



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

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2015**

(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER ENDED 31 DECEMBER 2015**

	Individual Quarter		Cumulative Quarter	
	3 months ended		12 months ended	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
	RM'000	RM'000	RM'000	RM'000
				(Audited)
Revenue	119,530	150,415	498,997	564,799
Cost of sales	(86,447)	(116,358)	(369,122)	(430,238)
<b>Gross profit</b>	<b>33,083</b>	<b>34,057</b>	<b>129,875</b>	<b>134,561</b>
Other income	3,314	990	6,271	4,141
Selling and distribution expenses	(20,369)	(25,263)	(88,299)	(94,162)
Administrative expenses	(6,616)	(7,281)	(26,004)	(24,113)
Other expenses	(745)	(2,892)	(7,765)	(3,459)
<b>Profit/(Loss) from operations</b>	<b>8,667</b>	<b>(389)</b>	<b>14,078</b>	<b>16,968</b>
Finance costs	(2,934)	(2,977)	(12,011)	(11,455)
<b>Profit/(Loss) before tax</b>	<b>5,733</b>	<b>(3,366)</b>	<b>2,067</b>	<b>5,513</b>
Tax expense	(2,997)	(784)	(3,607)	(3,806)
<b>Profit/(Loss) for the financial year</b>	<b>2,736</b>	<b>(4,150)</b>	<b>(1,540)</b>	<b>1,707</b>
<b>Profit/(Loss) attributable to:-</b>				
Owners of the parent	2,725	(4,242)	(1,722)	1,124
Non-controlling interests	11	92	182	583
	<b>2,736</b>	<b>(4,150)</b>	<b>(1,540)</b>	<b>1,707</b>
<b>Earnings/(Loss) per ordinary share attributable to equity holders of the parent (sen):-</b>				
Basic earnings/(loss) per share	1.97	(3.06)	(1.24)	0.81
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 2015**

(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME FOR THE QUARTER ENDED 31 DECEMBER 2015 (Cont'd)**

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>3 months ended</b>		<b>12 months ended</b>	
	<b>31/12/2015</b>	<b>31/12/2014</b>	<b>31/12/2015</b>	<b>31/12/2014</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
				<b>(Audited)</b>
<b>Profit/(Loss) for the financial year</b>	2,736	(4,150)	(1,540)	1,707
<b>Foreign currency translations</b>	(1,014)	1,065	1,514	915
<b>Total comprehensive income/(loss)</b>	<u>1,722</u>	<u>(3,085)</u>	<u>(26)</u>	<u>2,622</u>
<b>Total comprehensive income/(loss) attributable to:-</b>				
<b>Owners of the parent</b>	1,711	(3,177)	(208)	2,039
<b>Non-controlling interests</b>	11	92	182	583
	<u>1,722</u>	<u>(3,085)</u>	<u>(26)</u>	<u>2,622</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 2014. 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 2015****(The figures have not been audited)****CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT  
31 DECEMBER 2015**

	As At 31/12/2015 RM'000	As At 31/12/2014 RM'000 (Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	18,461	18,288
Prepaid lease payments for land	521	540
Deferred tax assets	1,513	870
	<u>20,495</u>	<u>19,698</u>
<b>Current assets</b>		
Inventories	337,334	354,820
Derivative assets	107	744
Trade and other receivables	26,159	24,582
Current tax assets	1,674	1,682
Cash and bank balances	8,576	13,171
	<u>373,850</u>	<u>394,999</u>
<b>TOTAL ASSETS</b>	<u>394,345</u>	<u>414,697</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Share capital</b>	69,300	69,300
<b>Share premium</b>	4,036	4,036
<b>Reserves</b>	106,864	108,032
<b>Equity attributable to owners of the parent</b>	<u>180,200</u>	<u>181,368</u>
<b>Non-controlling interests</b>	5,573	3,306
<b>TOTAL EQUITY</b>	<u>185,773</u>	<u>184,674</u>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Borrowings	7,654	12,320
Deferred tax liabilities	735	386
	<u>8,389</u>	<u>12,706</u>
<b>Current Liabilities</b>		
Trade and other payables	31,875	48,996
Borrowings	166,623	168,161
Current tax liabilities	1,685	160
	<u>200,183</u>	<u>217,317</u>
<b>TOTAL LIABILITIES</b>	<u>208,572</u>	<u>230,023</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>394,345</u>	<u>414,697</u>
<b>Net assets per share (RM)</b>	1.34	1.33

