

CAM RESOURCES BERHAD [Company No.: 200001032704 (535311-D)]
 Quarterly Report on consolidated results for the second quarter ended 30/6/2022

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	Current year quarter ended (Unaudited) 30/6/22 RM'000	Preceding year corresponding quarter ended (Unaudited) 30/6/21 RM'000	Changes %	Current year to date (Unaudited) 30/6/22 RM'000	Preceding year to date (Unaudited) 30/6/21 RM'000	Changes %
Revenue	160,900	100,238	60.5	295,580	183,323	61.2
Operating Expenses	(160,772)	(99,058)	62.3	(294,133)	(181,911)	61.7
Other Income	4,104	1,066	285.0	4,986	2,548	95.7
Profit from Operations	4,232	2,246	88.4	6,433	3,960	62.4
Finance Costs	(218)	(382)	(42.9)	(549)	(778)	(29.4)
Profit Before Tax	4,014	1,864	115.3	5,884	3,182	84.9
Income tax Expense	(1,138)	(585)	94.5	(1,693)	(1,037)	63.3
Profit For The Period	2,876	1,279	124.9	4,191	2,145	95.4
Other Comprehensive Income	-	-		-	-	
Total Comprehensive Income For The Period	2,876	1,279		4,191	2,145	
Attributable to:						
Equity Holders Of The Parent	2,876	1,279		4,191	2,145	
Non-Controlling Interest	-	-		-	-	
Total Comprehensive Income For The Period	2,876	1,279		4,191	2,145	
EPS - Basic (sen)	1.50	0.67		2.19	1.12	
- 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 2021 and the accompanying notes attached to these interim financial statements)

CAM RESOURCES BERHAD [Company No.: 200001032704 (535311-D)]
 Quarterly Report on consolidated results for the second quarter ended 30/6/2022

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited	Audited
	As at end of current quarter 30/6/22 RM'000	As at preceding financial year end 31/12/21 RM'000
ASSETS		
Non Current Assets		
Property, Plant & Equipment	106,495	110,739
Intangible Assets	46	46
Goodwill on business combination	6,079	6,079
	<u>112,620</u>	<u>116,864</u>
Current Assets		
Inventories	25,313	29,277
Trade receivables	16,027	12,251
Other receivables	1,252	3,088
Tax assets	479	862
Cash and bank balances	36,238	34,530
	<u>79,309</u>	<u>80,008</u>
Total Assets	<u><u>191,929</u></u>	<u><u>196,872</u></u>
EQUITY AND LIABILITIES		
Equity		
Share capital	54,378	54,378
Treasury shares, at cost	(1,491)	(1,491)
Retained earnings	77,116	72,925
Total equity	<u>130,003</u>	<u>125,812</u>
Non Current Liabilities		
Long term borrowings	7,707	18,389
Deferred tax liabilities	4,851	4,923
	<u>12,558</u>	<u>23,312</u>
Current Liabilities		
Trade and other payables	25,625	18,957
Short term provisions	481	481
Short term borrowings	23,262	28,196
Tax liabilities	-	114
	<u>49,368</u>	<u>47,748</u>
Total Liabilities	<u>61,926</u>	<u>71,060</u>
Total Equity And Liabilities	<u><u>191,929</u></u>	<u><u>196,872</u></u>
Net Assets Per Share (RM)	0.68	0.66

(The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2021 and the accompanying notes attached to these interim financial statements)

CAM RESOURCES BERHAD [Company No.: 200001032704 (535311-D)]
 Quarterly Report on consolidated results for the second quarter ended 30/6/2022

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital RM'000	Treasury Shares RM'000	Share Premium RM'000	Retained Earnings RM'000	Total Equity RM'000
<u>Cumulative quarter ended 30/6/2022- Unaudited</u>					
At 01/01/2022	54,378	(1,491)	-	72,925	125,812
Profit for the period	-	-	-	4,191	4,191
At 30/6/2022	<u>54,378</u>	<u>(1,491)</u>	<u>-</u>	<u>77,116</u>	<u>130,003</u>

