6/2013

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	<u>Unaudited</u>	<u>Audited</u>
	As at end of current quarter 30/6/13 RM'000	As at preceding financial year end 31/12/12 RM'000
ASSETS		
Non Current Assets		
Property, Plant & Equipment	75,805	75,392
Goodwill on business combination	6,079	6,079
Deferred tax assets	342	342
	<u>82,226</u>	<u>81,813</u>
Current Assets		
Inventories	32,054	33,271
Trade receivables	20,724	17,124
Other receivables	10,036	5,508
Tax assets	1,824	1,759
Cash and bank balances	4,753	5,657
	<u>69,391</u>	<u>63,319</u>
Total Assets	<u>151,617</u>	<u>145,132</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	49,200	49,200
Treasury shares, at cost	(4,464)	(4,464)
Other reserves	5,178	5,178
Retained earnings	42,134	41,694
	<u>92,048</u>	<u>91,608</u>
Non-controlling interests	1,904	1,890
Total equity	<u>93,952</u>	<u>93,498</u>
Non Current Liabilities		
Long term borrowings	21,905	21,902
Deferred tax liabilities	3,483	3,563
	<u>25,388</u>	<u>25,465</u>
Current Liabilities		
Trade and other payables	13,057	11,162
Short term provisions	357	357
Short term borrowings	18,863	14,423
Current tax payables	-	227
	<u>32,277</u>	<u>26,169</u>
Total Liabilities	<u>57,665</u>	<u>51,634</u>
Total Equity And Liabilities	<u>151,617</u>	<u>145,132</u>
Net Assets Per Share (RM)	0.52	0.52

(The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2012 and the accompanying notes attached to these interim financial statements)

CAM RESOURCES BERHAD (Company No: 535311-D)

Quarterly Report on consolidated results for the second quarter ended 30/6/2013

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital RM'000	Treasury Shares RM'000	Share Premium RM'000	Retained Earnings RM'000	Total RM'000	Non- Controlling Interest RM'000	Total Equity RM'000
<u>Cumulative quarter ended 30/6/2013- Unaudited</u>							
At 01/01/2013	49,200	(4,464)	5,178	41,694	91,608	1,890	93,498
Profit for the period				440	440	14	454
At 30/6/2013	<u>49,200</u>	<u>(4,464)</u>	<u>5,178</u>	<u>42,134</u>	<u>92,048</u>	<u>1,904</u>	<u>93,952</u>
<u>Cumulative quarter ended 30/6/2012- Unaudited</u>							
At 01/01/2012	49,200	(4,464)	5,178	40,210	90,124	-	90,124
Non-controlling interest at acquisition date						1,354	1,354
Profit for the period				858	858	(339)	519
At 30/6/2012	<u>49,200</u>	<u>(4,464)</u>	<u>5,178</u>	<u>41,068</u>	<u>90,982</u>	<u>1,015</u>	<u>91,997</u>

(The Unaudited Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2012 and the accompanying notes attached to these interim financial statements)

CAM RESOURCES BERHAD (Company No: 535311-D)

Quarterly Report on consolidated results for the second quarter ended 30/6/2013

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Cumulative quarter ended 30/6/13 (Unaudited) RM'000	Cumulative quarter ended 31/12/12 (Audited) RM'000
Profit before tax	861	1,857
Adjustment for non-cash flow:-		
Non-cash items	2,119	4,247
Non-operating items (which are investing/financing)	1,021	1,962
Operating profit before changes in working capital	4,001	8,066
Changes in working capital		
Net change in inventories	1,217	3,193
Net change in receivables	(8,285)	3,770
Net change in payables	1,895	4,616
Cash flows from operation	(1,172)	19,645
Tax paid	(1,130)	(1,158)
Interest paid	(668)	(1,998)
Net cash (used in)/ from operating activities	(2,970)	16,489
Investing Activities		
Interest received	-	36
Proceed from disposal of property, plant and equipment	-	11
Purchase of property, plant and equipment	(2,376)	(11,951)
Acquisition of subsidiary	-	(11,090)
Net cash used in investing activities	(2,376)	(22,994)
Financing Activities		
Proceeds from borrowings	36,132	69,496
Repayment of borrowings	(31,770)	(64,814)
Net cash from financing activities	4,362	4,682
Net Change in Cash & Cash Equivalents	(984)	(1,823)
Cash & Cash Equivalents at beginning of the period	3,895	5,702
Cash & Cash Equivalents at end of the period	2,911	3,895
Composition of Cash & Cash Equivalents:		
Deposits with licensed banks	1,000	1,000
Cash and bank balances	1,911	2,895
	2,911	3,895

