



TOMEI CONSOLIDATED BERHAD (692959-W)
(Incorporated in Malaysia)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER
ENDED 31 DECEMBER 2014**

(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME FOR THE QUARTER ENDED 31 DECEMBER 2014**

	Individual Quarter		Cumulative Quarter	
	3 months ended		12 months ended	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
	RM'000	RM'000	RM'000	RM'000
				(Audited)
Revenue	150,415	142,506	564,799	701,907
Cost of sales	(116,358)	(115,705)	(430,238)	(579,966)
Gross profit	34,057	26,801	134,561	121,941
Other income	990	4,414	4,141	6,066
Selling and distribution expenses	(25,263)	(22,795)	(94,162)	(95,903)
Administrative expenses	(7,281)	(5,554)	(24,113)	(22,710)
Other expenses	(2,892)	372	(3,459)	(1,488)
(Loss)/Profit from operations	(389)	3,238	16,968	7,906
Finance costs	(2,977)	(3,084)	(11,455)	(11,642)
(Loss)/Profit before tax	(3,366)	154	5,513	(3,736)
Tax expense	(784)	(686)	(3,806)	(987)
(Loss)/Profit for the financial year	(4,150)	(532)	1,707	(4,723)
(Loss)/Profit attributable to:-				
Owners of the parent	(4,242)	(252)	1,124	(4,405)
Non-controlling interests	92	(280)	583	(318)
	(4,150)	(532)	1,707	(4,723)
(Loss)/Earnings per ordinary share attributable to equity holders of the parent (sen):-				
Basic (loss)/earnings per share	(3.06)	(0.18)	0.81	(3.18)
Diluted earnings per share *	N/A	N/A	N/A	N/A

* Not applicable

TOMEI CONSOLIDATED BERHAD (692959–W)**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER
ENDED 31 DECEMBER 2014****(The figures have not been audited)****CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME FOR THE QUARTER ENDED 31 DECEMBER 2014 (Cont'd)**

	Individual Quarter		Cumulative Quarter	
	3 months ended		12 months ended	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
	RM'000	RM'000	RM'000	RM'000
				(Audited)
(Loss)/Profit for the financial year	(4,150)	(532)	1,707	(4,723)
Foreign currency translations	1,065	162	915	1,611
Total comprehensive (loss)/income	<u>(3,085)</u>	<u>(370)</u>	<u>2,622</u>	<u>(3,112)</u>
Total comprehensive (loss)/income attributable to:-				
Owners of the parent	(3,177)	(90)	2,039	(2,794)
Non-controlling interests	92	(280)	583	(318)
	<u>(3,085)</u>	<u>(370)</u>	<u>2,622</u>	<u>(3,112)</u>

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2013. The accompanying notes form an integral part of this statement.

TOMEI CONSOLIDATED BERHAD (692959–W)**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER
ENDED 31 DECEMBER 2014****(The figures have not been audited)****CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT
31 DECEMBER 2014**

	As At 31/12/2014 RM'000	As At 31/12/2013 RM'000 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	18,288	19,004
Prepaid lease payments for land	540	558
Deferred tax assets	870	1,348
	<u>19,698</u>	<u>20,910</u>
Current assets		
Inventories	354,820	332,863
Derivative assets	744	1,092
Trade and other receivables	24,582	24,835
Current tax assets	1,682	3,324
Cash and bank balances	13,171	12,456
	<u>394,999</u>	<u>374,570</u>
Non-current assets classified as held for sale	<u>-</u>	<u>550</u>
TOTAL ASSETS	<u>414,697</u>	<u>396,030</u>
EQUITY AND LIABILITIES		
Share capital	69,300	69,300
Share premium	4,036	4,036
Reserves	108,032	107,072
Equity attributable to owners of the parent	<u>181,368</u>	<u>180,408</u>
Non-controlling interests	<u>3,306</u>	<u>6,082</u>
TOTAL EQUITY	<u>184,674</u>	<u>186,490</u>
LIABILITIES		
Non-current liabilities		
Borrowings	12,320	22,927
Deferred tax liabilities	386	206
	<u>12,706</u>	<u>23,133</u>
Current Liabilities		
Trade and other payables	48,996	39,431
Borrowings	168,161	146,048
Current tax liabilities	160	928
	<u>217,317</u>	<u>186,407</u>
TOTAL LIABILITIES	<u>230,023</u>	<u>209,540</u>
TOTAL EQUITY AND LIABILITIES	<u>414,697</u>	<u>396,030</u>
Net assets per share (RM)	1.33	1.35

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2013. The accompanying notes form an integral part of this statement.

