

TONG HERR RESOURCES BERHAD
(Company No.432139-W)

INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2019

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019
(Financial Year Ending 31 December 2019)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	(Unaudited) Quarter Ended 31-Mar-19 RM'000	(Unaudited) Quarter Ended 31-Mar-18 RM'000	(Unaudited) Quarter Ended 31-Mar-19 RM'000	(Unaudited) Quarter Ended 31-Mar-18 RM'000
Revenue	170,560	200,060	170,560	200,060
Cost of Sales	(158,269)	(173,549)	(158,269)	(173,549)
Gross Profit	<u>12,291</u>	<u>26,511</u>	<u>12,291</u>	<u>26,511</u>
Interest Income	670	674	670	674
Other income	2,373	1,910	2,373	1,910
Distribution costs	(4,075)	(2,863)	(4,075)	(2,863)
Administrative and general expenses	(3,786)	(3,895)	(3,786)	(3,895)
Finance costs	(680)	(435)	(680)	(435)
Profit Before Tax	<u>6,793</u>	<u>21,902</u>	<u>6,793</u>	<u>21,902</u>
Tax expenses	(1,544)	(3,925)	(1,544)	(3,925)
Profit For The Period	<u>5,249</u>	<u>17,977</u>	<u>5,249</u>	<u>17,977</u>
Other comprehensive income				
Currency translation differences for foreign operations	2,766	(445)	2,766	(445)
Total comprehensive income for the period	<u>8,015</u>	<u>17,532</u>	<u>8,015</u>	<u>17,532</u>
Profit for the period attributable to:				
Owners of the Company	4,585	16,531	4,585	16,531
Non-controlling interests	664	1,446	664	1,446
	<u>5,249</u>	<u>17,977</u>	<u>5,249</u>	<u>17,977</u>
Total comprehensive income attributable to:				
Owners of the Company	7,351	15,460	7,351	16,086
Non-controlling interests	664	2,072	664	1,446
	<u>8,015</u>	<u>17,532</u>	<u>8,015</u>	<u>17,532</u>
Earnings per share attributable to owners of the Company:				
Basic, for profit for the period (sen)	<u>2.97</u>	<u>10.70</u>	<u>2.97</u>	<u>10.70</u>
Diluted, for profit for the period (sen)	<u>2.97</u>	<u>10.70</u>	<u>2.97</u>	<u>10.70</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 2018 and the accompanying explanatory notes attached to the interim financial statements.)

TONG HERR RESOURCES BERHAD
(Company No.432139-W)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2019
(Financial Year Ending 31 December 2019)

	(Unaudited) 31 March 2019 RM'000	(Audited) 31 December 2018 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	147,350	136,189
Right-of-use assets	14,627	5,541
Other investment	7,579	7,579
	169,556	149,309
Current assets		
Inventories	283,707	314,636
Trade and other receivables	65,357	82,678
Derivatives	405	379
Prepayments	2,108	1,477
Current tax assets	90	89
Cash and cash equivalents	107,750	118,166
	459,417	517,425
TOTAL ASSETS	628,973	666,734
 EQUITY AND LIABILITIES		
Share capital	185,930	185,930
Treasury shares	(5,881)	(5,881)
Legal reserve	4,465	4,465
Currency translation reserve	33,754	30,988
Retained profits	243,639	239,054
Equity attributable to owners of the Company	461,907	454,556
Non-controlling interests	44,246	43,582
Total equity	506,153	498,138
 Non-current liabilities		
Loans and borrowings	5,963	6,597
Lease liabilities	947	0
Deferred tax liabilities	4,560	4,589
	11,470	11,186
 Current Liabilities		
Trade and other payables	34,387	30,312
Derivatives	0	25
Loans and borrowings	72,432	121,829
Lease liabilities	212	0
Current tax liabilities	4,319	5,244
	111,350	157,410
TOTAL LIABILITIES	122,820	168,596
TOTAL EQUITY AND LIABILITIES	628,973	666,734
 Net assets per share attributable to owners of the Company (sen)		
	299	294

(The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.)

TONG HERR RESOURCES BERHAD
(Company No.432139-W)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019
(Financial Year Ending 31 December 2019)

	Share Capital	Treasury Shares	Legal Reserve	Currency Translation Reserves	Distributable* Retained profits	Equity attributable to owners of the Company	Non-controlling interests	Total Equity
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
At 1 January 2019	185,930	(5,881)	4,465	30,988	239,054	454,556	43,582	498,138
Total comprehensive income	0	0	0	2,766	4,585	7,351	664	8,015
At 31 March 2019	<u>185,930</u>	<u>(5,881)</u>	<u>4,465</u>	<u>33,754</u>	<u>243,639</u>	<u>461,907</u>	<u>44,246</u>	<u>506,153</u>
At 1 January 2018	185,930	(5,290)	3,292	26,681	219,506	430,119	43,509	473,628
Total comprehensive income	0	0	0	(445)	16,531	16,086	1,446	17,532
Purchase of own shares	0	(395)	0	0	0	(395)	0	(395)
At 31 March 2018	<u>185,930</u>	<u>(5,685)</u>	<u>3,292</u>	<u>26,236</u>	<u>236,037</u>	<u>445,810</u>	<u>44,955</u>	<u>490,765</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 2018 and the accompanying explanatory notes attached to the interim financial statements)

TONG HERR RESOURCES BERHAD
(Company No.432139-W)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019
(Financial Year Ending 31 December 2019)

	(Unaudited) Quarter Ended 31-Mar-19 RM'000	(Unaudited) Quarter Ended 31-Mar-18 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	6,793	21,902
Adjustments for:-		
Non-cash items	(990)	2,979
Non-operating items	10	(239)
	<u>5,813</u>	<u>24,642</u>
Changes in working capitals	56,849	11,079
	<u>62,662</u>	<u>35,721</u>
Cash generated from operations	62,662	35,721
Net income tax paid	(2,500)	(3,244)
	<u>60,162</u>	<u>32,477</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipments	(22,070)	(455)
Interest received	670	674
Net cash (used in)/generated from investing activities	<u>(21,400)</u>	<u>219</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
(Decrease)/Increase in bank borrowings, net	(50,052)	5,153
Payment of lease liabilities	(71)	(8)
Dividends paid to non-controlling interests	0	(1,470)
Interest paid	(863)	(599)
Purchase of own shares	0	(395)
Net cash (used in)/generated from financing activities	<u>(50,986)</u>	<u>2,681</u>
Net (decrease)/increase in cash and cash equivalents	(12,224)	35,377
Effect of exchange rate changes	1,837	(455)
Cash and cash equivalents at beginning of financial period	118,137	92,194
Cash and cash equivalents at end of financial period	<u>107,750</u>	<u>127,116</u>

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

	As at 31-Mar-19 RM'000	As at 31-Mar-18 RM'000
Cash and bank balances	<u>107,750</u>	<u>127,116</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 2018 and the accompanying explanatory notes attached to the interim financial statements.)