<u>Cumulative quarter ended 30/6/2021- Unaudited</u>					
At 01/01/2021	54,378	(1,491)	-	63,048	115,935
Profit for the period	-	-	-	2,145	2,145
At 30/6/2021	<u>54,378</u>	<u>(1,491)</u>	<u>-</u>	<u>65,193</u>	<u>118,080</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 2021 and the accompanying notes attached to these interim financial statements)

CAM RESOURCES BERHAD [Company No.: 200001032704 (535311-D)]
 Quarterly Report on consolidated results for the second quarter ended 30/6/2022

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Cumulative quarter ended 30/6/22 (Unaudited) RM'000	Cumulative quarter ended 30/6/21 (Unaudited) RM'000
Profit before tax	5,884	3,182
Adjustment for non-cash flow:-		
Non-cash items	1,871	4,816
Non-operating items (which are investing/financing)	449	750
Operating profit before changes in working capital	8,204	8,748
Changes in working capital		
Net change in inventories	3,964	2,352
Net change in receivables	(1,928)	(965)
Net change in payables	6,668	2,585
Cash flows from operation	16,908	12,720
Tax paid	(1,497)	(555)
Net cash from operating activities	15,411	12,165
Investing Activities		
Interest received	100	28
Proceed from disposal of property, plant and equipment	6,028	37
Purchase of property, plant and equipment	(3,667)	(3,768)
Net cash from/(used in) investing activities	2,461	(3,703)
Financing Activities		
Interest paid	(549)	(778)
Repayments of borrowings	(13,771)	(2,670)
Net cash (used in)/from financing activities	(14,320)	(3,448)
Net Change in Cash & Cash Equivalents	3,552	5,014
Cash & Cash Equivalents at beginning of the period	31,411	5,825
Cash & Cash Equivalents at end of the period	34,963	10,839
Composition of Cash & Cash Equivalents:		
Deposits with licensed banks	2,000	11,145
Cash and bank balances	34,238	2,712
Bank overdrafts	(775)	(3,018)
Fixed deposits with maturity more than 3 months	(500)	-
	34,963	10,839

(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 2021 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 financial statement of the Group are consistent with those adopted for the annual financial statements of the Group for the financial year ended 31 December 2021 except for the adoption of the following new Malaysian Financial Reporting Standards (“MFRSs”) and amendments/improvements to MFRSs effective for the financial periods beginning on or after 1 January 2022:

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

The Group has not adopted the following new MFRS, and amendment/improvements to MFRSs that have been issued, but yet to be effective:

	Effective for financial periods beginning on or after
New MFRS	
MFRS 17 Insurance Contracts	1 January 2023
	Effective for financial periods beginning on or after
Amendments/Improvements to MFRSs	
MFRS 1 First-time Adoption of Malaysia Financial Reporting Standards	1 January 2022 [^] / 1 January 2023 [#]
MFRS 3 Business Combinations	1 January 2022/ 1 January 2023 [#]
MFRS 5 Non-current Assets Held for Sale and Discontinued Operations	1 January 2023 [#]
MFRS 7 Financial Instruments: Disclosures	1 January 2023 [#]

		Effective for financial periods beginning on or after
Amendments/Improvements to MFRSs (continued)		
MFRS 9	Financial Instruments	1 January 2022 [^] 1 January 2023 [#]
MFRS 10	Consolidated Financial Statements	Deferred
MFRS 15	Revenue from Contracts with Customers	1 January 2023 [#]
MFRS 16	Leases	1 January 2022 [^]
MFRS 17	Insurance Contracts	1 January 2023
MFRS 101	Presentation of Financial Statements	1 January 2023/ 1 January 2023 [#]
MFRS 107	Statements of Cash Flows	1 January 2023 [#]
MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2023
MFRS 112	Income Taxes	1 January 2023
MFRS 116	Property, Plant and Equipment	1 January 2022/ 1 January 2023 [#]
MFRS 119	Employee Benefits	1 January 2023 [#]
MFRS 128	Investments in Associates and Joint Ventures	Deferred/ 1 January 2023 [#]
MFRS 132	Financial Instruments: Presentation	1 January 2023 [#]
MFRS 136	Impairment of Assets	1 January 2023 [#]
MFRS 137	Provisions, Contingent Liabilities and Contingent Assets	1 January 2022/ 1 January 2023 [#]
MFRS 138	Intangible Assets	1 January 2023 [#]
MFRS 140	Investment Property	1 January 2023 [#]
MFRS 141	Agriculture	1 January 2022 [^]