TOMEI CONSOLIDATED BERHAD (692959-W)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER
ENDED 31 DECEMBER 2014**

(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER
ENDED 31 DECEMBER 2014**

	-----Attributable To Owners Of The Parent-----						
	--Non Distributable---			Distributable			
	Share Capital RM'000	Share Premium RM'000	Exchange Translation Reserve RM'000	Retained Earnings RM'000	Total RM'000	Non- Controlling Interest RM'000	Total Equity RM'000
Balance as at 1 January 2014	69,300	4,036	1,749	105,323	180,408	6,082	186,490
Total comprehensive income for the financial year	-	-	915	1,124	2,039	583	2,622
Transaction with owners:-							
- Acquisition of additional interest from non-controlling interest	-	-	-	307	307	(3,262)	(2,955)
- Winding up of a subsidiary	-	-	-	-	-	(97)	(97)
- Dividend paid	-	-	-	(1,386)	(1,386)	-	(1,386)
Balance as at 31 December 2014	69,300	4,036	2,664	105,368	181,368	3,306	184,674

	-----Attributable To Owners Of The Parent-----						
	---Non Distributable---			Distributable			
	Share Capital RM'000	Share Premium RM'000	Exchange Translation Reserve RM'000	Retained Earnings RM'000	Total RM'000	Non- Controlling Interest RM'000	Total Equity RM'000
Balance as at 1 January 2013	69,300	4,036	138	112,500	185,974	6,423	192,397
Total comprehensive income for the financial year	-	-	1,611	(4,405)	(2,794)	(318)	(3,112)
Transaction with owners:-							
- Dividend paid	-	-	-	(2,772)	(2,772)	(23)	(2,795)
Balance as at 31 December 2013	69,300	4,036	1,749	105,323	180,408	6,082	186,490

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2013. The accompanying notes form an integral part of this statement.

TOMEI CONSOLIDATED BERHAD (692959-W)**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER
ENDED 31 DECEMBER 2014****(The figures have not been audited)****CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE QUARTER
ENDED 31 DECEMBER 2014**

	12 months ended 31/12/2014 RM'000	12 months ended 31/12/2013 RM'000 (Audited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax	5,513	(3,736)
Adjustments for:-		
Amortisation of prepaid lease payments for land	18	21
Bad debts recovered	-	(1)
Bad debts written off	-	90
Depreciation of property, plant and equipment	6,288	5,954
Fair value loss/(gain) on derivative assets	1,256	(807)
Inventories written (back)/down	(794)	1,803
Inventories written off	-	161
Property, plant and equipment written off	681	334
Reversal of impairment loss on trade and other receivables	-	(3)
Gain on disposal of a subsidiary	-	(2,311)
Gain on disposal of property, plant and equipment	(128)	(8)
Unrealised loss on gold price fluctuation and foreign exchange	683	405
Finance costs	11,455	11,642
Interest income	(92)	(61)
Operating profit before changes in working capital	24,880	13,483
(Increase)/Decrease in inventories	(21,162)	16,278
Decrease in trade and other receivables	311	659
Increase in trade and other payables	6,922	7,778
Cash generated from operations	10,951	38,198
Interest paid	(9,221)	(8,673)
Tax paid	(3,492)	(4,624)
Tax refunded	1,217	1,089
Net cash (used in)/from operating activities	(545)	25,990
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	92	61
Acquisition of additional interest from non-controlling interest	(1,455)	-
Purchase of property, plant and equipment	(2,555)	(3,950)
Proceeds from disposal of investment property	495	-
Proceeds from disposal of a subsidiary	-	6,094
Proceeds from disposal of property, plant and equipment	257	15
Uplift of/(Placement of) pledged deposits with a licensed bank	1,742	(42)
Net cash (used in)/from investing activities	(1,424)	2,178
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(1,386)	(2,772)
Dividends paid to non-controlling interests of a subsidiary	-	(23)
Interest paid	(2,234)	(2,907)
Net repayments of term loans	(19,188)	(19,267)
Drawdown of short term borrowings	10,056	6,877
Repayments of hire-purchase liabilities	(3,846)	(3,673)
Net cash used in financing activities	(16,598)	(21,765)

