

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

INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2017

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the Period Ended 31 MARCH 2017  
(Financial Year Ending 31 December 2017)

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	(Unaudited) Quarter Ended 31-Mar-17 RM'000	(Unaudited) Quarter Ended 31-Mar-16 RM'000	(Unaudited) Quarter Ended 31-Mar-17 RM'000	(Unaudited) Quarter Ended 31-Mar-16 RM'000
Revenue	156,839	142,436	156,839	142,436
Cost of Sales	(125,927)	(125,814)	(125,927)	(125,814)
<b>Gross Profit</b>	<u>30,912</u>	<u>16,622</u>	<u>30,912</u>	<u>16,622</u>
Other income	4,072	17,961	4,072	17,961
Distribution costs	(2,838)	(2,347)	(2,838)	(2,347)
Administrative and general expenses	(4,265)	(9,868)	(4,265)	(9,868)
Finance costs	(276)	(289)	(276)	(289)
Share of results of associates	0	0	0	0
<b>Profit Before Tax</b>	<u>27,605</u>	<u>22,079</u>	<u>27,605</u>	<u>22,079</u>
Tax expenses	(5,355)	(3,112)	(5,355)	(3,112)
<b>Profit For The Period</b>	<u>22,250</u>	<u>18,967</u>	<u>22,250</u>	<u>18,967</u>
Other comprehensive income				
Currency translation differences for foreign operations	4,278	(9,803)	4,278	(9,803)
Reclassification adjustment upon disposal of foreign operations	0	(11,780)	0	(11,780)
	4,278	(21,583)	4,278	(21,583)
Total comprehensive income for the period	<u>26,528</u>	<u>(2,616)</u>	<u>26,528</u>	<u>(2,616)</u>
Profit for the period attributable to:				
Owners of the Company	19,456	16,484	19,456	16,484
Non-controlling interests	2,794	2,483	2,794	2,483
	<u>22,250</u>	<u>18,967</u>	<u>22,250</u>	<u>18,967</u>
Total comprehensive income attributable to:				
Owners of the Company	23,735	(211)	23,735	(211)
Non-controlling interests	2,793	(2,405)	2,793	(2,405)
	<u>26,528</u>	<u>(2,616)</u>	<u>26,528</u>	<u>(2,616)</u>
Earnings per share attributable to owners of the Company:				
Basic, for profit for the period (sen)	<u>12.58</u>	<u>13.21</u>	<u>12.58</u>	<u>13.21</u>
Diluted, for profit for the period (sen)	<u>12.58</u>	<u>13.21</u>	<u>12.58</u>	<u>13.21</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 2016 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 MARCH 2017  
(Financial Year Ending 31 December 2017)

	(Unaudited) 31 March 2017 RM'000	(Audited) 31 December 2016 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	143,017	144,423
Prepaid lease payments	5,826	5,867
	<u>148,843</u>	<u>150,290</u>
<b>Current assets</b>		
Inventories	227,624	228,253
Trade and other receivables	64,432	78,291
Financial assets at fair value through profit or loss	0	898
Prepayments	1,173	1,298
Current tax assets	64	141
Cash and cash equivalents	181,566	151,010
	<u>474,859</u>	<u>459,891</u>
<b>TOTAL ASSETS</b>	<u>623,702</u>	<u>610,181</u>
 <b>EQUITY AND LIABILITIES</b>		
Share capital	157,430	157,430
Treasury shares	(5,290)	(5,290)
Share premium	28,500	28,500
Currency translation reserve	32,716	28,437
Retained profits	243,603	224,147
<b>Equity attributable to owners of the Company</b>	<u>456,959</u>	<u>433,224</u>
<b>Non-controlling interests</b>	<u>42,575</u>	<u>39,782</u>
<b>Total equity</b>	<u>499,534</u>	<u>473,006</u>
 <b>Non-current liabilities</b>		
Deferred tax liabilities	5,155	5,205
Loans and borrowings	34	49
	<u>5,189</u>	<u>5,254</u>
 <b>Current Liabilities</b>		
Loans and borrowings	94,820	106,164
Trade and other payables	17,009	22,718
Financial liabilities at fair value through profit or loss	195	0
Current tax liabilities	6,955	3,039
	<u>118,979</u>	<u>131,921</u>
<b>TOTAL LIABILITIES</b>	<u>124,168</u>	<u>137,175</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>623,702</u>	<u>610,181</u>
 <b>Net assets per share attributable to owners of the Company (sen)</b>		
	<u>295</u>	<u>280</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 2016 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 2017  
(Financial Year Ending 31 December 2017)

	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)	Shares Premium (RM'000)	Currency Translation Reserves (RM'000)				Retained profits (RM'000)
<b>At 1 January 2017</b>	157,430	(5,290)	28,500	28,437	224,147	433,224	39,782	473,006
Total comprehensive income	0	0	0	4,279	19,456	23,735	2,793	26,528
Purchase of own shares	0	0	0	0	0	0	0	0
<b>At 31 March 2017</b>	<u>157,430</u>	<u>(5,290)</u>	<u>28,500</u>	<u>32,716</u>	<u>243,603</u>	<u>456,959</u>	<u>42,575</u>	<u>499,534</u>
<b>At 1 January 2016</b>	127,430	(3,931)	0	22,075	205,292	350,866	107,669	458,535
Total comprehensive income	0	0	0	(16,695)	16,484	(211)	(2,405)	(2,616)
Purchase of own shares	0	(1,359)	0	0	0	(1,359)	0	(1,359)
<b>At 31 March 2016</b>	<u>127,430</u>	<u>(5,290)</u>	<u>0</u>	<u>5,380</u>	<u>221,776</u>	<u>349,296</u>	<u>105,264</u>	<u>454,560</u>

(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 2015 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 2017**  
 (Financial Year Ending 31 December 2017)

	(Unaudited) Year Ended 31-Mar-17 RM'000	(Unaudited) Year Ended 31-Mar-16 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	27,605	22,079
Adjustments for:-		
Non-cash items	2,884	(10,501)
Non-operating items	(576)	(329)
	29,913	11,249
Changes in working capitals	11,226	30,188
	41,139	41,437
Cash generated from operations	41,139	41,437
Net income tax paid	(1,413)	(2,030)
Net cash generated from operating activities	39,726	39,407
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipments	(582)	(2,094)
Proceeds from disposal of property, plant and equipments	74	0
Proceeds from disposal of foreign operations	0	49,050
Interest received	852	618
Net cash generated from investing activities	344	47,574
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Decrease in bank borrowings, net	(11,037)	(33,725)
Repayment of term loans	0	(2,531)
Repayment of hire purchase and lease creditor	(61)	(9)
Interest paid	(276)	(289)
Purchase of own shares	0	(1,359)
Increase of fixed deposits pledged	0	(55)
Net Cash used in financing activities	(11,374)	(37,968)
Net increase in cash and cash equivalents	28,696	49,013
Effect of exchange rate changes	1,860	(3,720)
Cash and cash equivalents at beginning of financial period	151,010	99,235
Cash and cash equivalents at end of financial period	<u>181,566</u>	<u>144,528</u>

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

	As at 31-Mar-17 RM'000	As at 31-Mar-16 RM'000
Cash and bank balances	181,566	146,663
Less: Fixed deposits pledged with bank	0	(2,135)
	<u>181,566</u>	<u>144,528</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 2016 and the accompanying explanatory notes attached to the interim financial statements.)