

EONMETALL GROUP BERHAD

(Company No. 631617 D)

(Incorporated in Malaysia)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2013

(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 SEPTEMBER 2013**

	Three Months Ended		Period Ended	
	30-Sep-13 RM'000	30-Sep-12 RM'000	30-Sep-13 RM'000	30-Sep-12 RM'000
Continuing Operations				
Revenue	<u>13,078</u>	<u>39,054</u>	<u>59,045</u>	<u>107,735</u>
Operating (loss)/profit	(1,752)	3,954	798	8,898
Interest expense	(1,177)	(1,157)	(3,085)	(2,714)
Interest income	-	5	1	19
Share of loss after tax of equity accounted associates	-	(70)	-	(266)
(Loss)/profit before tax	<u>(2,929)</u>	<u>2,732</u>	<u>(2,286)</u>	<u>5,937</u>
Tax expense	(87)	(490)	(357)	(861)
(Loss)/profit after tax from continuing operations	<u>(3,016)</u>	<u>2,242</u>	<u>(2,643)</u>	<u>5,076</u>
Other comprehensive expense	(3)	(44)	(80)	43
Total comprehensive (expense)/income	<u>(3,019)</u>	<u>2,198</u>	<u>(2,723)</u>	<u>5,119</u>
(Loss)/profit after tax attributable to:				
Owners of parent	(3,015)	2,249	(2,632)	5,084
Non-controlling interests	(1)	(7)	(11)	(8)
	<u>(3,016)</u>	<u>2,242</u>	<u>(2,643)</u>	<u>5,076</u>
Total comprehensive (expense)/income attributable to:				
Owners of parent	(3,017)	2,205	(2,721)	5,127
Non-controlling interests	(2)	(7)	(2)	(8)
	<u>(3,019)</u>	<u>2,198</u>	<u>(2,723)</u>	<u>5,119</u>
(Loss)/earnings per share attributable to owners of the Company				
Basic (Loss)/earnings per share (sen)	<u>(1.79)</u>	<u>1.33</u>	<u>(1.56)</u>	<u>2.99</u>
Diluted (Loss)/earnings per share (sen)	<u>(1.79)</u>	<u>1.33</u>	<u>(1.56)</u>	<u>2.99</u>

The condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements and the audited financial statements for the year ended 31 December 2012.

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QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2013

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 30 SEPTEMBER 2013

	Unaudited 30-Sep-13 RM'000	Audited 31-Dec-12 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	105,785	108,988
Investment properties	30,131	30,373
Investment in associates	-	2,353
Deferred tax assets	1,625	1,625
	<u>137,541</u>	<u>143,339</u>
Current assets		
Trade and other receivables	30,893	28,384
Inventories	42,381	47,769
Current tax assets	330	333
Cash and cash equivalents	1,310	1,245
	<u>74,914</u>	<u>77,731</u>
Assets classified as held for sale	<u>22,940</u>	<u>22,940</u>
TOTAL ASSETS	<u>235,395</u>	<u>244,010</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	85,585	85,585
Treasury share, at cost	(780)	(779)
Share premium	1,549	1,549
Share option reserve	742	742
Statutory reserve	-	102
Translation reserve	41	121
Retained earnings	50,678	56,262
	<u>137,815</u>	<u>143,582</u>
Non-controlling interests	328	339
TOTAL EQUITY	<u>138,143</u>	<u>143,921</u>
LIABILITIES		
Non-current liabilities		
Loans and borrowings	29,382	16,514
Deferred tax liabilities	3,167	3,205
	<u>32,549</u>	<u>19,719</u>
Current liabilities		
Trade and other payables	20,951	21,673
Loans and borrowings	43,752	58,574
Current tax liabilities	-	123
	<u>64,703</u>	<u>80,370</u>
TOTAL LIABILITIES	<u>97,252</u>	<u>100,089</u>
TOTAL EQUITY AND LIABILITIES	<u>235,395</u>	<u>244,010</u>
	<u>-</u>	<u>-</u>
Net assets per share (RM)	<u>0.82</u>	<u>0.84</u>

The condensed consolidated statement of financial position should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements and audited financial statements for the year ended 31 December 2012.

