

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

INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2014

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the Year Ended 31 December 2014
(Financial Year Ended 31 December 2014)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	(Unaudited) Quarter Ended 31-Dec-14 RM'000	(Unaudited) Quarter Ended 31-Dec-13 RM'000	(Unaudited) Quarter Ended 31-Dec-14 RM'000	(Audited) Quarter Ended 31-Dec-13 RM'000
Revenue	149,945	124,297	562,439	519,999
Cost of Sales	<u>(131,620)</u>	<u>(112,336)</u>	<u>(483,662)</u>	<u>(458,351)</u>
Gross Profit	18,325	11,961	78,777	61,648
Other income	1,635	1,150	6,052	3,624
Distribution costs	(4,618)	(5,561)	(13,794)	(12,277)
Administrative and general expenses	(8,452)	(5,340)	(16,255)	(16,314)
Finance costs	(586)	(240)	(1,965)	(1,617)
Share of results of associates	<u>(2,436)</u>	<u>(488)</u>	<u>(2,005)</u>	<u>(4,223)</u>
Profit Before Tax	3,868	1,482	50,810	30,841
Tax expenses	100	994	(8,980)	(6,111)
Profit For The Period	<u>3,968</u>	<u>2,476</u>	<u>41,830</u>	<u>24,730</u>
Other comprehensive income				
Currency translation differences for foreign operations	10,216	(3,790)	11,809	3,685
Share of other comprehensive income of associates	(672)	172	(1,458)	(1,693)
Reclassification adjustment upon change in ownership in associates	0	228	0	228
	9,544	(3,390)	10,351	2,220
Total comprehensive income for the period	<u>13,512</u>	<u>(914)</u>	<u>52,181</u>	<u>26,950</u>
Profit for the period attributable to:				
Owners of the Company	3,280	2,817	30,138	17,596
Non-controlling interests	688	(341)	11,692	7,134
	<u>3,968</u>	<u>2,476</u>	<u>41,830</u>	<u>24,730</u>
Total comprehensive income attributable to:				
Owners of the Company	10,176	1,588	37,097	20,046
Non-controlling interests	3,336	(2,502)	15,084	6,904
	<u>13,512</u>	<u>(914)</u>	<u>52,181</u>	<u>26,950</u>
Earnings per share attributable to owners of the Company:				
Basic, for profit for the period (sen)	<u>2.59</u>	<u>2.23</u>	<u>23.84</u>	<u>13.91</u>
Diluted, for profit for the period (sen)	<u>2.59</u>	<u>2.23</u>	<u>23.84</u>	<u>13.91</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 2013 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 31 DECEMBER 2014
(Financial Year Ended 31 December 2014)

	(Unaudited) 31 December 2014 RM'000	(Audited) 31 December 2013 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	145,578	153,717
Prepaid lease payments	6,193	6,356
Investment in associates	76,691	75,131
Deferred tax assets	40	0
	<u>228,502</u>	<u>235,204</u>
Current assets		
Inventories	256,616	178,836
Trade and other receivables	61,029	49,533
Financial assets at fair value through profit or loss	405	0
Prepayments	1,281	1,260
Current tax assets	146	82
Cash and cash equivalents	127,599	103,911
	<u>447,076</u>	<u>333,622</u>
TOTAL ASSETS	<u>675,578</u>	<u>568,826</u>
EQUITY AND LIABILITIES		
Share capital	127,430	127,430
Treasury shares	(1,961)	(1,929)
Currency translation reserve	1,688	(5,271)
Retained profits	215,908	199,676
Equity attributable to owners of the Company	<u>343,065</u>	<u>319,906</u>
Non-controlling interests	<u>96,196</u>	<u>86,212</u>
Total equity	<u>439,261</u>	<u>406,118</u>
Non-current liabilities		
Deferred tax liabilities	4,747	5,512
Loans and borrowings	5,808	12,761
	<u>10,555</u>	<u>18,273</u>
Current Liabilities		
Loans and borrowings	188,874	118,277
Trade and other payables	33,970	24,373
Financial liabilities at fair value through profit or loss	-	542
Current tax liabilities	2,918	1,243
	<u>225,762</u>	<u>144,435</u>
TOTAL LIABILITIES	<u>236,317</u>	<u>162,708</u>
TOTAL EQUITY AND LIABILITIES	<u>675,578</u>	<u>568,826</u>
Net assets per share attributable to owners of the Company (sen)	<u>271</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 2013 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 Year Ended 31 December 2014
(Financial Year Ended 31 December 2014)

	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)		
At 1 January 2014	127,430	(1,929)	(5,271)	199,676	319,906	86,212	406,118
Total comprehensive income	0	0	6,959	30,138	37,097	15,084	52,181
Purchase of own shares	0	(32)	0	0	(32)	0	(32)
Dividends paid:-							
- Owners of the Company	0	0	0	(13,906)	(13,906)	0	(13,906)
- Non-controlling interests	0	0	0	0	0	(5,100)	(5,100)
At 31 December 2014	<u>127,430</u>	<u>(1,961)</u>	<u>1,688</u>	<u>215,908</u>	<u>343,065</u>	<u>96,196</u>	<u>439,261</u>
At 1 January 2013	127,430	(1,833)	(7,721)	187,139	305,015	84,208	389,223
Total comprehensive income	0	0	2,450	17,596	20,046	6,904	26,950
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	(4,900)	(4,900)
At 31 December 2013	<u>127,430</u>	<u>(1,929)</u>	<u>(5,271)</u>	<u>199,676</u>	<u>319,906</u>	<u>86,212</u>	<u>406,118</u>

* Treasury shares as at 31 December 2014 amounting RM 1,961,125 (31 December 2013: RM1,929,107), 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 2013 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 DECEMBER 2014
(Financial Year Ended 31 December 2014)

	(Unaudited) Quarter Ended 31-Dec-14 RM'000	(Audited) Quarter Ended 31-Dec-13 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	50,810	30,841
Adjustments for:-		
Non-cash items	26,381	24,851
Non-operating items	(915)	(1,017)
	76,276	54,675
Changes in working capitals	(79,998)	(12,664)
	(3,722)	42,011
Cash (used in)/ generated from operations	(3,722)	42,011
Net income tax paid	(8,173)	(4,330)
Net cash (used in)/ from operating activities	(11,895)	37,681
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipments	(4,138)	(7,861)
Proceeds from disposal of property, plant and equipments	20	66
Additional investment in associate	0	(19,043)
Interest received	2,880	2,677
Net cash used in investing activities	(1,238)	(24,161)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in bank borrowings, net	61,612	10,087
Term loans repaid	(5,755)	(3,186)
Dividends paid to shareholders of the Company	(13,906)	(5,059)
Dividends paid to non-controlling interests	(5,100)	(4,900)
Interest paid	(1,902)	(1,746)
Purchase of own shares	(32)	(96)
Decrease of fixed deposits pledged	(17)	(51)
Net cash from/(used in) financing activities	34,900	(4,951)
Net increase in cash and cash equivalents	21,767	8,569
Effect of exchange rate changes	1,904	61
Cash and cash equivalents at beginning of financial period	103,285	94,655
Cash and cash equivalents at end of financial period	126,956	103,285

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

	As at 31-Dec-14 RM'000	As at 31-Dec-13 RM'000
Cash and bank balances	127,599	103,911
Less: Fixed deposits pledged with bank	(643)	(626)
	126,956	103,285

(The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements.)