

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

INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2015

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the Period Ended 30 JUNE 2015  
(Financial Year Ending 31 December 2015)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	(Unaudited) Quarter Ended 30-Jun-15 RM'000	(Unaudited) Quarter Ended 30-Jun-14 RM'000	(Unaudited) Quarter Ended 30-Jun-15 RM'000	(Unaudited) Quarter Ended 30-Jun-14 RM'000
Revenue	142,451	132,332	301,279	265,901
Cost of Sales	<u>(127,745)</u>	<u>(111,902)</u>	<u>(265,900)</u>	<u>(226,162)</u>
<b>Gross Profit</b>	14,706	20,430	35,379	39,739
Other income	(381)	1,022	4,884	2,023
Distribution costs	(2,714)	(2,973)	(5,856)	(5,416)
Administrative and general expenses	(3,245)	(2,164)	(8,731)	(4,380)
Finance costs	(500)	(586)	(1,024)	(1,122)
Share of results of associates	<u>(3,967)</u>	<u>550</u>	<u>(6,398)</u>	<u>165</u>
<b>Profit Before Tax</b>	3,899	16,279	18,254	31,009
Tax expenses	(2,673)	(2,999)	(5,924)	(6,011)
<b>Profit For The Period</b>	<u>1,226</u>	<u>13,280</u>	<u>12,330</u>	<u>24,998</u>
Other comprehensive income				
Currency translation differences for foreign operations	(524)	(3,194)	12,008	(2,347)
Share of other comprehensive income of associates	80	(761)	(52)	(930)
	(444)	(3,955)	11,956	(3,277)
Total comprehensive income for the period	<u>782</u>	<u>9,325</u>	<u>24,286</u>	<u>21,721</u>
Profit for the period attributable to:				
Owners of the Company	801	9,676	8,144	18,089
Non-controlling interests	425	3,604	4,186	6,909
	<u>1,226</u>	<u>13,280</u>	<u>12,330</u>	<u>24,998</u>
Total comprehensive income attributable to:				
Owners of the Company	1,353	6,707	17,095	15,255
Non-controlling interests	(571)	2,618	7,191	6,466
	<u>782</u>	<u>9,325</u>	<u>24,286</u>	<u>21,721</u>
Earnings per share attributable to owners of the Company:				
Basic, for profit for the period (sen)	<u>0.63</u>	<u>7.65</u>	<u>6.45</u>	<u>14.31</u>
Diluted, for profit for the period (sen)	<u>0.63</u>	<u>7.65</u>	<u>6.45</u>	<u>14.31</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 2014 and the accompanying explanatory notes attached to the interim financial statements.)

TONG HERR RESOURCES BERHAD  
(Company No.432139-W)  
(Incorporated in Malaysia)  
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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2015  
(Financial Year Ending 31 December 2015)

	(Unaudited) 30 June 2015 RM'000	(Audited) 31 December 2014 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	149,804	145,578
Prepaid lease payments	6,112	6,193
Investment in associates	76,241	76,691
Deferred tax assets	40	40
	<u>232,197</u>	<u>228,502</u>
<b>Current assets</b>		
Inventories	228,037	256,596
Trade and other receivables	58,088	61,036
Financial assets at fair value through profit or loss	179	544
Prepayments	1,574	1,280
Current tax assets	124	146
Cash and cash equivalents	124,757	127,599
	<u>412,759</u>	<u>447,201</u>
<b>TOTAL ASSETS</b>	<u><b>644,956</b></u>	<u><b>675,703</b></u>
 <b>EQUITY AND LIABILITIES</b>		
Share capital	127,430	127,430
Treasury shares	(2,294)	(1,961)
Currency translation reserve	10,638	1,687
Retained profits	216,545	215,976
<b>Equity attributable to owners of the Company</b>	<u>352,319</u>	<u>343,132</u>
<b>Non-controlling interests</b>	<u>103,349</u>	<u>96,158</u>
<b>Total equity</b>	<u>455,668</u>	<u>439,290</u>
 <b>Non-current liabilities</b>		
Deferred tax liabilities	4,733	5,808
Loans and borrowings	2,621	4,781
	<u>7,354</u>	<u>10,589</u>
 <b>Current Liabilities</b>		
Loans and borrowings	155,356	188,875
Trade and other payables	22,399	33,950
Current tax liabilities	4,179	2,999
	<u>181,934</u>	<u>225,824</u>
<b>TOTAL LIABILITIES</b>	<u>189,288</u>	<u>236,413</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><b>644,956</b></u>	<u><b>675,703</b></u>
 <b>Net assets per share attributable to owners of the Company (sen)</b>	 <u><u>279</u></u>	 <u><u>271</u></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 2014 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 30 JUNE 2015  
(Financial Year Ending 31 December 2015)