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QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2013

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2013

	← Non-distributable →					→ Distributable		Attributable to owner of the parent	Non-controlling interest	Total equity
	Share capital	Share premium	Treasury shares	Share option reserve	Statutory reserve	Translation reserve	Retained earnings			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance at 1 January 2012	85,585	1,549	(293)	790	102	51	55,470	143,254	152	143,406
Profit for the period	-	-	-	-	-	-	5,084	5,084	(8)	5,076
Foreign exchange translation differences	-	-	-	-	-	43	-	43	-	43
Total comprehensive income for the period	-	-	-	-	-	43	5,084	5,127	(8)	5,119
Purchase of treasury shares	-	-	(486)	-	-	-	-	(486)	-	(486)
Dividend to shareholders	-	-	-	-	-	-	(4,254)	(4,254)	-	(4,254)
Balance at 30 September 2012	85,585	1,549	(779)	790	102	94	56,300	143,641	144	143,785
Balance at 1 January 2013	85,585	1,549	(779)	742	102	121	56,262	143,582	339	143,921
Loss for the period	-	-	-	-	-	-	(2,632)	(2,632)	(11)	(2,643)
Foreign exchange translation differences	-	-	-	-	-	(80)	-	(80)	-	(80)
Total comprehensive expense for the period	-	-	-	-	-	(80)	(2,632)	(2,712)	(11)	(2,723)
Purchase of treasury shares	-	-	(1)	-	-	-	-	(1)	-	(1)
Dividend to shareholders	-	-	-	-	-	-	(2,952)	(2,952)	-	(2,952)
Statutory reserve - associates	-	-	-	-	(102)	-	-	(102)	-	(102)
Balance at 30 September 2013	85,585	1,549	(780)	742	-	41	50,678	137,815	328	138,143

The condensed consolidated statement of changes in equity should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements and audited financial statements for the year ended 31 December 2012.

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QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2013

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 SEPTEMBER 2013

	Period ended	
	30-Sep-13 RM'000	30-Sep-12 RM'000
Cash flows from operating activities		
(Loss)/Profit before tax from continuing operations	(2,286)	5,937
Adjustments for:		
Depreciation of property, plant and equipment	4,006	5,480
Depreciation of assets held for sale	-	270
Depreciation of investment property	291	194
Interest expense	3,085	2,714
Interest income	(1)	(19)
Share of loss after tax of equity accounted associates	-	266
Gain on disposal of subsidiary	(338)	-
Gain on disposal of plant and equipment	(5)	(6)
Operating profit before changes in working capital	<u>4,752</u>	<u>14,836</u>
Changes in working capital:		
Inventories	5,388	8,004
Trade and other receivables	(556)	548
Trade and other payables	(155)	8,245
Cash generated from operations	<u>9,429</u>	<u>31,633</u>
Tax paid	(514)	(665)
Net cash generated from operating activities	<u>8,915</u>	<u>30,968</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(803)	(12,760)
Purchase of assets held for sale	-	(744)
Purchase of investment property	(49)	(1,552)
Interest received	1	19
Proceeds from disposal of plant and equipment	5	29
Purchase of treasury shares	(1)	(486)
Net cash used in investing activities	<u>(847)</u>	<u>(15,494)</u>
Cash flows from financing activities		
Short term borrowings, net	(10,753)	1,663
Drawdown of term loans	23,700	-
Repayment of term loans	(11,485)	(6,225)
Repayment of hire purchase liabilities	(303)	3
Dividend paid to shareholders of the Company	(2,952)	(4,254)
Interest paid	(3,085)	(2,714)
Net cash used in financing activities	<u>(4,879)</u>	<u>(11,527)</u>
Net increase in cash and cash equivalents	<u>3,189</u>	<u>3,947</u>
Effect of exchange rate changes	(11)	43
Cash and cash equivalents at beginning of period	<u>(5,094)</u>	<u>(3,563)</u>
Cash and cash equivalents at end of financial period	<u>(1,916)</u>	<u>427</u>
Notes:		
A) Cash and cash equivalents included in the condensed consolidated statement of cash flows comprise :		
Cash & bank balances	1,310	5,427
Bank overdrafts	(3,226)	(5,000)
	<u>(1,916)</u>	<u>427</u>

The condensed consolidated statement of cash flows should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements and audited financial statements for the year ended 31 December 2012.