

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

Quarterly Report on consolidated results for the first quarter ended 31/3/2017

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	<b>Current year quarter ended</b>	<b>Preceding year corresponding quarter ended</b>	<b>Current year to date</b>	<b>Preceding year corresponding period</b>
	<b>(Unaudited) 31/3/17 RM'000</b>	<b>(Unaudited) 31/3/16 RM'000</b>	<b>(Unaudited) 31/3/17 RM'000</b>	<b>(Unaudited) 31/3/16 RM'000</b>
Revenue	62,105	43,317	62,105	43,317
Cost Of Sales	(58,241)	(39,170)	(58,241)	(39,170)
Gross Profit	3,864	4,147	3,864	4,147
Other Income	639	869	639	869
Distribution Costs	(1,955)	(1,924)	(1,955)	(1,924)
Administrative Expenses	(1,336)	(1,372)	(1,336)	(1,372)
Other Expenses	(63)	(127)	(63)	(127)
Finance Costs	(647)	(729)	(647)	(729)
Profit Before Tax	502	864	502	864
Income tax Expense	(263)	(356)	(263)	(356)
Profit For The Period	239	508	239	508
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income For The Period	239	508	239	508
Attributable to:				
Equity Holders Of The Parent	239	508	239	508
Non-Controlling Interest	-	-	-	-
Total Comprehensive Income For The Period	239	508	239	508
EPS - Basic (sen)	0.12	0.26	0.12	0.26
- 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 2016 and the accompanying notes attached to these interim financial statements)

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

Quarterly Report on consolidated results for the first quarter ended 31/3/2017

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<u>Unaudited</u>	<u>Audited</u>
	As at end of current quarter 31/3/17 RM'000	As at preceding financial year end 31/12/16 RM'000
<b>ASSETS</b>		
Non Current Assets		
Property, Plant & Equipment	92,412	93,001
Intangible Assets	46	46
Goodwill on business combination	6,079	6,079
Deferred tax assets	166	271
	<u>98,703</u>	<u>99,397</u>
Current Assets		
Inventories	35,706	34,275
Trade receivables	18,727	19,793
Other receivables	1,619	2,163
Tax assets	797	1,143
Cash and bank balances	6,485	6,464
	<u>63,334</u>	<u>63,838</u>
Total Assets	<u><u>162,037</u></u>	<u><u>163,235</u></u>
<b>EQUITY AND LIABILITIES</b>		
Equity		
Share capital	49,200	49,200
Treasury shares, at cost	(1,382)	(1,382)
Other reserves	5,178	5,178
Retained earnings	49,065	48,826
Total equity	<u>102,061</u>	<u>101,822</u>
Non Current Liabilities		
Long term borrowings	21,829	22,612
Deferred tax liabilities	3,536	3,536
	<u>25,365</u>	<u>26,148</u>
Current Liabilities		
Trade and other payables	14,882	13,540
Short term provisions	491	491
Short term borrowings	19,238	21,233
	<u>34,611</u>	<u>35,264</u>
Total Liabilities	59,976	61,412
Total Equity And Liabilities	<u><u>162,037</u></u>	<u><u>163,234</u></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 2016 and the accompanying notes attached to these interim financial statements)

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

Quarterly Report on consolidated results for the first quarter ended 31/3/2017

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	<b>Share Capital RM'000</b>	<b>Treasury Shares RM'000</b>	<b>Share Premium RM'000</b>	<b>Retained Earnings RM'000</b>	<b>Total Equity RM'000</b>
<b><u>Cumulative quarter ended 31/3/2017- Unaudited</u></b>					
At 01/01/2017	49,200	(1,382)	5,178	48,826	101,822
Profit for the period	-	-	-	239	239
At 31/3/2017	<u>49,200</u>	<u>(1,382)</u>	<u>5,178</u>	<u>49,065</u>	<u>102,061</u>
<b><u>Cumulative quarter ended 31/3/2016- Unaudited</u></b>					
At 01/01/2016	49,200	(823)	5,178	48,552	102,107
Profit for the period	-	-	-	239	239
Repurchase of own shares	-	(14)	-	-	(14)
At 31/03/2016	<u>49,200</u>	<u>(837)</u>	<u>5,178</u>	<u>48,791</u>	<u>102,332</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 2016 and the accompanying notes attached to these interim financial statements)