(The Unaudited Condensed Consolidated Statement of Cash Flow Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2012 and the accompanying notes attached to these interim financial statements)

NOTES TO THE QUARTERLY RESULTS

1. Accounting policies

This condensed consolidated interim financial statements (Condensed Report) have been prepared in accordance with MFRS 134 - Interim Financial Reporting, IAS 34: Interim Financial Reporting issued by the International Accounting Standard Board (IASB) and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The significant accounting policies and methods of computation applied in the unaudited condensed interim financial statements are consistent with those adopted for the annual financial statements of the Group for the financial year ended 31 December 2012, except for the adoption of the following:

New or Revised MFRSs/Amendments/Interpretations

MFRS 10	Consolidated Financial Statements
MFRS 11	Joint Arrangements
MFRS 12	Disclosure of Interest in Other Entities
MFRS 13	Fair Value Measurement
MFRS 119	Employee Benefits
MFRS 127	Separate Financial Statements
MFRS 128	Investments in Associates and Joint Ventures
Amendments to MFRS 1	First-time Adoption of Malaysia Financial Reporting Standard
Amendments to MFRS 7	Financial Instruments: Disclosures - Offsetting Financial Assets and Financial liabilities
Amendments to MFRS 10	Consolidated Financial Statements: Transition Guidance
Amendments to MFRS 11	Joint Arrangements: Transition Guidance
Amendments to MFRS 12	Disclosure of Interest in Other Entities: Transition Guidance
Amendments to MFRS101	Presentation of Financial Statements: Presentation of items of other Comprehensive Income
Amendments to MFRS 116	Property, Plant and Equipment
Amendments to MFRS 132	Financial Instruments: Presentation
Amendments to MFRS 134	Interim Financial Reporting
Amendment to IC Interpretation 2	Members' Shares in Co-operative Entities and Similar Instruments
IC Interpretation 20	Stripping Cost in the Production Phase of a Surface Mine

The adoption of the above standards, amendments and interpretations did not have any material impact on the financial position and performance of the Group.

CAM RESOURCES BERHAD (Company No: 535311-D)

Quarterly Report on consolidated results for the second quarter ended 30/6/2013

The Group has not applied in advance the following MFRSs and amendments to MFRSs that have been issued by MASB but not yet effective for the current financial year:

		Effective Date
MFRS 9	Financial Instruments	1 January 2015
Amendments to MFRS 10	Consolidated financial statements	1 January 2014
Amendments to MFRS 12	Disclosure of Interests in Other Entities	1 January 2014
Amendments to MFRS 127	Separate Financial Statements	1 January 2014
Amendments to MFRS 132	Offsetting Financial Assets and Financial Liabilities	1 January 2014

The Group is in the process of assessing the impact which may arise from adoption of the above standards amendments.

2. Seasonality and cyclical of operations

The Group's operations for the current quarter and financial year-to-date are not significantly affected by seasonal and cyclical factors.

3. Unusual items

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence during the current quarter and financial year-to-date.

4. Changes in estimates

There were no material changes in estimates of amounts reported in prior period of current financial year or changes in the estimate of amounts reported in prior financial years that have material effect in the current quarter and financial year-to-date.

5. Issuance and repayment of debt and equity securities

There were no issuances, cancellation, repurchases, resale and repayments of debts and equity securities for the current quarter and financial year-to-date.

6. Dividend paid

There was no dividend paid in the current quarter.

