

**CAM RESOURCES BERHAD** (Company No: 535311-D)

Quarterly Report on consolidated results for the fourth quarter ended 31/12/2013

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter ended  (Unaudited) 31/12/13 RM'000	Preceding year corresponding quarter ended  (Unaudited) 31/12/12 RM'000	Current year to date  (Unaudited) 31/12/13 RM'000	Preceding year corresponding period  (Audited) 31/12/12 RM'000
Revenue	47,249	30,387	159,573	123,974
Cost Of Sales	(41,981)	(26,817)	(143,421)	(109,975)
Gross Profit	5,268	3,570	16,152	13,999
Other Income	772	248	1,444	711
Distribution Costs	(1,986)	(1,855)	(6,842)	(6,175)
Administrative Expenses	(1,710)	(1,303)	(4,610)	(4,299)
Other Expenses	(349)	(145)	(532)	(228)
Finance Costs	(631)	(549)	(2,406)	(2,151)
Share of loss of associates	-	-	-	-
Profit/ (Loss) Before Tax	1,364	(34)	3,206	1,857
Income tax Expense	66	140	(1,213)	(1,208)
Profit For The Period/ Year	1,430	106	1,993	649
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income For The Period/ Year	1,430	106	1,993	649
Attributable to:				
Equity Holders Of The				
Parent	1,408	106	1,957	649
Non-Controlling Interest	22	22	36	-
Total Comprehensive Income For The Period/ Year	1,430	128	1,993	649
EPS - Basic (sen)	0.79	0.21	1.10	0.87
- 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)

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**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<u>Unaudited</u>	<u>Audited</u>
	As at end of current quarter 31/12/13 RM'000	As at preceding financial year end 31/12/12 RM'000
<b>ASSETS</b>		
Non Current Assets		
Property, Plant & Equipment	77,269	75,392
Goodwill on business combination	6,079	6,079
Deferred tax assets	423	342
	<u>83,771</u>	<u>81,813</u>
Current Assets		
Inventories	37,436	33,271
Trade receivables	21,376	17,124
Other receivables	11,055	5,508
Tax assets	335	1,759
Cash and bank balances	9,419	5,657
	<u>79,621</u>	<u>63,319</u>
Total Assets	<u>163,392</u>	<u>145,132</u>
<b>EQUITY AND LIABILITIES</b>		
Equity		
Share capital	49,200	49,200
Treasury shares, at cost	(4,464)	(4,464)
Other reserves	5,178	5,178
Retained earnings	43,651	41,694
	<u>93,565</u>	<u>91,608</u>
Non-controlling interests	1,926	1,890
Total equity	<u>95,491</u>	<u>93,498</u>
Non Current Liabilities		
Long term borrowings	24,219	21,902
Deferred tax liabilities	3,416	3,563
	<u>27,635</u>	<u>25,465</u>
Current Liabilities		
Trade and other payables	15,247	11,162
Short term provisions	408	357
Short term borrowings	24,611	14,423
Current tax payables	-	227
	<u>40,266</u>	<u>26,169</u>
Total Liabilities	<u>67,901</u>	<u>51,634</u>
Total Equity And Liabilities	<u>163,392</u>	<u>145,132</u>
Net Assets Per Share (RM)	0.53	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)

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**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
<b><u>Cumulative quarter ended 31/12/2013- Unaudited</u></b>							
At 01/01/2013	49,200	(4,464)	5,178	41,694	91,608	1,890	93,498
Profit for the financial year	-	-	-	1,957	1,957	36	1,993
At 31/12/2013	49,200	(4,464)	5,178	43,651	93,565	1,926	95,491
<b><u>Cumulative quarter ended 31/12/2012- Audited</u></b>							
At 01/01/2012	49,200	(4,464)	5,178	40,210	90,124	-	90,124
Profit for the financial year, representing total comprehensive income for the financial year	-	-	-	1,536	1,536	(887)	649
<b>Transactions with owners</b>							
Acquisition of subsidiary	-	-	-	-	-	2,724	2,724
Changes in ownership interest in a subsidiary	-	-	-	(52)	(52)	53	1
Total transactions with owners	-	-	-	(52)	(52)	2,777	2,725
At 31/12/2012	49,200	(4,464)	5,178	41,694	91,608	1,890	93,498

