

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

INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2013

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the Period Ended 30 September 2013  
(Financial Year Ending 31 December 2013)

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	(Unaudited) Quarter Ended 30-Sep-13 RM'000	(Unaudited) Quarter Ended 30-Sep-12 RM'000	(Unaudited) Quarter Ended 30-Sep-13 RM'000	(Unaudited) Quarter Ended 30-Sep-12 RM'000
Revenue	138,589	112,088	395,702	380,267
Cost of Sales	<u>(119,654)</u>	<u>(101,621)</u>	<u>(346,025)</u>	<u>(345,263)</u>
<b>Gross Profit</b>	18,935	10,467	49,677	35,004
Other income	(478)	1,610	2,474	7,184
Administrative and general expenses	(4,069)	(2,755)	(10,753)	(8,217)
Distribution costs	(2,498)	(2,216)	(6,937)	(7,281)
Share of results of associates	(2,659)	(2,795)	(3,983)	(2,495)
Finance costs	<u>(429)</u>	<u>(326)</u>	<u>(1,129)</u>	<u>(1,100)</u>
<b>Profit Before Tax</b>	8,802	3,985	29,349	23,095
Income tax expenses	(3,175)	(1,889)	(6,879)	(4,741)
<b>Profit For The Period</b>	<u>5,627</u>	<u>2,096</u>	<u>22,470</u>	<u>18,354</u>
Other comprehensive income/(expenses)				
Currency translation differences for foreign operations	3,920	(2,791)	7,475	(2,797)
Share of other comprehensive income of associates	601	(1,006)	(1,866)	(495)
	4,521	(3,797)	5,609	(3,292)
Total comprehensive income for the period	<u>10,148</u>	<u>(1,701)</u>	<u>28,079</u>	<u>15,062</u>
Profit for the period attributable to:				
Owners of the Company	3,661	695	14,887	11,118
Non-controlling interests	<u>1,966</u>	<u>1,401</u>	<u>7,583</u>	<u>7,236</u>
	<u>5,627</u>	<u>2,096</u>	<u>22,470</u>	<u>18,354</u>
Total comprehensive income attributable to:				
Owners of the Company	7,112	(2,818)	18,565	8,204
Non-controlling interests	<u>3,036</u>	<u>1,117</u>	<u>9,514</u>	<u>6,858</u>
	<u>10,148</u>	<u>(1,701)</u>	<u>28,079</u>	<u>15,062</u>
Earnings per share attributable to owners of the Company:				
Basic, for profit for the period (sen)	<u>2.89</u>	<u>0.55</u>	<u>11.77</u>	<u>8.77</u>
Diluted, for profit for the period (sen)	<u>2.89</u>	<u>0.55</u>	<u>11.77</u>	<u>8.77</u>

(The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.)

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2013  
(Financial Year Ending 31 December 2013)

	(Unaudited) 30 September 2013 RM'000	(Audited) 31 December 2012 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	160,107	162,689
Prepaid lease payments	6,397	6,519
Investment in associates	55,211	57,450
	<u>221,715</u>	<u>226,658</u>
<b>Current assets</b>		
Inventories	176,862	177,533
Trade and other receivables	61,386	43,918
Prepayments	1,248	593
Current tax assets	374	2,582
Cash and cash equivalents	118,572	95,230
	<u>358,442</u>	<u>319,856</u>
<b>TOTAL ASSETS</b>	<u>580,157</u>	<u>546,514</u>
 <b>EQUITY AND LIABILITIES</b>		
Share capital	127,430	127,430
Treasury shares	(1,929)	(1,833)
Currency translation reserve	(4,043)	(7,721)
Retained profits	196,967	187,139
<b>Equity attributable to owners of the Company</b>	<u>318,425</u>	<u>305,015</u>
<b>Non-controlling interests</b>	<u>91,272</u>	<u>84,208</u>
<b>Total equity</b>	<u>409,697</u>	<u>389,223</u>
 <b>Non-current liabilities</b>		
Deferred tax liabilities	6,818	6,824
Loans and borrowings	13,524	15,958
	<u>20,342</u>	<u>22,782</u>
 <b>Current Liabilities</b>		
Loans and borrowings	125,676	104,823
Trade and other payables	21,495	28,932
Financial liabilities at fair value through profit or loss	615	104
Current tax liabilities	2,332	650
	<u>150,118</u>	<u>134,509</u>
<b>TOTAL LIABILITIES</b>	<u>170,460</u>	<u>157,291</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>580,157</u>	<u>546,514</u>
 <b>Net assets per share attributable to owners of the Company (sen)</b>		
	<u>252</u>	<u>241</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 2012 and the accompanying explanatory notes attached to the interim financial statements.)