TOMEI CONSOLIDATED BERHAD (692959–W)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER
ENDED 31 DECEMBER 2014**

(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE QUARTER ENDED
31 DECEMBER 2014 (Cont'd)**

	12 months ended 31/12/2014 RM'000	12 months ended 31/12/2013 RM'000
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(18,567)	6,403
CASH & CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR	(11,378)	(17,880)
EFFECT OF EXCHANGE RATES CHANGES	319	99
CASH & CASH EQUIVALENTS AT END OF FINANCIAL YEAR	<u>(29,626)</u>	<u>(11,378)</u>

Represented by:-

CASH AND CASH EQUIVALENTS

Cash and bank balances	8,944	10,714
Fixed deposits with a licensed bank	4,227	1,742
Bank overdrafts	(42,797)	(22,092)
	<u>(29,626)</u>	<u>(9,636)</u>
Less: Fixed deposits pledged to a licenced bank	-	(1,742)
	<u>(29,626)</u>	<u>(11,378)</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2013. The accompanying notes form an integral part of this statement.

TOMEI CONSOLIDATED BERHAD (692959-W)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2014

(The figures have not been audited)

PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134

1. BASIS OF PREPARATION

This interim financial report is unaudited and is prepared in accordance with the Malaysian Financial Reporting Standards ("MFRS") No 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad and should be read together with the Group's Audited Financial Statement for the year ended 31 December 2013.

2. SIGNIFICANT ACCOUNTING POLICIES

At the date of authorisation of these interim financial statements, the following MFRSs, Amendment to MFRSs and IC Interpretation were issued but not yet effective and have yet to be applied by the Group.

	Effective for annual period beginning on or after
MFRSs, Amendments to MFRSs and IC Interpretation	
Amendments to MRFS 119 <i>Defined Benefit Plans: Employee Contributions</i>	1 July 2014
Amendments to MFRSs <i>Annual Improvements 2010-2012 Cycle</i>	1 July 2014
Amendments to MFRSs <i>Annual Improvements 2011-2013 Cycle</i>	1 July 2014
Amendments to MFRSs <i>Annual Improvements 2012-2014 Cycle</i>	1 January 2016
MRFS 14 <i>Regulatory Deferral Accounts</i>	1 January 2016
Amendments to MFRS 10 and MRFS 128 <i>Sale or Contribution of Assets between an investor and its Associates or Joint Venture</i>	1 January 2016
Amendments to MFRS 116 and MRFS 138 <i>Clarification of Acceptable Methods of Depreciation and Amortisation</i>	1 January 2016
Amendments to MFRS 11 <i>Accounting for Acquisitions of Interests in Joint Operations</i>	1 January 2016
Amendments to MFRS 116 and MRFS 141 <i>Agriculture: Bearer Plants</i>	1 January 2016
Amendments to MFRS 127 <i>Equity Method in Separate Financial Statements</i>	1 January 2016
Amendments to MFRS 101 <i>Disclosure Initiative</i>	1 January 2016
Amendments to MFRS 10, MRFS 12 and MFRS 128 <i>Investment Entities: Applying the Consolidation Exception</i>	1 January 2016
MRFS 15 <i>Revenue from Contracts with Customers</i>	1 January 2017
MRFS 9 <i>Financial instruments (IFRS as issued by IASB in July 2014)</i>	1 January 2018

3. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report for the preceding financial year ended 31 December 2013 was issued without any qualification.

4. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS

The Group's business traditionally picks up during the major festive seasons in Malaysia.

5. UNSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE

There were no extraordinary or exceptional items for the current quarter ended 31 December 2014.

TOMEI CONSOLIDATED BERHAD (692959–W)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2014

(The figures have not been audited)

PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont'd)

6. CHANGES IN ESTIMATES

There were no material changes in the estimates used for the preparation of this interim financial report.

7. CAPITAL MANAGEMENT, ISSUANCES, REPURCHASES AND REPAYMENTS OF DEBTS AND EQUITY INSTRUMENTS

The Group's objectives of managing capital are to safeguard the Group's ability to continue in operations as a going concern in order to provide fair returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain the optimal capital structure, the Group may, from time to time, adjust the dividend payout to shareholders, return capital to shareholders, issue new shares, redeem debts or sell assets to reduce debts, where necessary.