(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)

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	<b>Cumulative quarter ended 31/12/13 (Unaudited) RM'000</b>	<b>Cumulative quarter ended 31/12/12 (Unaudited) RM'000</b>
Profit before tax	3,206	1,857
Adjustment for non-cash flow:-		
Non-cash items	4,322	4,247
Non-operating items (which are investing/financing)	2,197	1,962
Operating profit before changes in working capital	<u>9,725</u>	<u>8,066</u>
Changes in working capital		
Net change in inventories	(4,165)	3,193
Net change in receivables	(9,609)	3,770
Net change in payables	4,085	4,616
Cash flows from operation	<u>36</u>	<u>19,645</u>
Tax paid	(76)	(1,158)
Interest paid	(2,233)	(1,998)
Net cash (used in)/ from operating activities	<u>(2,273)</u>	<u>16,489</u>
Investing Activities		
Interest received	36	36
Proceed from disposal of property, plant and equipment	69	11
Purchase of property, plant and equipment	(6,575)	(11,951)
Acquisition of subsidiary	-	(11,090)
Net cash used in investing activities	<u>(6,470)</u>	<u>(22,994)</u>
Financing Activities		
Proceeds from borrowings	86,713	69,496
Repayment of borrowings	(74,367)	(64,814)
Net cash from financing activities	<u>12,346</u>	<u>4,682</u>
Net Change in Cash & Cash Equivalents	3,603	(1,823)
Cash & Cash Equivalents at beginning of the year	3,895	5,702
Cash & Cash Equivalents at end of the year	<u><u>7,498</u></u>	<u><u>3,895</u></u>
Composition of Cash & Cash Equivalents:		
Deposits with licensed banks	1,000	1,000
Cash and bank balances	6,498	2,895
	<u><u>7,498</u></u>	<u><u>3,895</u></u>

(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.

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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:

		<b>Effective Date</b>
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
Amendments to MFRS 136	Recoverable Amount Disclosures for Non-Financial Assets	1 January 2014
Amendments to MFRS 139	Novation of Derivatives and Continuation of Hedge Accounting	1 January 2014
IC Int. 21	Levies	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 cyclicity 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.

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**7. Segmental reporting**

The segmental analysis for the Group for the financial year-to-date ended 31 December 2012 and 31 December 2013 are as follows:-

31 Dec 2013	Investment Holding RM'000	Manufacturing RM'000	Trading RM'000	Palm Oil Mill RM'000	Eliminations RM'000	Consolidated RM'000
<b>Segment Revenue</b>						
External revenue	-	33,665	36,075	89,833	-	159,573
Inter-segment revenue	2,825	25,471	534	-	(28,830)	-
	-	59,136	36,609	89,833	(28,830)	159,573
<b>Segment Results</b>						
Segment results	(327)	8,559	1,547	633	(5,009)	5,403
Operating profit						5,403
Interest revenue						36
Interest expense						(2,233)
Taxation						(1,213)
Net profit for the year						1,993

31 December 2012	Investment Holding RM'000	Manufacturing RM'000	Trading RM'000	Palm Oil Mill RM'000	Eliminations RM'000	Consolidated RM'000
<b>Segment Revenue</b>						
External revenue	-	35,546	33,996	54,432	-	123,974
Inter-segment revenue	23,749	23,798	458	-	(48,005)	-
	-	59,344	34,454	54,432	(48,005)	123,974
<b>Segment Results</b>						
Segment results	(60)	8,567	1,416	(1,720)	(4,384)	3,819
Operating profit						3,819
Interest revenue						36
Interest expense						(1,998)
Taxation						(1,208)
Net profit for the year						649

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 RM48,830,124 as at 31 December 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 47.25 million as compared to RM 30.39 million in preceding year corresponding quarter. The profit before tax in current quarter is higher at RM1.30 million as compared to Loss before tax of RM 34,000 in preceding year corresponding quarter.

