

CAM RESOURCES BERHAD (Company No: 535311-D)

Quarterly Report on consolidated results for the first quarter ended 31/3/2014

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter ended (Unaudited) 31/3/14 RM'000	Preceding year corresponding quarter ended (Unaudited) 31/3/13 RM'000	Current year to date (Unaudited) 31/3/14 RM'000	Preceding year corresponding period (Unaudited) 31/3/13 RM'000
Revenue	51,642	35,560	51,642	35,560
Cost Of Sales	(48,038)	(32,076)	(48,038)	(32,076)
Gross Profit	3,604	3,484	3,604	3,484
Other Income	569	131	569	131
Distribution Costs	(1,728)	(1,564)	(1,728)	(1,564)
Administrative Expenses	(977)	(980)	(977)	(980)
Other Expenses	(107)	(14)	(107)	(14)
Finance Costs	(714)	(565)	(714)	(565)
Share of loss of associates	-	-	-	-
Profit Before Tax	647	492	647	492
Income tax Expense	(211)	(196)	(211)	(196)
Profit For The Period	436	296	436	296
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income For The Period	436	296	436	296
Attributable to:				
Equity Holders Of The				
Parent	358	283	358	283
Non-Controlling Interest	78	13	78	13
Total Comprehensive Income For The Period	436	296	436	296
EPS - Basic (sen)	0.20	0.16	0.20	0.16
- 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 2013 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 31/3/14 RM'000	As at preceding financial year end 31/12/13 RM'000
ASSETS		
Non Current Assets		
Property, Plant & Equipment	77,103	77,272
Goodwill on business combination	6,079	6,079
Deferred tax assets	423	423
	<u>83,605</u>	<u>83,774</u>
Current Assets		
Inventories	38,759	37,368
Trade receivables	19,545	21,658
Other receivables	7,479	7,235
Tax assets	539	357
Cash and bank balances	8,206	9,419
	<u>74,528</u>	<u>76,037</u>
Total Assets	<u>158,133</u>	<u>159,811</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	43,916	43,558
	<u>93,830</u>	<u>93,472</u>
Non-controlling interests	1,983	1,905
Total equity	<u>95,813</u>	<u>95,377</u>
Non Current Liabilities		
Long term borrowings	23,382	24,271
Deferred tax liabilities	3,391	3,432
	<u>26,773</u>	<u>27,703</u>
Current Liabilities		
Trade and other payables	10,388	11,732
Short term provisions	408	408
Short term borrowings	24,751	24,559
Current tax payables	-	32
	<u>35,547</u>	<u>36,731</u>
Total Liabilities	<u>62,320</u>	<u>64,434</u>
Total Equity And Liabilities	<u>158,133</u>	<u>159,811</u>
Net Assets Per Share (RM)	0.53	0.53

(The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2013 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	Other Reserves RM'000	Retained Earnings RM'000	Total RM'000	Non- Controlling Interest RM'000	Total Equity RM'000
<u>Cumulative quarter ended 31/3/2014- Unaudited</u>								
At 01/01/2014	49,200	(4,464)	5,178	-	43,558	93,472	1,905	95,377
Profit for the period	-	-	-	-	358	358	78	436
At 31/03/2014	<u>49,200</u>	<u>(4,464)</u>	<u>5,178</u>	<u>-</u>	<u>43,916</u>	<u>93,830</u>	<u>1,983</u>	<u>95,813</u>
<u>Cumulative quarter ended 31/3/2013- Unaudited</u>								
At 01/01/2013	49,200	(4,464)	5,178	-	41,694	91,608	1,890	93,498
Profit for the period	-	-	-	-	283	283	13	296
At 31/03/2013	<u>49,200</u>	<u>(4,464)</u>	<u>5,178</u>	<u>-</u>	<u>41,977</u>	<u>91,891</u>	<u>1,903</u>	<u>93,794</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 2013 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

	Cumulative quarter ended 31/3/14 (Unaudited) RM'000	Cumulative quarter ended 31/3/13 (Unaudited) RM'000
Profit before tax	647	492
Adjustment for non-cash flow:-		
Non-cash items	1,088	980
Non-operating items (which are investing/financing)	679	534
Operating profit before changes in working capital	<u>2,414</u>	<u>2,006</u>
Changes in working capital		
Net change in inventories	(1,391)	1,442
Net change in receivables	1,876	(3,892)
Net change in payables	(1,344)	(692)
Cash flows from/(used in) operation	<u>1,555</u>	<u>(1,136)</u>
Tax paid	(465)	(395)
Interest paid	(682)	(534)
Net cash from/(used in) operating activities	<u>408</u>	<u>(2,065)</u>
Investing Activities		
Interest received	3	-
Proceed from disposal of property, plant and equipment	-	-
Purchase of property, plant and equipment	(927)	(1,049)
Acquisition of subsidiary	-	-
Net cash used in investing activities	<u>(924)</u>	<u>(1,049)</u>
Financing Activities		
Proceeds from borrowings	25,464	19,143
Repayment of borrowings	(26,271)	(13,507)
Net cash (used in)/from financing activities	<u>(807)</u>	<u>5,636</u>
Net Change in Cash & Cash Equivalents	(1,323)	2,522
Cash & Cash Equivalents at beginning of the period	7,498	3,895
Cash & Cash Equivalents at end of the period	<u>6,175</u>	<u>6,417</u>
Composition of Cash & Cash Equivalents:		
Deposits with licensed banks	1,000	1,000
Cash and bank balances	5,175	5,417
	<u>6,175</u>	<u>6,417</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 2013 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 2013, except for the adoption of the following:

