

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

INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2023

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2023
(Financial Year Ending 31 December 2023)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	(Unaudited) Quarter Ended 30-Jun-23 RM'000	(Unaudited) Quarter Ended 30-Jun-22 RM'000	(Unaudited) Quarter Ended 30-Jun-23 RM'000	(Unaudited) Quarter Ended 30-Jun-22 RM'000
Revenue	160,211	261,784	346,864	529,087
Cost of goods sold	(152,828)	(212,095)	(324,532)	(428,296)
Gross Profit	<u>7,383</u>	<u>49,689</u>	<u>22,332</u>	<u>100,791</u>
Interest Income	157	162	214	322
Other income	4,888	1,088	6,753	3,777
Distribution costs	(1,845)	(7,803)	(5,038)	(16,401)
Administrative and general expenses	(3,152)	(6,374)	(8,547)	(10,050)
Finance costs	(244)	(671)	(616)	(996)
Profit Before Tax	<u>7,187</u>	<u>36,091</u>	<u>15,098</u>	<u>77,443</u>
Tax expense	(1,585)	(8,121)	(3,784)	(17,254)
Profit For The Period	<u>5,602</u>	<u>27,970</u>	<u>11,314</u>	<u>60,189</u>
Other comprehensive income:				
- Currency translation differences for foreign operations	4,665	(2,716)	9,297	102
Comprehensive income for the period	<u>10,267</u>	<u>25,254</u>	<u>20,611</u>	<u>60,291</u>
Profit for the period attributable to:				
Owners of the Company	4,624	23,228	9,367	52,627
Non-controlling interests	978	4,742	1,947	7,562
	<u>5,602</u>	<u>27,970</u>	<u>11,314</u>	<u>60,189</u>
Comprehensive income for the period attributable to:				
Owners of the Company	9,289	20,511	18,664	52,729
Non-controlling interests	978	4,743	1,947	7,562
	<u>10,267</u>	<u>25,254</u>	<u>20,611</u>	<u>60,291</u>
Earnings per share:				
Basic, for profit for the period (sen)	<u>3.01</u>	<u>15.13</u>	<u>6.10</u>	<u>34.28</u>
Diluted, for profit for the period (sen)	<u>3.01</u>	<u>15.13</u>	<u>6.10</u>	<u>34.28</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 2022 and the accompanying explanatory notes attached to the interim financial statements.)

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023
(Financial Year Ending 31 December 2023)

	(Unaudited) 30 June 2023 RM'000	(Audited) 31 December 2022 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	120,919	124,325
Right-of-use assets	17,277	17,708
Other investment	3,863	3,863
Deferred tax assets	300	290
	<u>142,359</u>	<u>146,186</u>
Inventories	314,911	386,581
Receivables	58,050	45,517
Prepayments	7,134	4,490
Current tax assets	20	20
Cash and cash equivalents	128,985	118,127
	<u>509,100</u>	<u>554,735</u>
TOTAL ASSETS	651,459	700,921
 EQUITY AND LIABILITIES		
Share capital	185,930	185,930
Treasury shares	(8,190)	(8,190)
Statutory reserve	10,129	10,129
Currency translation reserve	41,637	32,340
Retained profits	321,597	342,934
Equity attributable to owners of the Company	<u>551,103</u>	<u>563,143</u>
Non-controlling interests	<u>55,903</u>	<u>53,956</u>
Total equity	607,006	617,099
 Non-current liabilities		
Deferred tax liabilities	4,540	4,569
Lease liabilities	119	183
Retirement benefits	1,246	1,120
	<u>5,905</u>	<u>5,872</u>
 Current Liabilities		
Derivatives	348	233
Payables	13,384	27,595
Loans and borrowings	22,893	39,744
Lease liabilities	127	218
Contract liabilities	1,177	1,898
Current tax liabilities	619	8,262
	<u>38,548</u>	<u>77,950</u>
TOTAL LIABILITIES	<u>44,453</u>	<u>83,822</u>
TOTAL EQUITY AND LIABILITIES	651,459	700,921
 Net assets per share attributable to owners of the Company (sen)	359	367

(The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2022 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 30 JUNE 2023
(Financial Year Ending 31 December 2023)

	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)	Statutory Reserve (RM'000)	Currency Translation Reserves (RM'000)	Retained profits (RM'000)			
At 1 January 2023	185,930	(8,190)	10,129	32,340	342,934	563,143	53,956	617,099
Currency translation differences for foreign operation	-	-	-	9,297	-	9,297	-	9,297
Profit for the financial year	0	0	0	-	9,367	9,367	1,947	11,314
Comprehensive income for the financial year	0	0	0	9,297	9,367	18,664	1,947	20,611
Dividends paid:-								
- Owners of the Company	0	0	0	0	(30,704)	(30,704)	0	(30,704)
- Non-controlling interests	0	0	0	0	0	0	0	0
At 30 June 2023	185,930	(8,190)	10,129	41,637	321,597	551,103	55,903	607,006
At 1 January 2022	185,930	(8,190)	10,129	27,020	283,384	498,273	51,776	550,049
Total comprehensive income	0	0	0	0	52,627	52,627	7,562	60,189
Dividends paid:-								
- Owners of the Company	0	0	0	0	(23,028)	(23,028)	0	(23,028)
- Non-controlling interests	0	0	0	0	0	0	(2,450)	(2,450)
Transfer to legal reserve	0	0	-	103	-	103	0	103
At 30 June 2022	185,930	(8,190)	10,129	27,123	312,983	527,975	56,888	584,863

(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 2022 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 FINANCIAL PERIOD ENDED 30 JUNE 2023
(Financial Year Ending 31 December 2023)

	(Unaudited) Quarter Ended 30-Jun-23 RM'000	(Unaudited) Quarter Ended 30-Jun-22 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	15,098	77,443
Adjustments for:-		
Non-cash items	8,354	8,881
Non-operating items	402	0
	<u>23,854</u>	<u>86,324</u>
Changes in working capitals	40,557	(5,516)
	<u>64,411</u>	<u>80,808</u>
Cash generated from operations	64,411	80,808
Tax paid	(13,900)	(10,132)
	<u>50,511</u>	<u>70,676</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipments	(819)	(3,267)
Interest received	214	323
Proceeds from disposal of property, plant and equipments	0	177
Net cash used in investing activities	<u>(605)</u>	<u>(2,767)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid to owners of the Company	(30,704)	(23,028)
Dividends paid to non-controlling interests	0	(2,450)
Interest paid	(654)	(1,023)
Net decrease in short-terms loans and borrowings	(166,330)	(30,777)
Payment of lease liabilities	(208)	(146)
Purchase of own shares	0	0
Drawdown of term loans	0	12,969
Net cash used in financing activities	<u>(197,896)</u>	<u>(44,455)</u>
Currency translation differences	158,848	(165)
Net increase in cash and cash equivalents	10,858	23,289
Cash and cash equivalents brought forward	118,127	133,420
Cash and cash equivalents carried forward	<u><u>128,985</u></u>	<u><u>156,709</u></u>

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

	As at 30-Jun-23 RM'000	As at 30-Jun-22 RM'000
Cash and bank balances	50,517	73,400
Short-term fund - at fair value	78,468	81,459
Term deposits	-	1,850
	<u><u>128,985</u></u>	<u><u>156,709</u></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 2022 and the accompanying explanatory notes attached to the interim financial statements.)