Manufacturing & Trading

The manufacturing and trading segment's revenue for the financial period ended 31 December 2013 and preceding year corresponding quarter are RM18.98 million and RM17.07 million respectively. In current quarter, the profit before tax recorded at RM1.07million as compared with RM0.90 million in preceding year corresponding quarter. The higher profit before tax in current quarter was mainly due to increase in sales composition from higher margin products.

Palm Oil Mill

The palm oil mill segment's revenue in current quarter is RM28.27million as compared to RM13.31million in preceding year corresponding quarter. However, the segment registered a profit before tax of RM 0.23 million in the quarter under review as compared to loss after tax of RM0.70 million.



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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 1.30million as compared with RM0.98million in immediate preceding quarter. The higher profit before tax in current quarter was mainly due to higher sales achieved.

**14. Next year's prospect**

The Group remains optimistic on its performance in the coming financial years and will strive to maintain its competitiveness in the market.

**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 Current year to date
	31/12/2013 RM'000	31/12/2012 RM'000	31/12/2013 RM'000	31/12/2012 RM'000
Interest income	(13)	(8)	(36)	(33)
Other income	-	(247)	(672)	(710)
Interest expenses	549	472	2,233	1,951
Depreciation of property, plant & equipment	1,221	829	4,177	3,611
Foreign exchange (gain) - realised	129	(89)	(16)	(207)
Foreign exchange (gain)/loss-unrealised	(242)	(65)	(242)	(65)

**17. Taxation**

Taxation comprises the following:-

Particulars	Current year quarter	Current year to date
	31/12/2013	31/12/2013
	RM'000	RM'000
Based on results for the year	822	1,309
Origination / (reversal) of temporary differences	14	(66)
	836	1,243
Under/(Over) provision in prior period	-	-
Tax expense	836	1,243

The effective tax expense rate for the current quarter were lower which is mainly due to the reversal of temporary differences. For 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**

<b>Group Borrowings as at 31-Dec-13</b>	<b>Secured RM'000</b>	<b>Unsecured RM'000</b>	<b>Total RM'000</b>
<b>Short term borrowings</b>			
Bank overdraft	-	1,921	1,921
Revolving credit	-	3,600	3,600
Bankers' acceptance	-	15,531	15,531
Hire purchase loans	114	-	114
Term loans	3,445	-	3,445
	<u>3,559</u>	<u>21,052</u>	<u>24,611</u>
<b>Long term borrowings</b>			
Hire purchase loans	191	-	191
Term loans	24,028	-	24,028
	<u>24,219</u>	<u>-</u>	<u>24,219</u>
<b>Total Borrowings</b>	<u>27,778</u>	<u>21,052</u>	<u>48,830</u>

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<b>Group Borrowings as at 31-Dec-12</b>	<b>Secured RM'000</b>	<b>Unsecured RM'000</b>	<b>Total RM'000</b>
<b>Short term borrowings</b>			
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>
<b>Long term borrowings</b>			
Hire purchase loans	296.00	-	296
Term loans	21,606	-	21,606
	<u>21,902</u>	<u>-</u>	<u>21,902</u>
<b>Total Borrowings</b>	<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.

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**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:-

	<b>As at 31/12/2013 RM'000</b>	<b>As at 31/12/2012 RM'000</b>
Total retained profits of CAM Resources Berhad and its subsidiaries:		
-Realised	46,403	74,143
-Unrealised	(1,876)	(1,052)
	<hr/> 44,527	<hr/> 73,091
Less: Consolidation adjustments	(876)	(31,397)
	<hr/> 43,651	<hr/> 41,694
Total Group retained profit as per consolidated accounts	<hr/> <hr/> 43,651	<hr/> <hr/> 41,694