[^] The Annual Improvements to MFRS Standards 2018-2020

[#] Amendments as to the consequence of effective of MFRS 17 Insurance Contracts

The Group is in the process of assessing the impact which may arise from adoption of the above MFRS and amendments/improvements to MFRSs.

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 2021 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 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.

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 30 June 2022 and 30 June 2021 are as follows:-

30 June 2022	Investment Holding	Manufacturing and Trading	Palm Oil Mill	Renewable Energy	Eliminations	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Segment Revenue						
External revenue	-	29,632	262,788	3,160	-	295,580
Inter-segment revenue	-	1,007	-	-	(1,007)	-
	-	30,639	262,788	3,160	(1,007)	295,580
Segment Results						
Segment results	(330)	1,688	4,027	(346)	1,294	6,333
Operating profit						6,333
Interest revenue						100
Interest expense						(549)
Taxation						(1,693)
Net profit for the period						4,191
30 June 2021						
	Investment Holding	Manufacturing and Trading	Palm Oil Mill	Renewable Energy	Eliminations	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Segment Revenue						
External revenue	-	23,077	157,100	3,146	-	183,323
Inter-segment revenue	450	31	-	-	(481)	-
	450	23,108	157,100	3,146	(481)	183,323
Segment Results						
Segment results	126	(210)	4,166	952	(1,102)	3,932
Operating profit						3,932
Interest revenue						28
Interest expense						(778)
Taxation						(1,037)
Net profit for the period						2,145

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

There were no changes in the composition of the Group for the current quarter.

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 RM30,194,000 as at 30 June 2022 (31 December 2021 : RM45,702,000).

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

	Current year quarter ended	Preceding year corresponding quarter ended	Changes	
	30/6/22	30/6/21	RM'000	%
	RM'000	RM'000		
Revenue				
-Investment Holding	-	-	-	-
-Manufacturing and Trading	15,343	8,935	6,408	71.7%
-Palm Oil Mill	144,032	89,621	54,411	60.7%
-Renewable Energy	1,525	1,682	(157)	-9.3%
	<u>160,900</u>	<u>100,238</u>	<u>60,662</u>	<u>60.5%</u>
(Loss)/Profit before tax				
-Investment Holding	(182)	(177)	(5)	2.8%
-Manufacturing and Trading	2,356	(447)	2,803	-627.1%
-Palm Oil Mill	2,036	1,699	337	19.8%
-Renewable Energy	(196)	789	(985)	-124.8%
	<u>4,014</u>	<u>1,864</u>	<u>2,150</u>	<u>115.3%</u>

The Group recorded revenue of RM160.90million or 60.5% higher than the corresponding quarter of the preceding year with RM100.24million, mainly attributed to higher revenue contribution from the Palm Oil Mill segment by RM54.41million as well as Manufacturing and Trading segment by RM6.41million.

The Group registered higher profit before tax of RM4.01million compared to a profit before tax of RM1.86million in the preceding year's corresponding quarter, mainly due to the higher profit before tax in the Manufacturing and Trading segment as well as the Palm Oil Mill segment despite the loss incurred in the Renewable Energy segment.

The Investment Holding segment also recorded slightly higher loss at RM182,000 compared to RM177,000 in the previous year's corresponding quarter due to higher operating expenses in the quarter under review.

The Manufacturing and Trading segment reported higher revenue of RM15.34million compared to RM8.94million in the preceding year's corresponding quarter. The profit before tax was also higher at RM2.36million compared to the RM0.45million loss incurred in the preceding year's corresponding quarter, primarily due to the gains of RM2.39million from the disposal of properties.

