

TONG HERR RESOURCES BERHAD
(Company No.432139-W)
(Incorporated in Malaysia)
AND ITS SUBSIDIARIES

INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2012

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the Period Ended 31 March 2012
(Financial Year Ending 31 December 2012)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	(Unaudited) Quarter Ended 31-Mar-12 RM'000	(Unaudited) Quarter Ended 31-Mar-11 RM'000	(Unaudited) Quarter Ended 31-Mar-12 RM'000	(Unaudited) Quarter Ended 31-Mar-11 RM'000
Revenue	147,951	143,312	147,951	143,312
Cost of Sales	(136,281)	(122,687)	(136,281)	(122,687)
Gross Profit	11,670	20,625	11,670	20,625
Other income	4,443	428	4,443	428
Administrative and general expenses	(2,464)	(2,756)	(2,464)	(2,756)
Distribution costs	(2,262)	(2,249)	(2,262)	(2,249)
Share of results of associates	293	118	293	118
Finance costs	(399)	(269)	(399)	(269)
Profit Before Tax	11,281	15,897	11,281	15,897
Income tax expenses	(1,723)	1,662	(1,723)	1,662
Profit For The Period	9,558	17,559	9,558	17,559
Other comprehensive income				
Currency translation differences for foreign operations	(2,692)	(2,671)	(2,692)	(2,671)
Share of other comprehensive income of associates	582	(1,902)	582	(1,902)
	(2,110)	(4,573)	(2,110)	(4,573)
Total comprehensive income for the period	7,448	12,986	7,448	12,986
Profit for the period attributable to:				
Owners of the Company	6,668	13,025	6,668	13,025
Non-controlling interests	2,890	4,534	2,890	4,534
	9,558	17,559	9,558	17,559
Total comprehensive income attributable to:				
Owners of the Company	4,929	9,234	4,929	9,234
Non-controlling interests	2,519	3,752	2,519	3,752
	7,448	12,986	7,448	12,986
Earnings per share attributable to owners of the Company:				
Basic, for profit for the period (sen)	5.26	10.23	5.26	10.23
Diluted, for profit for the period (sen)	5.26	10.23	5.26	10.23

(The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.)

TONG HERR RESOURCES BERHAD
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AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2012
(Financial Year Ending 31 December 2012)

	(Unaudited) 31 March 2012 RM'000	(Audited) 31 December 2011 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	136,116	134,974
Prepaid lease payments	6,642	6,683
Investment in associates	58,432	59,503
	<u>201,190</u>	<u>201,160</u>
Current assets		
Inventories	169,257	195,138
Trade and other receivables	60,926	61,420
Financial assets at fair value through profit or loss	416	299
Prepayments	1,411	1,891
Current tax assets	1,186	1,764
Cash and cash equivalents	117,967	87,404
	<u>351,163</u>	<u>347,916</u>
TOTAL ASSETS	<u>552,353</u>	<u>549,076</u>
 EQUITY AND LIABILITIES		
Share capital	127,430	127,430
Treasury shares	(1,249)	(628)
Currency translation reserve	(7,980)	(6,241)
Retained profits	207,050	200,382
Equity attributable to owners of the Company	<u>325,251</u>	<u>320,943</u>
Non-controlling interests	<u>81,913</u>	<u>79,394</u>
Total equity	<u>407,164</u>	<u>400,337</u>
 Non-current liabilities		
Deferred tax liabilities	5,679	5,644
Loans and borrowings	3,993	3,026
	<u>9,672</u>	<u>8,670</u>
 Current Liabilities		
Loans and borrowings	118,669	120,779
Trade and other payables	16,032	17,983
Financial liabilities at fair value through profit or loss	86	577
Current tax liabilities	730	730
	<u>135,517</u>	<u>140,069</u>
TOTAL LIABILITIES	<u>145,189</u>	<u>148,739</u>
TOTAL EQUITY AND LIABILITIES	<u>552,353</u>	<u>549,076</u>
 Net assets per share attributable to owners of the Company (sen)		
	<u>256</u>	<u>253</u>

(The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.)

TONG HERR RESOURCES BERHAD
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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2012
(Financial Year Ending 31 December 2012)

	Non-Distributable		Distributable*		Equity attributable to owners of the Company (RM'000)	Non-controlling interests (RM'000)	Total Equity (RM'000)
	Share Capital (RM'000)	Treasury Shares (RM'000)	Currency Translation Reserves (RM'000)	Retained profits (RM'000)			
At 1 January 2012	127,430	(628)	(6,241)	200,382	320,943	79,394	400,337
Total comprehensive income	0	0	(1,739)	6,668	4,929	2,519	7,448
Purchase of own shares	0	(621)	0	0	(621)	0	(621)
At 31 March 2012	<u>127,430</u>	<u>(1,249)</u>	<u>(7,980)</u>	<u>207,050</u>	<u>325,251</u>	<u>81,913</u>	<u>407,164</u>
At 1 January 2011	127,430	(230)	(4,903)	171,467	293,764	73,479	367,243
Total comprehensive income	0	0	(3,791)	13,025	9,234	3,752	12,986
At 31 March 2011	<u>127,430</u>	<u>(230)</u>	<u>(8,694)</u>	<u>184,492</u>	<u>302,998</u>	<u>77,231</u>	<u>380,229</u>

* Retained profits as at 31 March 2012 amounting RM 1,249,378 (31 March 2011: RM229,587), being the total cost of the treasury shares purchased, are considered as non-distributable.
(The Unaudited Condensed Consolidated Statements of Changes In Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements)

TONG HERR RESOURCES BERHAD
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2012
 (Financial Year Ending 31 December 2012)

	<u>(Unaudited)</u> Quarter Ended 31-Mar-12 RM'000	<u>(Unaudited)</u> Quarter Ended 31-Mar-11 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	11,281	15,897
Adjustments for:-		
Non-cash items	2,972	5,538
Non-operating items	<u>(1,691)</u>	<u>(143)</u>
	12,562	21,292
Changes in working capitals	26,373	(22,647)
	<u>38,935</u>	<u>(1,355)</u>
Cash generated/(absorbed by) operations	38,935	(1,355)
Net income tax paid	(1,110)	(1,318)
	<u>37,825</u>	<u>(2,673)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipments	(4,529)	(2,010)
Interest received	<u>2,160</u>	<u>360</u>
Net cash used in investing activities	(2,369)	(1,650)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in bank borrowings, net	(7,007)	18,118
Term loans raised	4,169	-
Interest paid	(606)	(325)
Purchase of own shares	<u>(621)</u>	<u>-</u>
Net cash (used in)/from financing activities	(4,065)	17,793
	<u>31,391</u>	<u>13,470</u>
Net increase in cash and cash equivalents	31,391	13,470
Effect of exchange rate changes	(803)	(434)
Cash and cash equivalents at beginning of financial period	87,379	75,999
Cash and cash equivalents at end of financial period	<u><u>117,967</u></u>	<u><u>89,035</u></u>

Cash and cash equivalents at end of financial period comprise the following:

	<u>As at</u> 31-Mar-12 RM'000	<u>As at</u> 31-Mar-11 RM'000
Cash and bank balances	117,967	89,306
Bank overdrafts	<u>-</u>	<u>(271)</u>
	<u><u>117,967</u></u>	<u><u>89,035</u></u>

(The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.)