For capital management purposes, the Group considers shareholders' equity, non-controlling interests and total debt to be the key components in the Group's capital structure. The Group monitors capital on the basis of the net gearing ratio. The ratio is calculated as the total debt net of cash and cash equivalents to total equity. Total equity is the sum of total equity attributable to shareholders and non-controlling interests. The net gearing ratios as at 31 December 2014 and 31 December 2013, which are within the Group's objectives for capital management, are as follows:-

	31/12/2014	31/12/2013
	RM'000	RM'000
Total debt net of cash and cash equivalents	167,310	156,519
Total equity	184,674	186,490
Net gearing ratio	0.91	0.84

The Group reported net gearing ratio of 0.91 as at 31 December 2014, increased by 0.07 compared to 31 December 2013.

8. DIVIDEND PAID

On 5 June 2014, the Company paid a first and final single tier dividend of 1.0 sen per ordinary share amounting to RM1.386 million in respect of financial year ended 31 December 2013.

9. OPERATING SEGMENTAL INFORMATION – FRS 8

The Group has arrived at two reportable segments that are based on information reported internally to the Group Managing Director. The reportable segments are summarised as follows:-

- Manufacturing & Wholesales
- Retail

TOMEI CONSOLIDATED BERHAD (692959-W)**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER
ENDED 31 DECEMBER 2014****(The figures have not been audited)****PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont'd)****9. OPERATING SEGMENTAL INFORMATION (Cont'd)**

The segment information for the current financial year is as follows:-

Results for financial year ended 31 December 2014	Manufacturing & Wholesales RM'000	Retail RM'000	Total RM'000
Revenue			
Total sales	144,285	428,950	573,235
Inter-segment sales	(7,958)	(478)	(8,436)
External sales	136,327	428,472	564,799
Results			
Profit before tax	5,910	(397)	5,513
Tax expense	(1,031)	(2,775)	(3,806)
Profit for the year	4,879	(3,172)	1,707
Non-controlling interest			(583)
Profit attributable to owners of the parent			1,124
Assets and liabilities as at 31 December 2014			
Assets			
Segment assets	60,240	351,905	412,145
Unallocated assets	-	-	2,552
Total assets	-	-	414,697
Liabilities			
Segment liabilities	27,872	201,605	229,477
Unallocated liabilities	-	-	546
Total liabilities	-	-	230,023
Results for financial year ended 31 December 2013			
	Manufacturing & Wholesales RM'000	Retail RM'000	Total RM'000
Revenue			
Total sales	189,553	519,863	709,416
Inter-segment sales	(5,968)	(1,541)	(7,509)
External sales	183,585	518,322	701,907
Results			
Loss before tax	(4,002)	266	(3,736)
Tax expense	1,051	(2,038)	(987)
Loss for the year	(2,951)	(1,772)	(4,723)
Non-controlling interest			318
Loss attributable to owners of the parent			(4,405)

TOMEI CONSOLIDATED BERHAD (692959–W)**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER
ENDED 31 DECEMBER 2014****(The figures have not been audited)****PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont’d)****9. OPERATING SEGMENTAL INFORMATION (Cont’d)**

Assets and Liabilities as at 31 December 2013	Manufacturing & Wholesales RM’000	Retail RM’000	Total RM’000
Assets			
Segment assets	59,349	332,009	391,358
Unallocated assets	-	-	4,672
Total assets	-	-	396,030
Liabilities			
Segment liabilities	27,493	180,913	208,406
Unallocated liabilities	-	-	1,134
Total liabilities	-	-	209,540

10. CARRYING AMOUNT OF REVALUED ASSETS

The valuation of property, plant and equipment has been brought forward without any amendments from the previous Audited Financial Statements of the Group.

11. SIGNIFICANT EVENTS DURING THE CURRENT QUARTER

On 10 September 2014, the Company had entered into an agreement to acquire the remaining 39% equity interest in Gemas Precious Metals Industries Sdn. Bhd. (“GPMI”) representing 1,950,000 ordinary shares of RM1.00 each for a cash consideration of RM2,955,000 from Schofer Germany - the Chain Company GMBH & Co., KG (“The Acquisition”). The Acquisition has been completed on 2 Dec 2014 upon the approval from Ministry of International Trade and Industries, Malaysia.