The Palm Oil Mill segment recorded revenue of RM144.03million compared to RM89.62million in the preceding year's corresponding quarter. The increase in revenue was mainly attributed to higher average selling price of Crude Palm Oil ("CPO") and Palm Kernel ("PK") as well as higher production output in the current quarter. The profit before tax was higher at RM2.04million compared to RM1.70million in the preceding year's corresponding quarter, mainly attributed to the increase in the production output as a results of higher availability of fresh fruits bunches for production.

The revenue of the Renewable Energy Segment was lower at RM1.53million compared to RM1.68million in the preceding year's corresponding quarter, with a loss of RM196,000 in the quarter under review compared to profit before tax of RM789,000 in the preceding year's corresponding quarter. This was mainly due to the increase in the operating expenses in the current quarter for the cost of engine overhaul.

The results of 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 2022 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

	Current year	Immediate	Changes	
	quarter ended	preceding		
	30/6/22	quarter ended	RM'000	%
	RM'000	31/3/22		
		RM'000		
Revenue				
-Investment Holding	-	-	-	-
-Manufacturing and Trading	15,343	14,289	1,054	7.4%
-Palm Oil Mill	144,032	118,756	25,276	21.3%
-Renewable Energy	1,525	1,635	(110)	-6.7%
	<u>160,900</u>	<u>134,680</u>	<u>26,220</u>	<u>19.5%</u>
(Loss)/Profit before tax				
-Investment Holding	(182)	(148)	(34)	23.0%
-Manufacturing and Trading	2,356	345	2,011	582.9%
-Palm Oil Mill	2,036	1,600	436	27.3%
-Renewable Energy	(196)	73	(269)	-368.5%
	<u>4,014</u>	<u>1,870</u>	<u>2,144</u>	<u>114.7%</u>

The Group's profit before tax in the quarter under review was higher at RM4.01million compared to RM1.87million in the immediate preceding quarter, mainly due to the higher profit in the Palm Oil Mill segment as well as gains of RM2.39million from the disposal of properties in the Manufacturing and Trading segment.

The Investment Holding segment reported higher loss of RM182,000 compared to RM148,000 in the immediate preceding quarter due to higher operating expenses in the current quarter.

The Manufacturing and trading segment recorded higher profit before tax of RM2.36million compared to RM0.35million, mainly arising from the gains of RM2.39million from the disposal of properties.

The profit before tax of the Palm Oil Mill segment was higher at RM2.04million compared to RM1.60million in the immediate preceding quarter, due to the increase in the production output as a results of higher availability of fresh fruits bunches for production in the quarter under review.

For the Renewable Energy segment, the cost of engine overhaul had increased the segment's operating expenses, resulting in the loss of RM196,000 in the quarter under review compared to a profit before tax of RM73,000 in the immediate preceding quarter.

15. Commentary on prospect

The business environment remained relatively challenging. The Group will continuously adapt our marketing strategies to match the current market trend and to improve cost optimisation with the goal of strengthening operational efficiency in all our core business segments. The Group is cautiously optimistic over its performance in the coming quarters.

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	Preceding year Corresponding Quarter ended	Cumulative Quarter Current year to date	Cumulative Quarter Preceding year to date
	30/06/2022 RM'000	30/06/2021 RM'000	30/06/2022 RM'000	30/06/2021 RM'000
Depreciation of property, plant & equipment	2,161	2,383	4,273	4,717
Interest expenses	218	382	549	778
Foreign exchange (gain)/loss - realised	(51)	(38)	(56)	(101)
Property, plant & equipment written off	4	16	20	123
Allowance for doubtful debts no longer required	-	-	(12)	-
Interest income	(57)	(16)	(100)	(28)
(Gain)/Loss on disposal of property, plant & equipment	(2,409)	(17)	(2,409)	(23)

