

EONMETALL GROUP BERHAD

(Company No. 631617 D)

(Incorporated in Malaysia)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2015

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE 2015

	Three Months Ended		Period Ended	
	30-Jun-15 RM'000	30-Jun-14 RM'000	30-Jun-15 RM'000	30-Jun-14 RM'000
Continuing Operations				
Revenue	<u>17,525</u>	<u>15,310</u>	<u>32,907</u>	<u>34,647</u>
Operating profit	979	532	1,960	886
Interest expense	(857)	(855)	(1,654)	(1,678)
Interest income	2	1	4	2
Profit/(Loss) before tax	<u>124</u>	<u>(322)</u>	<u>310</u>	<u>(790)</u>
Tax expense	(134)	(109)	(236)	(154)
(Loss)/Profit after tax from continuing operations	<u>(10)</u>	<u>(431)</u>	<u>74</u>	<u>(944)</u>
Other comprehensive (expenses)/income	(101)	(5)	(341)	3
Total comprehensive expenses	<u>(111)</u>	<u>(436)</u>	<u>(267)</u>	<u>(941)</u>
(Loss)/Profit after tax attributable to:				
Owners of parent	(9)	(430)	75	(949)
Non-controlling interests	<u>(1)</u>	<u>(1)</u>	<u>(1)</u>	<u>5</u>
	<u>(10)</u>	<u>(431)</u>	<u>74</u>	<u>(944)</u>
Total comprehensive expenses attributable to:				
Owners of parent	(110)	(436)	(267)	(947)
Non-controlling interests	<u>(1)</u>	<u>-</u>	<u>-</u>	<u>6</u>
	<u>(111)</u>	<u>(436)</u>	<u>(267)</u>	<u>(941)</u>
(Loss)/Earnings per share attributable to owners of the Company				
Basic (loss)/earnings per share (sen)	<u>(0.01)</u>	<u>(0.25)</u>	<u>0.04</u>	<u>(0.56)</u>
Diluted (loss)/earnings per share (sen)	<u>(0.01)</u>	<u>(0.25)</u>	<u>0.04</u>	<u>(0.56)</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 2014.

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QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2015

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2015

	Unaudited 30-Jun-15 RM'000	Audited 31-Dec-14 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	103,155	103,242
Investment properties	31,067	31,209
Deferred tax assets	1,625	1,625
Trade and other receivables	663	663
	<u>136,510</u>	<u>136,739</u>
Current assets		
Trade and other receivables	27,709	25,738
Inventories	50,489	44,185
Current tax assets	124	124
Cash and cash equivalents	1,602	1,573
	<u>79,924</u>	<u>71,620</u>
TOTAL ASSETS	<u>216,434</u>	<u>208,359</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	85,585	85,585
Treasury share, at cost	(781)	(781)
Share premium	1,549	1,549
Share option reserve	655	655
Translation reserve	(704)	(363)
Retained earnings	56,945	56,870
	<u>143,249</u>	<u>143,515</u>
Non-controlling interests	364	320
TOTAL EQUITY	<u>143,613</u>	<u>143,835</u>
LIABILITIES		
Non-current liabilities		
Loans and borrowings	13,493	16,293
Deferred tax liabilities	3,332	3,332
	<u>16,825</u>	<u>19,625</u>
Current liabilities		
Trade and other payables	11,184	7,538
Loans and borrowings	44,706	37,255
Current tax liabilities	106	106
	<u>55,996</u>	<u>44,899</u>
TOTAL LIABILITIES	<u>72,821</u>	<u>64,524</u>
TOTAL EQUITY AND LIABILITIES	<u>216,434</u>	<u>208,359</u>
Net assets per share (RM)	<u>0.85</u>	<u>0.85</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 2014.

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QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2015

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2015

	← Non-distributable				→ Distributable		Total	Non-	Total	
	Share capital	Share premium	Treasury shares	Share option reserve	Statutory reserve	Translation reserve	Retained earnings	attributable to owner of the parent	controlling interest	equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance at 1 January 2014	85,585	1,549	(780)	738	-	(134)	59,564	146,522	322	146,844
Loss for the period	-	-	-	-	-	-	(949)	(949)	5	(944)
Foreign currency translations	-	-	-	-	-	3	-	3	(6)	(3)
Total comprehensive loss for the period	-	-	-	-	-	3	(949)	(946)	(1)	(947)
Purchase of treasury shares	-	-	(1)	-	-	-	-	(1)	-	(1)
Balance at 30 June 2014	85,585	1,549	(781)	738	-	(131)	58,615	145,575	321	145,896
Balance at 1 January 2015	85,585	1,549	(781)	655	-	(363)	56,870	143,515	320	143,835
Profit for the period	-	-	-	-	-	-	75	75	(1)	74
Foreign currency translations	-	-	-	-	-	(341)	-	(341)	-	(341)
Total comprehensive loss for the period	-	-	-	-	-	(341)	75	(266)	(1)	(267)
Non-controlling interest arising on a business combination	-	-	-	-	-	-	-	-	45	45
Balance at 30 June 2015	85,585	1,549	(781)	655	-	(704)	56,945	143,249	364	143,613

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 2014.

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QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2015

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2015

	Period ended	
	30-Jun-15 RM'000	30-Jun-14 RM'000
Cash flows from operating activities		
Profit/(Loss) before tax from continuing operations	310	(790)
Adjustments for:		
Depreciation of property, plant and equipment	1,831	2,049
Depreciation of investment property	211	197
Interest expense	1,654	1,678
Interest income	(4)	(2)
Inventories written down	748	(417)
Reversal of impairment loss on trade receivable	-	(18)
Gain on disposal of plant and equipment	(10)	2
Operating profit before changes in working capital	4,740	2,699
Changes in working capital:		
Inventories	(7,052)	(3,266)
Trade and other receivables	(1,926)	8,315
Trade and other payables	3,646	(4,132)
Cash (used in)/generated from operations	(592)	3,616
Tax paid	(236)	(127)
Net cash (used in)/generated from operating activities	(828)	3,489
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,945)	(281)
Purchase of investment property	(69)	(736)
Interest received	4	2
Proceeds from disposal of plant and equipment	210	1
Purchase of treasury shares	-	(1)
Net cash used in investing activities	(1,800)	(1,015)
Cash flows from financing activities		
Drawdown of short term borrowings, net	8,129	4,559
Repayment of term loans	(2,595)	(3,166)
Repayment of hire purchase creditors	(349)	(212)
Interest paid	(1,654)	(1,678)
Net cash generated from/(used in) financing activities	3,530	(497)
Net increase in cash and cash equivalents	902	1,977
Effect of exchange rate changes	(341)	(3)
Cash and cash equivalents at beginning of year	(4,328)	(414)
Cash and cash equivalents at end of financial year	(3,767)	1,560

Notes:

A) Cash and cash equivalents included in the condensed consolidated statement of cash flows comprise :

Cash & bank balances	1,602	3,276
Bank overdrafts	(5,369)	(1,716)
	(3,767)	1,560

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 2014.