12. CHANGES IN COMPOSITION OF THE GROUP

On 29 August 2014, the Company has announced that applications have been made to the Registrar of the Companies Commission of Malaysia to strike off its indirect subsidiaries, Goldheart (M) Sdn. Bhd. and Goldheart Jewelry (M) Sdn. Bhd. pursuant to Section 308 of the Companies Act, 1965.

Upon completion of the acquisition of the remaining 39% equity interest in GPMI on 2 December 2014, GPMI became a wholly owned subsidiary of the Company

TOMEI CONSOLIDATED BERHAD (692959–W)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER
ENDED 31 DECEMBER 2014**

(The figures have not been audited)

PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont’d)

12. CHANGES IN COMPOSITION OF THE GROUP (Cont’d)

On 11 September 2014, the Company had acquired 2 ordinary share of RM1.00 each representing 100% of the entire paid up capital of Flawless Skin Care Sdn. Bhd. for a total cash consideration of RM2.00. The intended activity of Flawless Skin Care Sdn. Bhd. is retailing of skin care products.

On 29 December 2014, the Company announced that the following subsidiaries which were placed under members’ voluntary winding up have been fully dissolved on 26 December 2014:-

- 1) Tomei Gold & Jewellery (WM) Sdn. Bhd.
- 2) Tomei TI Sdn. Bhd.
- 3) Tomei Gold & Jewellery (S.A.) Sdn. Bhd.
- 4) Tomei Gold & Jewellery (K.P.) Sdn. Bhd.
- 5) Tomei Gold & Jewellery (Klang) Sdn. Bhd.

13. CHANGES IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There were no contingent liabilities or contingent assets which have arisen since the last annual reporting date as at 31 December 2013.

TOMEI CONSOLIDATED BERHAD (692959–W)**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2014****(The figures have not been audited)****PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD****14. COMMITMENTS**

Except as disclosed below, there were no other material commitments as at 31 December 2014:-

i) Rental commitments

The Group had entered into several tenancy agreements for the rental of retail space, office blocks and staff housing, resulting in future rental commitments which may, subject to certain terms in the agreements, be revised accordingly or upon its maturity based on prevailing market rates.

	RM'000
Future rental commitments	<u>36,230</u>

ii) Capital commitments

Capital expenditure in respect of purchase of property, plant and equipment:-

	RM'000
Approved but not contracted for	<u>4,737</u>

15. PERFORMANCE REVIEW

	Individual Quarter		Year to-date	
	3 months ended		12 months ended	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
	RM'000	RM'000	RM'000	RM'000
Sales				
Retail	115,874	103,574	428,472	518,322
Manufacturing & wholesales	<u>34,541</u>	<u>38,932</u>	<u>136,327</u>	<u>183,585</u>
Total	<u>150,415</u>	<u>142,506</u>	<u>564,799</u>	<u>701,907</u>
(Loss)/Profit before tax				
Retail	(4,361)	1,075	(397)	266
Manufacturing & wholesales	<u>995</u>	<u>(921)</u>	<u>5,910</u>	<u>(4,002)</u>
Total	<u>(3,366)</u>	<u>154</u>	<u>5,513</u>	<u>(3,736)</u>

Comparison with previous year's corresponding quarter

The Group reported revenue of RM150.415 million for the current quarter ended 31 December 2014, an increase of 5.55% compared to RM142.506 million recorded in the preceding year's corresponding quarter.

TOMEI CONSOLIDATED BERHAD (692959-W)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2014

(The figures have not been audited)

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)

15. PERFORMANCE REVIEW (Cont'd)

Comparison with previous year's corresponding quarter (Cont'd)

Despite reported better sales, the Group reported a loss before tax (“LBT”) of RM3.366 million during the current quarter in comparison to profit before tax (“PBT”) of RM0.154 million recorded in the preceding year's corresponding quarter. This was mainly due to loss arising from the fluctuation of foreign exchange and gold price. During the previous year corresponding quarter, the Group reported a gain on disposal of a subsidiary company amounted to RM2.311 million.

Retail Segment

The retail segment reported a revenue of RM115.874 million for the current quarter compared to RM103.574 million in the preceding year's corresponding quarter. However, this segment reported a LBT of RM4.361 million as compared to PBT of RM1.075 million in the preceding year's corresponding quarter. The loss was mainly due to high operating overhead incurred during the quarter as well as loss arising from the fluctuation of foreign exchange and gold price.