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

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 30 SEPTEMBER 2013  
(Financial Year Ending 31 December 2013)

	Non-Distributable			Distributable*		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)	Equity attributable to owners of the Company (RM'000)		
<b>At 1 January 2013</b>	127,430	(1,833)	(7,721)	187,139	305,015	84,208	389,223
Total comprehensive income	0	0	3,678	14,887	18,565	9,514	28,079
Purchase of own shares	0	(96)	0	0	(96)	0	(96)
Dividends paid:-							
- Owners of the Company	0	0	0	(5,059)	(5,059)	0	(5,059)
- Non-controlling interests	0	0	0	0	0	(2,450)	(2,450)
<b>At 30 September 2013</b>	<u>127,430</u>	<u>(1,929)</u>	<u>(4,043)</u>	<u>196,967</u>	<u>318,425</u>	<u>91,272</u>	<u>409,697</u>
<b>At 1 January 2012</b>	127,430	(628)	(6,241)	200,382	320,943	79,394	400,337
Total comprehensive income	0	0	(2,914)	11,118	8,204	6,858	15,062
Purchase of own shares	0	(635)	0	0	(635)	0	(635)
Issue of shares to non-controlling interests	0	0	0	0	0	28,651	28,651
Dividends paid:-							
- Owners of the Company	0	0	0	(27,897)	(27,897)	0	(27,897)
- Non-controlling interests	0	0	0	0	0	(30,139)	(30,139)
<b>At 30 September 2012</b>	<u>127,430</u>	<u>(1,263)</u>	<u>(9,155)</u>	<u>183,603</u>	<u>300,615</u>	<u>84,764</u>	<u>385,379</u>

\* Retained profits as at 30 September 2013 amounting RM 1,929,103 (30 September 2012: RM1,263,156), 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 2012 and the accompanying explanatory notes attached to the interim financial statements)

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

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE PERIOD ENDED 30 SEPTEMBER 2013  
(Financial Year Ending 31 December 2013)

	(Unaudited) Quarter Ended 30-Sep-13 RM'000	(Unaudited) Quarter Ended 30-Sep-12 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	29,349	23,095
Adjustments for:-		
Non-cash items	20,967	14,922
Non-operating items	(645)	(735)
	49,671	37,282
Changes in working capitals	(28,344)	62,131
Cash generated from operations	21,327	99,413
Net income tax paid	(2,995)	(3,692)
Net cash from operating activities	18,332	95,721
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipments	(5,988)	(30,445)
Proceeds from disposal of property, plant and equipments	22	0
Interest received	1,796	1,904
Net cash used in investing activities	(4,170)	(28,541)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase/(Decrease) in bank borrowings, net	19,114	(36,209)
Term loans (repaid)/raised	(1,575)	11,762
Dividends paid to shareholders of the Company	(5,059)	(27,897)
Dividends paid to non-controlling interests	(2,450)	(30,139)
Issue of shares to non-controlling interests	0	28,651
Interest paid	(1,110)	(1,501)
Purchase of own shares	(96)	(635)
Increase of fixed deposits pledged	0	(575)
Net cash from/(used in) financing activities	8,824	(56,543)
Net increase in cash and cash equivalents	22,986	10,637
Effect of exchange rate changes	356	(228)
Cash and cash equivalents at beginning of financial period	94,655	87,379
Cash and cash equivalents at end of financial period	117,997	97,788

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

	As at 30-Sep-13 RM'000	As at 30-Sep-12 RM'000
Cash and bank balances	118,572	98,363
Less: Fixed deposits pledged with bank	(575)	(575)
	117,997	97,788

(The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.)