

TONG HERR RESOURCES BERHAD  
Registration no. 199701016642 (432139-W)

INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2020

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2020  
(Financial Year Ending 31 December 2020)

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	(Unaudited) Quarter Ended 31-Mar-20 RM'000	(Unaudited) Quarter Ended 31-Mar-19 RM'000	(Unaudited) Quarter Ended 31-Mar-20 RM'000	(Unaudited) Quarter Ended 31-Mar-19 RM'000
Revenue	171,429	170,560	171,429	170,560
Cost of Sales	<u>(150,351)</u>	<u>(158,269)</u>	<u>(150,351)</u>	<u>(158,269)</u>
<b>Gross Profit</b>	21,078	12,291	21,078	12,291
Interest Income	691	670	691	670
Other income	1,541	2,373	1,541	2,373
Distribution costs	(2,912)	(4,075)	(2,912)	(4,075)
Administrative and general expenses	(4,538)	(3,786)	(4,538)	(3,786)
Finance costs	<u>(440)</u>	<u>(680)</u>	<u>(440)</u>	<u>(680)</u>
<b>Profit Before Tax</b>	15,420	6,793	15,420	6,793
Tax expenses	(2,414)	(1,544)	(2,414)	(1,544)
<b>Profit For The Period</b>	<u>13,006</u>	<u>5,249</u>	<u>13,006</u>	<u>5,249</u>
Other comprehensive income				
Currency translation differences for foreign operations	(8,760)	2,766	(8,760)	2,766
Total comprehensive income for the period	<u>4,246</u>	<u>8,015</u>	<u>4,246</u>	<u>8,015</u>
Profit for the period attributable to:				
Owners of the Company	11,807	4,585	11,807	4,585
Non-controlling interests	<u>1,199</u>	<u>664</u>	<u>1,199</u>	<u>664</u>
	<u>13,006</u>	<u>5,249</u>	<u>13,006</u>	<u>5,249</u>
Total comprehensive income attributable to:				
Owners of the Company	3,047	7,351	3,047	7,351
Non-controlling interests	<u>1,199</u>	<u>664</u>	<u>1,199</u>	<u>664</u>
	<u>4,246</u>	<u>8,015</u>	<u>4,246</u>	<u>8,015</u>
Earnings per share attributable to owners of the Company:				
Basic, for profit for the period (sen)	<u>7.69</u>	<u>2.97</u>	<u>7.69</u>	<u>2.97</u>
Diluted, for profit for the period (sen)	<u>7.69</u>	<u>2.97</u>	<u>7.69</u>	<u>2.97</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 2019 and the accompanying explanatory notes attached to the interim financial statements.)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2020  
(Financial Year Ending 31 December 2020)

	(Unaudited) 31 March 2020 RM'000	(Audited) 31 December 2019 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	154,774	162,717
Right-of-use assets	13,794	13,959
Other investment	7,300	7,300
Deferred tax assets	237	246
	176,105	184,222
<b>Current assets</b>		
Inventories	241,094	275,065
Trade and other receivables	50,890	64,698
Derivatives	79	156
Prepayments	2,063	1,952
Current tax assets	1,489	2,168
Cash and cash equivalents	161,773	137,615
	457,388	481,654
<b>TOTAL ASSETS</b>	633,493	665,876
 <b>EQUITY AND LIABILITIES</b>		
Share capital	185,930	185,930
Treasury shares	(8,190)	(8,070)
Legal reserve	5,993	5,993
Currency translation reserve	38,089	46,849
Retained profits	250,565	238,758
<b>Equity attributable to owners of the Company</b>	472,387	469,460
<b>Non-controlling interests</b>	46,513	46,539
<b>Total equity</b>	518,900	515,999
 <b>Non-current liabilities</b>		
Deferred tax liabilities	4,428	4,481
Loans and borrowings	19,108	20,427
Lease liabilities	476	542
Retirement benefits	817	815
	24,829	26,265
 <b>Current Liabilities</b>		
Derivatives	59	27
Trade and other payables	16,431	30,046
Loans and borrowings	71,180	92,150
Lease liabilities	259	256
Current tax liabilities	1,835	1,133
	89,764	123,612
<b>TOTAL LIABILITIES</b>	114,593	149,877
<b>TOTAL EQUITY AND LIABILITIES</b>	633,493	665,876
 <b>Net assets per share attributable to owners of the Company (sen)</b>		
	308	306

(The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements.)

TONG HERR RESOURCES BERHAD  
Registration no. 199701016642 (432139-W)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2020  
(Financial Year Ending 31 December 2020)

	<b>Share Capital</b>	<b>Treasury Shares</b>	<b>Legal Reserve</b>	<b>Currency Translation Reserves</b>	<b>Distributable* Retained profits</b>	<b>Equity attributable to owners of the Company</b>	<b>Non-controlling interests</b>	<b>Total Equity</b>
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
<b>At 1 January 2020</b>	185,930	(8,070)	5,993	46,849	238,758	469,460	46,539	515,999
Total comprehensive income	0	0	0	(8,760)	11,807	3,047	1,199	4,246
Purchase of own shares	0	(120)	0	0	0	(120)	0	(120)
Dividends paid:- - Non-controlling interests	0	0	0	0	0	0	(1,225)	(1,225)
<b>At 31 March 2020</b>	<b>185,930</b>	<b>(8,190)</b>	<b>5,993</b>	<b>38,089</b>	<b>250,565</b>	<b>472,387</b>	<b>46,513</b>	<b>518,900</b>
<b>At 1 January 2019</b>	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
<b>At 31 March 2019</b>	<b>185,930</b>	<b>(5,881)</b>	<b>4,465</b>	<b>33,754</b>	<b>243,639</b>	<b>461,907</b>	<b>44,246</b>	<b>506,153</b>

(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  
Registration no. 199701016642 (432139-W)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2020  
(Financial Year Ending 31 December 2020)

	(Unaudited) Quarter Ended 31-Mar-20 RM'000	(Unaudited) Quarter Ended 31-Mar-19 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	15,420	6,793
Adjustments for:-		
Non-cash items	2,849	(990)
Non-operating items	(251)	10
	18,018	5,813
Changes in working capitals	37,422	56,849
	55,440	62,662
Cash generated from operations	55,440	62,662
Net income tax paid	(1,076)	(2,500)
	54,364	60,162
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipments	(450)	(22,070)
Proceeds from disposal of property, plant and equipments	16	0
Interest received	691	670
	257	(21,400)
Net cash generated from/(used in) investing activities	257	(21,400)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Decrease in bank borrowings, net	(24,606)	(50,052)
Repayment of term loans	(190)	0
Repayment of finance lease liabilities	(63)	(71)
Dividends paid to non-controlling interests	(1,225)	(863)
Interest paid	(503)	0
Purchase of own shares	(120)	0
	(26,707)	(50,986)
Net cash used in financing activities	(26,707)	(50,986)
Net increase/(decrease) in cash and cash equivalents	27,914	(12,224)
Effect of exchange rate changes	(3,756)	1,837
Cash and cash equivalents at beginning of financial period	137,615	118,137
	161,773	107,750
Cash and cash equivalents at end of financial period	161,773	107,750

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

	As at 31-Mar-20 RM'000	As at 31-Mar-19 RM'000
Cash and bank balances	161,773	107,750

(The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements.)