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

Quarterly Report on consolidated results for the first quarter ended 31/3/2017

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	<b>Cumulative quarter ended 31/3/17 (Unaudited) RM'000</b>	<b>Cumulative quarter ended 31/3/16 (Unaudited) RM'000</b>
Profit before tax	502	864
Adjustment for non-cash flow:-		
Non-cash items	1,313	1,445
Non-operating items (which are investing/financing)	562	677
Operating profit before changes in working capital	<u>2,377</u>	<u>2,986</u>
Changes in working capital		
Net change in inventories	(1,431)	339
Net change in receivables	1,610	3,824
Net change in payables	1,342	(423)
Cash flows from operation	<u>3,898</u>	<u>6,726</u>
Tax paid	(275)	(239)
Net cash from operating activities	<u>3,623</u>	<u>6,487</u>
Investing Activities		
Interest received	11	9
Purchase of property, plant and equipment	(747)	(2,512)
Net cash (used in) investing activities	<u>(713)</u>	<u>(2,503)</u>
Financing Activities		
Interest paid	(573)	(686)
Proceeds from borrowings	19,553	24,076
Repayment of borrowings	(22,096)	(26,022)
Repurchase of own shares	-	(14)
Net cash (used in) financing activities	<u>(3,116)</u>	<u>(2,646)</u>
Net Change in Cash & Cash Equivalents	(206)	1,338
Cash & Cash Equivalents at beginning of the period	1,030	840
Cash & Cash Equivalents at end of the period	<u>824</u>	<u>2,178</u>
Composition of Cash & Cash Equivalents:		
Deposits with licensed banks	1,000	-
Cash and bank balances	5,485	2,178
Bank overdrafts	(5,661)	-
	<u>824</u>	<u>2,178</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 2016 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 accounting policies and methods of computation adopted in this period in this financial statements of the Group are consistent with those adopted for the annual financial statements of the Group for the financial year ended 31 December 2015 except for the:

**(i) New MFRSs, amendments/improvement to MFRSs that are issued, but not yet effective and have not been early adopted**

The Group have not adopted the following new MFRSs and amendments/improvements to MFRSs that have been issued by the Malaysian Accounting Standards Board (“MASB”) as at the date of authorisation of these financial statements but are not yet effective for the Group:-

		<b>Effective for financial periods beginning on or after</b>
<b>New MFRSs</b>		
MFRS 9	Financial Instruments	1 January 2018
MFRS 15	Revenue from Contracts with Customers	1 January 2018
MFRS 16	Leases	1 January 2019
<b>Amendments/Improvements to MFRSs</b>		
MFRS 1	Annual Improvements to MFRS Standard 2014 – 2016 Cycle	1 January 2018
MFRS 2	Share-based Payment	1 January 2018
MFRS 4	Insurance Contracts	1 January 2018
MFRS 10	Consolidated Financial Statements	Deferred
MFRS 12	Disclosure of Interests in Other Entities	1 January 2017
MFRS 107	Statement of Cash Flows	1 January 2017
MFRS 112	Income Taxes	1 January 2017
MFRS 128	Investments in Associates and Joint Ventures	1 January 2018/ Deferred
MFRS 140	Investment Property	1 January 2018
<b>New IC Int</b>		
IC Int 22	Foreign Currency Transactions and Advance Consideration	1 January 2018

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

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

Quarterly Report on consolidated results for the first quarter ended 31/3/2017

**2. Audit Report of Preceding Annual Financial Statements**

The audit report of the annual financial statements of the Group for the financial year ended 31 December 2016 was not subject to any qualification.