New or Revised MFRSs/Amendments/Interpretations

MFRS 9	Financial Instruments
Amendments to MFRS 1	First-time Adoption of Malaysia Financial Reporting Standard
Amendments to MFRS 2	Share-based Payment
Amendments to MFRS 3	Business Combinations
Amendments to MFRS 7	Financial Instruments: Disclosures
Amendments to MFRS 8	Operating Segments
Amendments to MFRS 9	Financial Instruments
Amendments to MFRS 10	Consolidated Financial Statements: Transition Guidance
Amendments to MFRS 12	Disclosure of Interest in Other Entities: Transition Guidance
Amendments to MFRS 13	Fair Value Measurement
Amendments to MFRS 116	Property, Plant and Equipment
Amendments to MFRS 119	Employee Benefits
Amendments to MFRS 124	Related Party Transactions
Amendments to MFRS 127	Separate Financial Statements
Amendments to MFRS 132	Financial Instruments: Presentation
Amendments to MFRS 136	Impairment of Assets
Amendments to MFRS 138	Intangible Assets
Amendments to MFRS 139	Financial Instruments: Recognition and Measurement
Amendments to MFRS 140	Investment Property
IC Interpretation 21	Levies

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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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 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 March 2014 and 31 March 2013 are as follows:-

31 March 2014	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	-	10,018	9,274	32,350	-	51,642
Inter-segment revenue	-	5,426	59	-	(5,485)	-
	-	15,444	9,333	32,350	(5,485)	51,642
Segment Results						
Segment results	(47)	642	388	609	(266)	1,326
Operating profit						1,326
Interest revenue						3
Interest expense						(682)
Taxation						(211)
Net profit for the period						436
31 March 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	-	8,031	8,362	19,167	-	35,560
Inter-segment revenue	-	6,205	85	-	(6,290)	-
	-	14,236	8,447	19,167	(6,290)	35,560
Segment Results						
Segment results	(34)	723	253	186	(102)	1,026
Operating profit						1,026
Interest revenue						-
Interest expense						(534)
Taxation						(196)
Net profit for the period						296

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 RM48,133,137 as at 31 March 2014 (31 December 2013 : RM48,830,123).

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

During the quarter under review, the Group's revenue increased to RM 51.6 million as compared to RM 35.6 million in preceding year corresponding quarter. The profit before tax in current quarter recorded at RM0.6 million as compared to RM0.5million in preceding year corresponding quarter.

Manufacturing & Trading

The manufacturing and trading segment's revenue in current quarter and preceding year corresponding quarter are RM19.2 million and RM16.4 million respectively. The profit before tax recorded at RM0.1million as compared to RM0.4 million in preceding year corresponding quarter. The lower profit before tax in current quarter was mainly due to reduce in sales composition from higher margin products.

Palm Oil Mill

The palm oil mill segment's revenue in current quarter is RM32.4million as compared to RM19.2million in preceding year corresponding quarter. As a result, the segment registered a profit before tax of RM 0.5 million in the quarter under review as compared to profit before tax of RM 76,000 in preceding year corresponding quarter.

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 2014 and the date of this report.

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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 0.6million as compared with RM1.3million in immediate preceding quarter. The lower profit before tax in current quarter was mainly due to lower sales composition from higher margin products.

14. Current year prospect

The Group remains optimistic on its performance in the remaining quarters for the current financial year 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 Preceding year to date
	31/3/2014 RM'000	31/3/2013 RM'000	31/3/2014 RM'000	31/3/2013 RM'000
Interest income	3	-	3	-
Other income	(569)	(131)	(569)	(131)
Interest expenses	682	534	682	534
Depreciation of property, plant & equipment	987	979	987	979
Foreign exchange (gain) - realised	(171)	2	(171)	2

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17. Taxation

Taxation comprises the following:-

Particulars	Current year quarter	Current year to date
	31/03/2014	31/03/2014
	RM'000	RM'000
Based on results for the period	237	237
Origination / (reversal) of temporary differences	(41)	(41)
	196	196
Under/(Over) provision in prior period	-	-
Tax expense	196	196

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 31-Mar-14	Secured RM'000	Unsecured RM'000	Total RM'000
Short term borrowings			
Bank overdraft	227	1,804	2,031
Revolving credit	-	3,600	3,600
Bankers' acceptance	3,682	11,862	15,544
Hire purchase loans	108	-	108
Term loans	3,468	-	3,468
	<u>7,485</u>	<u>17,266</u>	<u>24,751</u>
Long term borrowings			
Hire purchase loans	173	-	173
Term loans	23,209	-	23,209
	<u>23,382</u>	<u>-</u>	<u>23,382</u>
Total Borrowings	<u>30,867</u>	<u>17,266</u>	<u>48,133</u>

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Group Borrowings as at 31-Dec-13	Secured RM'000	Unsecured RM'000	Total RM'000
Short term borrowings			
Bank overdraft	-	1,921	1,921
Revolving credit	-	3,600	3,600
Bankers' acceptance	-	15,531	15,531
Hire purchase loans	102	-	102
Term loans	3,405	-	3,405
	<u>3,507</u>	<u>21,052</u>	<u>24,559</u>
Long term borrowings			
Hire purchase loans	202	-	202
Term loans	24,069	-	24,069
	<u>24,271</u>	<u>-</u>	<u>24,271</u>
Total Borrowings	<u>27,778</u>	<u>21,052</u>	<u>48,830</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:-

	As at 31/3/2014 RM'000	As at 31/12/2013 RM'000
Total retained profits of CAM Resources Berhad and its subsidiaries:		
-Realised	46,884	80,438
-Unrealised	(963)	(636)
	<hr/> 45,921	<hr/> 79,802
Less: Consolidation adjustments	(2,005)	(36,244)
	<hr/> 43,916	<hr/> 43,558
Total Group retained profit as per consolidated accounts	<hr/> <hr/> 43,916	<hr/> <hr/> 43,558