CAM RESOURCES BERHAD (Company No: 535311-D)

Quarterly Report on consolidated results for the second quarter ended 30/6/2013

7. Segmental reporting

The segmental analysis for the Group for the financial year-to-date ended 30 June 2013 and 30 June 2012 are as follows:-

30 June 2013	Investment Holding RM'000	Manufacturing RM'000	Trading RM'000	Palm Oil Mill RM'000	Eliminations RM'000	Consolidated RM'000
Segment Revenue						
External revenue	-	16,327	17,138	38,234	-	71,699
Inter-segment revenue	-	13,156	262	-	(13,418)	-
	-	29,483	17,400	38,234	(13,418)	71,699
Segment Results						
Segment results	(113)	1,576	504	228	(313)	1,882
Operating profit						1,882
Interest revenue						-
Interest expense						(1,021)
Taxation						(407)
Net profit for the period						454
30 June 2012						
30 June 2012	Investment Holding RM'000	Manufacturing RM'000	Trading RM'000	Palm Oil Mill RM'000	Eliminations RM'000	Consolidated RM'000
Segment Revenue						
External revenue	-	18,626	17,273	17,509	-	53,408
Inter-segment revenue	-	12,302	304	-	(12,606)	-
	-	30,928	17,577	17,509	(12,606)	53,408
Segment Results						
Segment results	(379)	6,897	715	(898)	(3,972)	2,363
Operating profit						2,363
Interest revenue						2
Interest expense						(946)
Taxation						(900)
Net profit for the period						519

All the inter-segment revenue were determined based on cost plus a percentage of profit mark-up.

No geographical analysis has been presented as the operations of the Group are solely based in Malaysia.

8. Valuation of property, plant and equipment

There were no amendments made to the valuation of property, plant and equipment that have been brought forward from the previous annual financial statements.

9. Subsequent event

There were no material subsequent events since the end of the current quarter to the date of issue of this report that have not been reflected in the financial statements for the current quarter and financial year-to-date.

10. Changes in the composition of the Group

There were no changes in the composition of the Group for the current quarter and financial year-to-date.

11. Contingent liabilities or assets

Save as disclosed below, there were no changes in contingent liabilities since the last annual reporting date and there were no contingent assets as at end of the current quarter.

The contingent liabilities pertaining to the corporate guarantees given by the Company to financial institutions for banking facilities granted to subsidiaries were RM40,768,766 as at 30 June 2013 (31 December 2012 : RM36,325,257).

12. Review of performance of the Company and its principal subsidiary companies

During the quarter under review, the Group's revenue increased to RM 36.1million as compared to RM 34.8 million in preceding year corresponding quarter. The profit before tax in current quarter is lower at RM0.4million as compared to RM0.6million in preceding year corresponding quarter.

Manufacturing & Trading

The manufacturing and trading segment's revenue for the financial period ended 30 June 2013 and preceding year corresponding quarter are RM17.1million and RM19.3million respectively. The profit before tax in current quarter recorded at RM0.4million as compared with RM0.9million in preceding year corresponding quarter. The lower profit before tax in current quarter was mainly due to lower sales achieved.

CAM RESOURCES BERHAD (Company No: 535311-D)

Quarterly Report on consolidated results for the second quarter ended 30/6/2013

Palm Oil Mill

The palm oil mill segment's revenue in current quarter is RM19.1million as compared to RM16.8million in preceding year corresponding quarter. However, the segment registered a profit after tax of RM 8,000 in the quarter under review as compared to loss after tax of RM0.9 million.

The results for the current quarter and financial year-to-date have not been affected by any transaction or event of a material or unusual nature which have arisen between 1 January 2013 and the date of this report.

13. Material changes in the profit before taxation for the current quarter as compared with the immediate preceding quarter

The profit before tax for the quarter under review is at RM 0.4million as compared with RM0.5million in immediate preceding quarter. The lower profit before tax in current quarter was due to lower sales composition of better profit margin products.

14. Current year prospect

The Group remains optimistic on its performance in the coming quarters.

15. Variance on forecast profit and/or profit guarantee

This was not applicable as no profit forecast and/or profit guarantee was published.