**3. 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.

**4. 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.

**5. Changes in estimates**

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

**6. 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.

**7. Dividend paid**

There was no dividend paid in the current quarter.

**8. Segmental reporting**

The segmental analysis for the Group for the financial year-to-date ended 31 March 2017 and 31 March 2016 are as follows:-

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

Quarterly Report on consolidated results for the first quarter ended 31/3/2017

31 March 2017	Investment Holding RM'000	Manufacturing and Trading RM'000	Palm Oil Mill RM'000	Eliminations RM'000	Consolidated RM'000
<b>Segment Revenue</b>					
External revenue	-	14,960	47,145	-	62,105
Inter-segment revenue	-	4	-	(4)	-
	-	14,964	47,145	(4)	62,105
<b>Segment Results</b>					
Segment results	(80)	581	556	7	1,064
Operating profit					1,064
Interest revenue					11
Interest expense					(573)
Taxation					(263)
Net profit for the period					239
<b>31 March 2016</b>					
	Investment Holding RM'000	Manufacturing and Trading RM'000	Palm Oil Mill RM'000	Eliminations RM'000	Consolidated RM'000
<b>Segment Revenue</b>					
External revenue	-	15,439	27,878	-	43,317
Inter-segment revenue	-	22	-	(22)	-
	-	15,461	27,878	(22)	43,317
<b>Segment Results</b>					
Segment results	(137)	1,067	681	(70)	1,541
Operating profit					1,541
Interest revenue					9
Interest expense					(686)
Taxation					(356)
Net profit for the period					508

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

**9. 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.

## **10. 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.

## **11. Changes in the composition of the Group**

The Company had, on 22 February 2017 acquired two (2) ordinary shares of RM1.00 each in the capital of Future Atlas Sdn Bhd (Company No. 1212443-T) (“FASB”), representing the entire issued and paid-up share capital of FASB for a total cash consideration of RM2.00 only (“Acquisition”). Upon the Acquisition, FASB shall become a wholly-owned subsidiary of CAM.

FASB was incorporated as a private company in Malaysia on 15 December 2016. It has an authorised share capital of RM400,000 divided into 400,000 ordinary shares of RM1.00 each of which RM2.00 comprising two (2) ordinary shares of RM1.00 each have been issued and fully paid-up. FASB is presently dormant and its intended principal activity of FASB will be decided at a later stage.

## **12. 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 RM41,067,000 as at 31 March 2017 (31 December 2016 : RM43,846,000).

## **13. Review of performance of the Company and its principal subsidiary companies**

During the quarter under review, the Group’s revenue recorded at RM 62.1 million as compared to RM 43.3 million in preceding year corresponding quarter. The profit before tax in current quarter recorded lower at RM 0.5 million as compared to RM 0.9 million in preceding year corresponding quarter.

### Manufacturing & Trading

The manufacturing and trading segment’s revenue in current quarter recorded lower at RM15.0 million as compared to preceding year corresponding quarter of RM 15.4 million. The profit before tax recorded lower at RM 0.2 million in current quarter as compared to RM0.4 million in preceding year corresponding quarter. This was mainly due to lower sales contribution from higher profit margin products in the quarter under review.



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

Quarterly Report on consolidated results for the first quarter ended 31/3/2017

Palm Oil Mill

The palm oil mill segment's revenue in current quarter increased to RM 47.1 million as compared to RM 27.9 million in preceding year corresponding quarter. The profit before tax for this quarter registered lower at RM 0.4 million as compared to RM0.5 million in preceding year corresponding quarter. The lower profit before tax for the quarter under review was mainly attributed to the decline of crude palm oil ("CPO") extraction rate stemming from lower quality fresh fruits bunches.

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 April 2017 and the date of this report.

**14. 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 was recorded at RM 0.5 million, which was the same as immediate preceding quarter.

**15. Current year prospect**

The Group remains optimistic on its performance in the current financial year.