Manufacturing & Wholesales segment (“M&W”)

During the current quarter, the M&W reported a revenue of RM34.541 million compared to RM38.932 million reported in the previous year's corresponding quarter. This segment reported a PBT of RM0.995 million as compared to LBT of RM0.921 million in the preceding year's corresponding quarter. During the previous year corresponding quarter, the M&W has written down its stock amounted to RM0.987 million while for the current quarter, there is a write back of RM1.054 million.

Comparison with previous year's corresponding financial year to date

The Group's revenue for the financial year ended 31 December 2014 reduced by 19.5% to RM564.799 million as compared to RM701.907 million recorded in the last financial year. During the last financial year, the drastic drop in gold price has resulted in a surge for demand for gold and gold related jewellery. Such factor was absent during the current year. Despite the reduction, the Group reported PBT of RM5.513 million compared to LBT of RM3.736 million in the previous year due to improving profit margin.

Retail Segment

The retail division reported revenue of RM428.472 million in the current financial year as compared to RM518.322 million recorded last year. Due to lower sales and loss arising from foreign exchange and gold fluctuation, the retail segment reported a LBT of RM0.397 million as compared to a PBT of RM0.266 million reported in the last financial year.

Manufacturing & Wholesales segment (“M&W”)

The W&M division reported sales of RM136.327 million as compared to RM183.585 million recorded last year. Despite it reported lower sales, this segment reported a PBT of RM5.910 million as compared to a LBT of RM4.002 million in last financial year. During last financial year, the M&W has written down its stock amounted to RM 1.803 million while part of the write down amounting to RM1.054 million was subsequently reversed during the year.

TOMEI CONSOLIDATED BERHAD (692959–W)**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2014**

(The figures have not been audited)

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)**15. PERFORMANCE REVIEW (Cont'd)***Comparison with preceding quarter*

	Revenue		(Loss)/Profit before tax	
	3 months ended		3 months ended	
	31/12/2014	30/9/2014	31/12/2014	30/9/2014
	RM'000	RM'000	RM'000	RM'000
Retail	115,874	100,011	(4,361)	153
Manufacturing & wholesales	34,541	30,631	995	1,298
Total	150,415	130,642	(3,366)	1,451

The Group's revenue for current quarter has increased by 15.14% compared to the preceding quarter mainly due to the festivities during the year end. Nevertheless, the Group reported a LBT of RM3.366 million compared to PBT of RM1.451 million reported in the previous quarter mainly contributed by loss in its retail segment.

Retail Segment

The retail segment reported an increase of 15.86% in revenue mainly due to year end festivities. However it reported a LBT of RM4.361 million compared to PBT of RM0.153 million reported in preceding quarter mainly due to fluctuation in foreign exchange and gold price.

Manufacturing & Wholesales segment ("M&W")

The M&W segment reported an increase in revenue to RM34.541 million compared to RM30.631 million in the preceding quarter. However, it reported a lower PBT of RM0.995 million compared to preceding quarter of RM1.298 million due to lower gross margin earned.

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(The figures have not been audited)

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)

16. COMMENTARY ON PROSPECTS

The retailing conditions in Malaysia will remain challenging in the next financial year amidst a backdrop of falling oil prices, weaker Ringgit and the enforcement of the Goods and Services Tax on 1 April 2015. Notwithstanding, the Board expects the Group to perform reasonably.

17. PROFIT FORECAST OR PROFIT GUARANTEE

The Group has not provided any profit forecast or profit guarantee in any public document during the current financial period.

18. TAX EXPENSE

	Individual Quarter		Year to-date	
	31/12/2014 RM'000	31/12/2013 RM'000	31/12/2014 RM'000	31/12/2013 RM'000
Current tax expense	149	2,145	3,083	2,071
(Over)/Under provision in prior years	-	(28)	88	348
Deferred taxation				
-Current	525	(1,501)	525	(1,405)
-Under/(Over) provision in prior years	110	70	110	(27)
	<u>784</u>	<u>686</u>	<u>3,806</u>	<u>987</u>

The effective tax rate of the Group for the financial year to date is higher than the statutory tax rate as some of its subsidiary companies are in loss making position.