16. Profit for the period

Profit for the period is arrived at after charging/(crediting):

	Current year Quarter ended	Preceding year Corresponding Quarter ended	Cumulative Quarter Current year to date	Cumulative Quarter Preceding year to date
	30/6/2013 RM'000	30/6/2012 RM'000	30/6/2013 RM'000	30/6/2012 RM'000
Interest income	-	-	-	(2)
Other income	(245)	-	(376)	-
Interest expenses	487	571	1,021	946
Depreciation of property, plant & equipment	984	956	1,963	1,779
Foreign exchange (gain)/loss-realised	(49)	(98)	(47)	58

CAM RESOURCES BERHAD (Company No: 535311-D)

Quarterly Report on consolidated results for the second quarter ended 30/6/2013

17. Taxation

Taxation comprises the following:-

Particulars	Current year quarter	Current year to date
	30/06/2013	30/06/2013
	RM'000	RM'000
Based on results for the period	264	487
Origination / (reversal) of temporary differences	(53)	(80)
Under/(Over) provision in prior period	211	407
Tax expense	-	-
	211	407

The effective tax expense rate for the current quarter and financial year-to-date were higher than the statutory tax rate mainly due to certain expenses being disallowed for tax purposes and non-availability of the Group tax relief in respect of losses suffered by certain companies.

18. Status of corporate proposals

There was no corporate proposal announced for the current quarter and financial year-to-date.

19. Group borrowings and debt securities

Group Borrowings as at 30-Jun-13	Secured RM'000	Unsecured RM'000	Total RM'000
Short term borrowings			
Bank overdraft	-	1,842	1,842
Revolving credit	-	1,500	1,500
Bankers' acceptance	-	12,324	12,324
Hire purchase loans	103	-	103
Term loans	3,095	-	3,095
	<u>3,198</u>	<u>15,666</u>	<u>18,864</u>
Long term borrowings			
Hire purchase loans	255	-	255
Term loans	21,650	-	21,650
	<u>21,905</u>	<u>-</u>	<u>21,905</u>
Total Borrowings	<u>25,103</u>	<u>15,666</u>	<u>40,769</u>

CAM RESOURCES BERHAD (Company No: 535311-D)

Quarterly Report on consolidated results for the second quarter ended 30/6/2013

Group Borrowings as at 31-Dec-12	Secured RM'000	Unsecured RM'000	Total RM'000
Short term borrowings			
Bank overdraft	-	1,762	1,762
Revolving credit	-	1,000	1,000
Bankers' acceptance	-	8,554	8,554
Hire purchase loans	118	-	118
Term loans	2,989	-	2,989
	<u>3,107</u>	<u>11,316</u>	<u>14,423</u>
Long term borrowings			
Hire purchase loans	296.00	-	296
Term loans	21,606	-	21,606
	<u>21,902</u>	<u>-</u>	<u>21,902</u>
Total Borrowings	<u>25,009</u>	<u>11,316</u>	<u>36,325</u>

The above Group borrowings are denominated in Ringgit Malaysia.

20. Material pending litigation

There were no material litigations pending since the last annual financial statement.

21. Dividend

There was no dividend declared or recommended for the current quarter and financial year-to-date.

22. Earnings per share

- The amount used as the numerator in calculating basic earnings per share is profit after tax attributable to equity holder of the parent reported for the respective period.
- The weighted average number of shares used as the denominator in calculating basic earnings per share is 177,127,500 for current quarter and financial year-to-date and also for preceding year corresponding quarter and financial year-to date.

CAM RESOURCES BERHAD (Company No: 535311-D)

Quarterly Report on consolidated results for the second quarter ended 30/6/2013

23. Realised and Unrealised Profits/Losses Disclosure

The breakdown of retained profits of the Group as at the reporting date, into realised and unrealised profits, is as follows:-

	As at 30/6/2013 RM'000	As at 31/12/2012 RM'000
Total retained profits of CAM Resources Berhad and its subsidiaries:		
-Realised	45,275	74,143
-Unrealised	(2,271)	(1,052)
	<hr/> 43,004	<hr/> 73,091
Less: Consolidation adjustments	(870)	(31,397)
	<hr/> 42,134	<hr/> 41,694
Total Group retained profit as per consolidated accounts	<hr/> <hr/> 42,134	<hr/> <hr/> 41,694