

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

INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2023

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	(Unaudited) Quarter Ended 30-Sep-23 RM'000	(Unaudited) Quarter Ended 30-Sep-22 RM'000	(Unaudited) Quarter Ended 30-Sep-23 RM'000	(Unaudited) Quarter Ended 30-Sep-22 RM'000
Revenue	129,109	274,974	475,973	804,061
Cost of goods sold	(123,267)	(239,505)	(447,799)	(667,801)
Gross Profit	<u>5,842</u>	<u>35,469</u>	<u>28,174</u>	<u>136,260</u>
Interest Income	221	60	435	110
Other income	2,274	4,029	9,027	8,078
Distribution costs	(1,763)	(5,979)	(6,801)	(22,380)
Administrative and general expenses	(3,651)	(8,086)	(12,198)	(18,136)
Finance costs	(254)	(1,262)	(870)	(2,258)
Profit Before Tax	<u>2,669</u>	<u>24,231</u>	<u>17,767</u>	<u>101,674</u>
Tax expense	(1,058)	(6,220)	(4,842)	(23,474)
Profit For The Period	<u>1,611</u>	<u>18,011</u>	<u>12,925</u>	<u>78,200</u>
Other comprehensive income:				
- Currency translation differences for foreign operations	(6,067)	(4,445)	3,230	(4,343)
Comprehensive income for the period	<u>(4,456)</u>	<u>13,566</u>	<u>16,155</u>	<u>73,857</u>
Profit for the period attributable to:				
Owners of the Company	920	20,599	10,287	73,227
Non-controlling interests	691	(2,588)	2,638	4,973
	<u>1,611</u>	<u>18,011</u>	<u>12,925</u>	<u>78,200</u>
Comprehensive income for the period attributable to:				
Owners of the Company	(5,147)	16,155	13,517	68,884
Non-controlling interests	691	(2,589)	2,638	4,973
	<u>(4,456)</u>	<u>13,566</u>	<u>16,155</u>	<u>73,857</u>
Earnings per share:				
Basic, for profit for the period (sen)	<u>0.60</u>	<u>13.42</u>	<u>6.70</u>	<u>47.70</u>
Diluted, for profit for the period (sen)	<u>0.60</u>	<u>13.42</u>	<u>6.70</u>	<u>47.70</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 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 SEPTEMBER 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	119,565	124,325
Right-of-use assets	17,104	17,708
Other investment	3,863	3,863
Deferred tax assets	293	290
	<u>140,825</u>	<u>146,186</u>
Current assets		
Inventories	319,731	386,581
Receivables	50,214	45,517
Derivatives	305	0
Prepayments	16,153	4,490
Current tax assets	0	20
Cash and cash equivalents	112,417	118,127
	<u>498,820</u>	<u>554,735</u>
TOTAL ASSETS	<u>639,645</u>	<u>700,921</u>
 EQUITY AND LIABILITIES		
Share capital	185,930	185,930
Treasury shares	(8,190)	(8,190)
Statutory reserve	10,129	10,129
Currency translation reserve	35,570	32,340
Retained profits	322,517	342,934
Equity attributable to owners of the Company	<u>545,956</u>	<u>563,143</u>
Non-controlling interests	<u>56,494</u>	<u>53,956</u>
Total equity	<u>602,450</u>	<u>617,099</u>
 Non-current liabilities		
Deferred tax liabilities	4,550	4,569
Lease liabilities	86	183
Retirement benefits	1,262	1,120
	<u>5,898</u>	<u>5,872</u>
 Current Liabilities		
Derivatives	209	233
Payables	15,097	27,595
Loans and borrowings	14,910	39,744
Lease liabilities	128	218
Contract liabilities	319	1,898
Current tax liabilities	634	8,262
	<u>31,297</u>	<u>77,950</u>
TOTAL LIABILITIES	<u>37,195</u>	<u>83,822</u>
TOTAL EQUITY AND LIABILITIES	<u>639,645</u>	<u>700,921</u>
 Net assets per share attributable to owners of the Company (sen)	<u>356</u>	<u>367</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 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 SEPTEMBER 2023
(Financial Year Ending 31 December 2023)

	Non-distributable			Distributable*				
	Share Capital (RM'000)	Treasury Shares (RM'000)	Statutory Reserve (RM'000)	Currency Translation Reserves (RM'000)	Retained profits (RM'000)	Equity attributable to owners of the Company (RM'000)	Non-controlling interests (RM'000)	Total Equity (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	0	0	0	3,230	0	3,230	0	3,230
Profit for the financial year	0	0	0	0	10,287	10,287	2,638	12,925
Comprehensive income for the financial year	0	0	0	3,230	10,287	13,517	2,638	16,155
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	(100)	(100)
At 30 September 2023	185,930	(8,190)	10,129	35,570	322,517	545,956	56,494	602,450
At 1 January 2022	185,930	(8,190)	10,129	27,020	283,384	498,273	51,776	550,049
Total other comprehensive income for the financial year	0	0	0	0	73,227	73,227	4,973	78,200
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	(2,569)	(2,569)
Transfer to legal reserve	0	0	0	(4,342)	0	(4,342)	0	(4,342)
At 30 September 2022	185,930	(8,190)	10,129	22,678	333,583	544,130	54,180	598,310

(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
Registration no. 199701016642 (432139-W)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023
(Financial Year Ending 31 December 2023)

	(Unaudited) Quarter Ended 30-Sep-23 RM'000	(Unaudited) Quarter Ended 30-Sep-22 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	17,767	101,674
Adjustments for:-		
Non-cash items	10,396	20,350
Non-operating items	435	0
	28,598	122,024
Changes in working capitals	36,403	(7,902)
	65,001	114,122
Cash generated from operations	65,001	114,122
Tax paid	(13,732)	(16,816)
Net cash generated from operating activities	51,269	97,306
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipments	(4,626)	(3,710)
Interest received	435	916
Proceeds from disposal of property, plant and equipments	0	176
Net cash used in investing activities	(4,191)	(2,618)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid to owners of the Company	(30,704)	(23,028)
Dividends paid to non-controlling interests	(100)	(2,570)
Interest paid	(914)	(2,285)
Net decrease in short-terms loans and borrowings	(166,347)	(84,924)
Payment of lease liabilities	(186)	(221)
Repayment of term loans	0	(2,144)
Net cash used in financing activities	(198,251)	(115,172)
Currency translation differences	145,463	(2,906)
Net decrease in cash and cash equivalents	(5,710)	(23,390)
Cash and cash equivalents brought forward	118,127	133,420
Cash and cash equivalents carried forward	112,417	110,030

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

	As at 30-Sep-23 RM'000	As at 30-Sep-22 RM'000
Cash and bank balances	41,592	46,338
Short-term fund - at fair value	70,825	61,842
Term deposits	-	1,850
	112,417	110,030

(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.)