

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

INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2024

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024
(Financial Year Ending 31 December 2024)

| | INDIVIDUAL QUARTER | | CUMULATIVE QUARTER | |
|---|---|---|---|---|
| | (Unaudited) Quarter Ended 30-Sep-24 RM'000 | (Unaudited) Quarter Ended 30-Sep-23 RM'000 | (Unaudited) Quarter Ended 30-Sep-24 RM'000 | (Unaudited) Quarter Ended 30-Sep-23 RM'000 |
| Revenue | 139,683 | 129,109 | 401,615 | 475,973 |
| Cost of goods sold | (131,856) | (123,267) | (376,266) | (447,799) |
| Gross Profit | <u>7,827</u> | <u>5,842</u> | <u>25,349</u> | <u>28,174</u> |
| Interest Income | 372 | 221 | 883 | 435 |
| Other income | (2,965) | 2,274 | 3,660 | 9,027 |
| Distribution costs | (3,411) | (1,763) | (8,986) | (6,801) |
| Administrative and general expenses | (8,613) | (3,651) | (16,105) | (12,198) |
| Finance costs | (172) | (254) | (635) | (870) |
| (Loss)/Profit Before Tax | <u>(6,962)</u> | <u>2,669</u> | <u>4,166</u> | <u>17,767</u> |
| Tax expense | (865) | (1,058) | (3,658) | (4,842) |
| (Loss)/Profit For The Period | <u>(7,827)</u> | <u>1,611</u> | <u>508</u> | <u>12,925</u> |
| Other comprehensive income: | | | | |
| - Currency translation differences for foreign operations | (577) | (6,067) | (13,090) | 3,230 |
| Comprehensive income for the period | <u>(8,404)</u> | <u>(4,456)</u> | <u>(12,582)</u> | <u>16,155</u> |
| (Loss)/Profit for the period attributable to: | | | | |
| Owners of the Company | (9,842) | 920 | (4,962) | 10,287 |
| Non-controlling interests | 2,015 | 691 | 5,470 | 2,638 |
| | <u>(7,827)</u> | <u>1,611</u> | <u>508</u> | <u>12,925</u> |
| Comprehensive income for the period attributable to: | | | | |
| Owners of the Company | (10,418) | (5,147) | (18,052) | 13,517 |
| Non-controlling interests | 2,014 | 691 | 5,470 | 2,638 |
| | <u>(8,404)</u> | <u>(4,456)</u> | <u>(12,582)</u> | <u>16,155</u> |
| Earnings per share: | | | | |
| Basic, for profit for the period (sen) | <u>(6.41)</u> | <u>0.60</u> | <u>(3.23)</u> | <u>6.70</u> |
| Diluted, for profit for the period (sen) | <u>(6.41)</u> | <u>0.60</u> | <u>(3.23)</u> | <u>6.70</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 2023 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 2024
(Financial Year Ending 31 December 2024)

| | (Unaudited) 30 September 2024 RM'000 | (Audited) 31 December 2023 RM'000 |
|---|---|--|
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 121,783 | 128,564 |
| Right-of-use assets | 16,389 | 16,915 |
| Other investment | 2,788 | 2,788 |
| Deferred tax assets | 303 | 318 |
| | <u>141,263</u> | <u>148,585</u> |
| Current assets | | |
| Inventories | 273,993 | 335,317 |
| Receivables | 59,737 | 48,471 |
| Prepayments | 22,272 | 3,557 |
| Current tax assets | 1,789 | 1,024 |
| Cash and cash equivalents | 130,414 | 127,732 |
| | <u>488,205</u> | <u>516,101</u> |
| TOTAL ASSETS | 629,468 | 664,686 |
| EQUITY AND LIABILITIES | | |
| Share capital | 185,930 | 185,930 |
| Treasury shares | (8,190) | (8,190) |
| Statutory reserve | 10,129 | 10,129 |
| Currency translation reserve | 34,620 | 47,710 |
| Retained profits | 302,176 | 318,652 |
| Equity attributable to owners of the Company | <u>524,665</u> | <u>554,231</u> |
| Non-controlling interests | <u>57,672</u> | <u>54,772</u> |
| Total equity | 582,337 | 609,003 |
| Non-current liabilities | | |
| Deferred tax liabilities | 4,159 | 4,184 |
| Lease liabilities | 34 | 53 |
| Retirement benefits | 1,438 | 1,363 |
| | <u>5,631</u> | <u>5,600</u> |
| Current Liabilities | | |
| Derivatives | 278 | 230 |
| Payables | 22,015 | 28,586 |
| Loans and borrowings | 16,913 | 19,807 |
| Lease liabilities | 52 | 129 |
| Contract liabilities | 338 | 851 |
| Current tax liabilities | 1,904 | 480 |
| | <u>41,500</u> | <u>50,083</u> |
| TOTAL LIABILITIES | <u>47,131</u> | <u>55,683</u> |
| TOTAL EQUITY AND LIABILITIES | 629,468 | 664,686 |
| Net assets per share attributable to owners of the Company (sen) | 342 | 361 |