18. Taxation

Taxation comprises the following:-

Particulars	Current year quarter	Preceding year Corresponding Quarter ended	Cumulative Quarter Current year to date	Cumulative Quarter Preceding year to date
	30/06/2022 RM'000	30/06/2021 RM'000	30/06/2022 RM'000	30/06/2021 RM'000
Based on results for the period	1,148	666	1,765	1,196
Origination /(reversal) of temporary differences	(10)	(81)	(72)	(159)
	1,138	585	1,693	1,037
Under/(Over) provision in prior period	-	-	-	-
Tax expense	1,138	585	1,693	1,037

The effective tax expense rate for the current quarter and financial year-to-date were higher than the statutory tax rate mainly due to the non-deductibility of certain expenses 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. Trade Receivables

	As at 30/6/2022 RM'000	As at 31/12/2021 RM'000
External parties	16,971	13,207
Less: Allowance for impairment loss	(944)	(956)
Trade receivables, net	<u>16,027</u>	<u>12,251</u>

The Group's normal trade credit term extended to customers ranges from 30 to 120 days. (2021: 30 to 120 days).

Ageing analysis of trade receivables:

	As at 30/6/2022 RM'000	As at 31/12/2021 RM'000
Current	14,571	11,692
1 to 90 days past due	1,122	38
91 to 120 days past due	28	6
More than 121 days past due	306	515
	1,456	559
Impaired individually		
Brought forward	956	940
Impairment loss during the period	-	17
Written off	-	-
Reversal of impairment loss	(12)	(1)
	944	956
	<u>16,971</u>	<u>13,207</u>

Trade receivables that are past due but not impaired are creditworthy debtors who, by past trade practices, have paid after the expiry of the trade credit terms and the Group is currently still in active trading with the debtors. The Group does not anticipate recovery problem in respect of these debtors.

21. Group borrowings and debt securities

Group Borrowings as at 30 Jun 2022	Secured RM'000	Unsecured RM'000	Total RM'000
Short term borrowings			
Bank overdraft	-	775	775
Revolving credit	-	2,600	2,600
Bankers' acceptance	8,015	8,687	16,702
Hire purchase loans	235	-	235
Lease liabilities	-	62	62
Term loans	2,888	-	2,888
	<u>11,138</u>	<u>12,124</u>	<u>23,262</u>
Long term borrowings			
Hire purchase loans	478	-	478
Term loans	7,229	-	7,229
	<u>7,707</u>	<u>-</u>	<u>7,707</u>
Total Borrowings	<u>18,845</u>	<u>12,124</u>	<u>30,969</u>

Group Borrowings as at 31 Dec 2021	Secured RM'000	Unsecured RM'000	Total RM'000
Short term borrowings			
Bank overdraft	1,376	1,243	2,619
Revolving credit	-	5,200	5,200
Bankers' acceptance	9,179	8,004	17,183
Hire purchase loans	231	-	231
Lease liabilities	-	51	51
Term loans	2,913	-	2,913
	<u>13,699</u>	<u>14,498</u>	<u>28,197</u>
Long term borrowings			
Hire purchase loans	590	-	590
Lease liabilities	-	11	11
Term loans	17,787	-	17,787
	<u>18,377</u>	<u>11</u>	<u>18,388</u>
Total Borrowings	<u>32,076</u>	<u>14,509</u>	<u>46,585</u>

The above Group borrowings are denominated in Ringgit Malaysia.

22. Material pending litigation

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

23. Dividend

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

On 31 May 2022, the Board of Directors of the Company declared a single tier interim dividend of 1 sen per ordinary share in respect of the financial year ending 31 Dec 2022. The interim dividend amounting to RM1,914,157 was paid on 28 July 2022.

24. Earnings per share (“EPS”)

	Current year quarter 30/06/2022 RM'000	Preceding year corresponding quarter 30/06/2021 RM'000	Cumulative Quarter Current year to date 30/06/2022 RM'000	Cumulative Quarter Preceding year to date 30/06/2021 RM'000
Profit attributable to owners of the Company (RM'000)	2,876	1,279	4,191	2,145
Weighted average number of ordinary shares for basic EPS ('000)	191,416	191,416	191,416	191,416
Basic EPS (sen)	1.50	0.67	2.19	1.12

25. Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 26 Aug 2022.