	Share Capital (RM'000)	Treasury Shares (RM'000)	Non-Distributable	Distributable*	Equity attributable to owners of the Company (RM'000)	Non-controlling interests (RM'000)	Total Equity (RM'000)
			Currency Translation Reserves (RM'000)	Retained profits (RM'000)			
<b>At 1 January 2015</b>	127,430	(1,961)	1,687	215,976	343,132	96,158	439,290
Total comprehensive income	0	0	8,951	8,144	17,095	7,191	24,286
Purchase of own shares	0	(333)	0	0	(333)	0	(333)
Dividends paid:- - Owners of the Company	0	0	0	(7,575)	(7,575)	0	(7,575)
<b>At 30 June 2015</b>	<u>127,430</u>	<u>(2,294)</u>	<u>10,638</u>	<u>216,545</u>	<u>352,319</u>	<u>103,349</u>	<u>455,668</u>
<b>At 1 January 2014</b>	127,430	(1,929)	(5,271)	199,676	319,906	86,212	406,118
Total comprehensive income	0	0	(2,834)	18,089	15,255	6,466	21,721
Purchase of own shares	0	(17)	0	0	(17)	0	(17)
Dividends paid:- - Owners of the Company - Non-controlling interests	0 0	0 0	0 0	(6,321) 0	(6,321) 0	0 (2,450)	(6,321) (2,450)
<b>At 30 June 2014</b>	<u>127,430</u>	<u>(1,946)</u>	<u>(8,105)</u>	<u>211,444</u>	<u>328,823</u>	<u>90,228</u>	<u>419,051</u>

\* Treasury shares as at 30 June 2015 amounting RM2,294,020 (30 June 2014: RM1,945,829), 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 2014 and the accompanying explanatory notes attached to the interim financial statements)

**TONG HERR RESOURCES BERHAD**  
 (Company No.432139-W)  
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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED 30 JUNE 2015**  
 (Financial Year Ending 31 December 2015)

	(Unaudited) Quarter Ended 30-Jun-15 RM'000	(Unaudited) Quarter Ended 30-Jun-14 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	18,254	31,009
Adjustments for:-		
Non-cash items	18,128	8,172
Non-operating items	(142)	648
	36,240	39,829
Changes in working capitals	19,997	(43,904)
	56,237	(4,075)
Cash generated from/ (used in) operations	56,237	(4,075)
Net income tax paid	(4,777)	(3,441)
	51,460	(7,516)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipments	(8,872)	(2,830)
Proceeds from disposal of property, plant and equipments	96	0
Interest received	1,167	1,103
	(7,609)	(1,727)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
(Decrease)/ Increase in bank borrowings, net	(31,436)	33,600
Repayment of term loans	(8,648)	(3,396)
Repayment of hire purchase and lease creditor	(13)	0
Dividends paid to shareholders of the Company	(7,575)	(6,321)
Dividends paid to non-controlling interests	0	(2,450)
Interest paid	(867)	(1,062)
Purchase of own shares	(333)	(17)
Increase of fixed deposits pledged	(1,428)	626
	(50,300)	20,980
Net cash (used in)/ from financing activities	(50,300)	20,980
Net (decrease)/ increase in cash and cash equivalents	(6,449)	11,737
Effect of exchange rate changes	2,179	(438)
Cash and cash equivalents at beginning of financial period	126,955	103,285
	122,685	114,584
Cash and cash equivalents at end of financial period	122,685	114,584

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

	As at 30-Jun-15 RM'000	As at 30-Jun-14 RM'000
Cash and bank balances	124,757	114,584
Less: Fixed deposits pledged with bank	(2,072)	0
	122,685	114,584

(The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.)