**16. Variance on forecast profit and/or profit guarantee**

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

**17. Profit for the period**

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

	Current year Quarter ended 31-3-2017 RM'000	Preceding year Corresponding Quarter ended 31-3-2016 RM'000	Cumulative Quarter Current year to date 31-3-2017 RM'000	Cumulative Quarter Current year to date 30-6-2016 RM'000
Depreciation of property, plant & equipment	1,313	1,438	1,313	2,762
Interest expenses	573	686	573	1,363
Foreign exchange (gain)/loss - realised	19	(49)	19	14
Interest income	(11)	(9)	(11)	(25)
Other income	(628)	(811)	(628)	(1,807)

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

Quarterly Report on consolidated results for the first quarter ended 31/3/2017

**18. Taxation**

Taxation comprises the following:-

Particulars	Current year quarter	Preceding year quarter	Cumulative Quarter Current year to date	Cumulative Quarter Current year to date
	31-3-2017 RM'000	31-03-2016 RM'000	31-3-2017 RM'000	31-03-2016 RM'000
Based on results for the period	158	369	158	369
Origination / (reversal) of temporary differences	105	(13)	105	(13)
Under/(Over) provision in prior period	263	356	263	356
	-	-	-	-
Tax expense	263	356	263	356

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.

**19. Status of corporate proposals**

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

**20. Group borrowings and debt securities**

Group Borrowings as at 31 March 2017	Secured RM'000	Unsecured RM'000	Total RM'000
<b>Short term borrowings</b>			
Bank overdraft	2,284	3,377	5,661
Revolving credit	-	2,900	2,900
Bankers' acceptance	1,384	6,152	7,536
Hire purchase loans	196	-	196
Term loans	2,945	-	2,945
	<u>6,809</u>	<u>12,429</u>	<u>19,238</u>
<b>Long term borrowings</b>			
Hire purchase loans	206	-	206
Term loans	21,623	-	21,623
	<u>21,829</u>	<u>-</u>	<u>21,829</u>
<b>Total Borrowings</b>	<u>28,638</u>	<u>12,429</u>	<u>41,067</u>

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

Quarterly Report on consolidated results for the first quarter ended 31/3/2017

<b>Group Borrowings as at 31 December 2016</b>	<b>Secured RM'000</b>	<b>Unsecured RM'000</b>	<b>Total RM'000</b>
<b>Short term borrowings</b>			
Bank overdraft	1,915	3,519	5,434
Revolving credit	-	3,000	3,000
Bankers' acceptance	2,416	7,237	9,653
Hire purchase loans	225	-	225
Term loans	2,921	-	2,921
	<u>7,477</u>	<u>13,756</u>	<u>21,233</u>
<b>Long term borrowings</b>			
Hire purchase loans	243	-	243
Term loans	22,369	-	22,369
	<u>22,612</u>	<u>-</u>	<u>22,612</u>
<b>Total Borrowings</b>	<u>30,089</u>	<u>13,756</u>	<u>43,845</u>

The above Group borrowings are denominated in Ringgit Malaysia.

**21. Material pending litigation**

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

**22. Dividend**

There was no dividend declared or recommended for the current quarter.

**23. 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 for current quarter and financial year-to-date are 191,901,044 whereas the weighted average number of shares used for preceding year corresponding quarter and period are 193,635,404 and 193,631,591 respectively.

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

Quarterly Report on consolidated results for the first quarter ended 31/3/2017

**24. 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 31-3-2017 RM'000</b>	<b>As at 31/12/2016 RM'000</b>
Total retained profits of CAM Resources Berhad and its subsidiaries:		
-Realised	93,951	93,555
-Unrealised	(1,288)	(1,136)
	<hr/> 92,663	<hr/> 92,419
Less: Consolidation adjustments	(43,598)	(43,593)
	<hr/> 49,065	<hr/> 48,826
Total Group retained profit as per consolidated accounts	<hr/> <hr/> 49,065	<hr/> <hr/> 48,826