(The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2023 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 2024
(Financial Year Ending 31 December 2024)

| | 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 2024 | 185,930 | (8,190) | 10,129 | 47,710 | 318,652 | 554,231 | 54,772 | 609,003 |
| Currency translation differences for foreign operation | 0 | 0 | 0 | (13,090) | 0 | (13,090) | 0 | (13,090) |
| Profit for the financial year | 0 | 0 | 0 | - | (4,962) | (4,962) | 5,470 | 508 |
| Comprehensive income for the financial year | 0 | 0 | 0 | (13,090) | (4,962) | (18,052) | 5,470 | (12,582) |
| Dividends paid:- | | | | | | | | |
| - Owners of the Company | 0 | 0 | 0 | 0 | (11,514) | (11,514) | 0 | (11,514) |
| - Non-controlling interests | 0 | 0 | 0 | 0 | 0 | 0 | (2,570) | (2,570) |
| At 30 September 2024 | 185,930 | (8,190) | 10,129 | 34,620 | 302,176 | 524,665 | 57,672 | 582,337 |
| 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 |
| Total comprehensive income | 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 |

(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 2023 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 2024
(Financial Year Ending 31 December 2024)

| | (Unaudited) Quarter Ended 30-Sep-24 RM'000 | (Unaudited) Quarter Ended 30-Sep-23 RM'000 |
|--|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit before tax | 4,166 | 17,767 |
| Adjustments for:- | | |
| Non-cash items | 11,812 | 10,396 |
| Non-operating items | (132) | 435 |
| | <u>15,846</u> | <u>28,598</u> |
| Changes in working capitals | 22,539 | 36,403 |
| | <u>38,385</u> | <u>65,001</u> |
| Cash generated from operations | 38,385 | 65,001 |
| Tax paid | (3,010) | (13,732) |
| | <u>35,375</u> | <u>51,269</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Acquisition of property, plant and equipments | (7,291) | (4,626) |
| Interest received | 764 | 435 |
| Proceeds from disposal of property, plant and equipments | 560 | 0 |
| Net cash used in investing activities | <u>(5,967)</u> | <u>(4,191)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Dividends paid to owners of the Company | (11,514) | (30,704) |
| Dividends paid to non-controlling interests | (2,570) | (100) |
| Interest paid | (635) | (914) |
| Net decrease in short-terms loans and borrowings | (2,083) | (166,347) |
| Payment of lease liabilities | (97) | (186) |
| Net cash used in financing activities | <u>(16,899)</u> | <u>(198,251)</u> |
| Currency translation differences | (9,827) | 145,463 |
| Net increase in cash and cash equivalents | 2,682 | (5,710) |
| Cash and cash equivalents brought forward | 127,732 | 118,127 |
| Cash and cash equivalents carried forward | <u><u>130,414</u></u> | <u><u>112,417</u></u> |

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

| | As at 30-Sep-24 RM'000 | As at 30-Sep-23 RM'000 |
|---------------------------------|------------------------------|------------------------------|
| Cash and bank balances | 47,432 | 41,592 |
| Short-term fund - at fair value | 78,860 | 70,825 |
| Term deposits | 4,122 | 0 |
| | <u><u>130,414</u></u> | <u><u>112,417</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 2023 and the accompanying explanatory notes attached to the interim financial statements.)