19. CORPORATE PROPOSALS

There were no corporate proposals undertaken by the Group during the current quarter.

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PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)

20. BORROWINGS AND DEBT SECURITIES

As at 31 December 2014, the Group has total borrowings of RM180.481 million, all of which are denominated in Ringgit Malaysia.

	Secured RM'000	Unsecured RM'000	Total RM'000
Current	2,993	165,168	168,161
Non-current	2,753	9,567	12,320
	<u>5,746</u>	<u>174,735</u>	<u>180,481</u>

21. DERIVATIVE ASSETS

	Contract amount RM'000	Derivative Assets RM'000
Gold loans contracts	24,047	727
Gold futures contracts	<u>1,209</u>	<u>17</u>
	<u>25,256</u>	<u>744</u>

These gold contracts were entered into with the objective of managing and hedging the Group's exposure to adverse price movements in gold bullions. The fair values of the components have been determined based on counter parties' quotes as at the end of each reporting period.

The above derivatives are initially recognised at fair value on the date the derivative contracts are entered into and are subsequently re-measured at fair value through profit or loss. The resulting gain or loss from the re-measurement is recognised as profit or loss.

During the year, the Group recognised a net loss of RM1.256 million arising from fair value changes of derivative assets.

22. CHANGES IN MATERIAL LITIGATIONS

No material litigation has arisen since 31 December 2013.

23. DIVIDEND PAYABLE

The Directors do not recommend any interim dividend payment for the current quarter.

TOMEI CONSOLIDATED BERHAD (692959-W)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2014

(The figures have not been audited)

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)

24. (LOSS)/EARNINGS PER ORDINARY SHARE

The basic (loss)/earnings per share is calculated by dividing the net (loss)/profit for the financial year by the weighted average number of ordinary shares in issue during the year.

	Individual Quarter		Year to-date	
	3 months ended		12 months ended	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
	RM'000	RM'000	RM'000	RM'000
Consolidated (loss)/profit for the financial year attributable to equity holders of the parent	(4,242)	(252)	1,124	(4,405)
Weighted average number of ordinary shares in issue ('000)	138,600	138,600	138,600	138,600
Basic (loss)/earnings per share (sen)	(3.06)	(0.18)	0.81	(3.18)
Diluted earnings per share	N/A	N/A	N/A	N/A

There is no diluted earning per share as the Company does not have any convertible financial instruments in issue.

25. (LOSS)/PROFIT BEFORE TAX

	Individual Quarter		Year to-date	
	3 months ended		12 months ended	
	31/12/2014	31/12/2014	31/12/2014	31/12/2013
	RM'000	RM'000	RM'000	RM'000
(Loss)/Profit before tax is arrived at after charging/(crediting):-				
Amortisation and depreciation	1,625	1,501	6,306	5,975
Bad debts written off	-	90	-	90
Bad debts recovered	-	(1)	-	(1)
Finance costs	2,977	3,084	11,455	11,642
Inventories written (back)/down	(794)	987	(794)	1,803
Inventories written off	-	161	-	161
Property, plant and equipment written off	409	182	681	334
Gain on disposal of a subsidiary	-	(2,311)	-	(2,311)
Loss/(gain) on gold price fluctuation and foreign exchange	505	(1,579)	(1,845)	(1,483)
Reversal of impairment losses on trade and other receivables	-	-	-	(3)
Fair value loss/(gain) on derivative assets	1,472	(807)	1,256	(807)
Loss/(Gain) on disposal of property, plant and equipment	19	-	(128)	(8)
Interest income	(40)	(50)	(92)	(61)

TOMEI CONSOLIDATED BERHAD (692959–W)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER
ENDED 31 DECEMBER 2014**

(The figures have not been audited)

**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING
REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)**

26. REALISED AND UNREALISED RETAINED EARNINGS

	As at	
	31/12/2014	31/12/2013
	RM'000	RM'000
Total retained earnings:-		
- realised	123,715	120,546
- unrealised	(2,595)	1,026
	<hr/>	<hr/>
	121,120	121,572
Less: Consolidation adjustments	(15,752)	(16,249)
	<hr/>	<hr/>
Total Group retained earnings	<u>105,368</u>	<u>105,323</u>

By Order of the Board

Secretary

Teoh Kok Jong (LS 04719)

Dated : 16 February 2015