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2014. 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 2015**

(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED 31 DECEMBER 2015**

	-----Attributable To Owners Of The Parent-----		Exchange Translation Reserve RM'000	Retained Earnings RM'000	Total RM'000	Non-Controlling Interests RM'000	Total Equity RM'000
	--Non Distributable----	Distributable					
	Share Capital RM'000	Share Premium RM'000					
<b>Balance as at 1 January 2015</b>	69,300	4,036	2,664	105,368	181,368	3,306	184,674
Total comprehensive income for the financial year	-	-	1,514	(1,722)	(208)	182	(26)
Transaction with owners:-							
- Disposal of equity interest to non-controlling interests	-	-	-	426	426	2,085	2,511
- Dividend paid	-	-	-	(1,386)	(1,386)	-	(1,386)
<b>Balance as at 31 December 2015</b>	<u>69,300</u>	<u>4,036</u>	<u>4,178</u>	<u>102,686</u>	<u>180,200</u>	<u>5,573</u>	<u>185,773</u>

	-----Attributable To Owners Of The Parent-----		Exchange Translation Reserve RM'000	Retained Earnings RM'000	Total RM'000	Non-Controlling Interests RM'000	Total Equity RM'000
	---Non Distributable---	Distributable					
	Share Capital RM'000	Share Premium RM'000					
<b>Balance as at 1 January 2014</b>	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 a non-controlling interest	-	-	-	307	307	(3,262)	(2,955)
- Dissolution of a subsidiary	-	-	-	-	-	(97)	(97)
- Dividend paid	-	-	-	(1,386)	(1,386)	-	(1,386)
<b>Balance as at 31 December 2014</b>	<u>69,300</u>	<u>4,036</u>	<u>2,664</u>	<u>105,368</u>	<u>181,368</u>	<u>3,306</u>	<u>184,674</u>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2014. 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 2015****(The figures have not been audited)****CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE QUARTER  
ENDED 31 DECEMBER 2015**

	<b>12 months ended 31/12/2015 RM'000</b>	<b>12 months ended 31/12/2014 RM'000 (Audited)</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	2,067	5,513
Adjustments for:-		
Amortisation of prepaid lease payments for land	19	18
Bad debts written off	62	-
Depreciation of property, plant and equipment	6,262	6,288
Fair value (gain)/loss on derivative assets	(556)	1,256
Gain on disposal of property, plant and equipment	(357)	(128)
Inventories written back	-	(1,054)
Inventories written down	-	260
Inventories written off	1,504	-
Property, plant and equipment written off	704	681
Reversal of impairment loss on trade and other receivables	-	(31)
Unrealised (gain)/loss on gold price fluctuation and foreign exchange	(209)	683
Finance costs	12,011	11,455
Interest income	(73)	(92)
	<hr/>	<hr/>
Operating profit before changes in working capital	21,434	24,849
Decrease/(Increase) in inventories	15,982	(20,497)
Decrease/(Increase) in trade and other receivables	1,310	(414)
(Decrease)/Increase in trade and other payables	(16,791)	6,933
	<hr/>	<hr/>
Cash generated from operations	21,935	10,871
Interest paid	(10,290)	(9,449)
Tax paid	(3,251)	(3,492)
Tax refunded	883	1,218
	<hr/>	<hr/>
Net cash from/ (used in) operating activities	9,277	(852)
	<hr/>	<hr/>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	73	92
Acquisition of additional interest in a subsidiary	-	(1,455)
Purchase of property, plant and equipment	(3,569)	(2,555)
Proceeds from disposal of investment property	-	495
Proceeds from disposal of shares in a subsidiary	2,327	-
Proceeds from disposal of property, plant and equipment	357	257
Uplift of fixed deposit as permitted investment	-	1,742
	<hr/>	<hr/>
Net cash used in investing activities	(812)	(1,424)
	<hr/>	<hr/>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividends paid	(1,386)	(1,386)
Interest paid	(1,722)	(2,068)
Net repayments of term loans	(6,519)	(19,188)
Net repayments of short term borrowings	(5,705)	10,056
Repayments of hire-purchase liabilities	(3,550)	(3,846)
	<hr/>	<hr/>
Net cash used in financing activities	(18,882)	(16,432)
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**TOMEI CONSOLIDATED BERHAD (692959–W)**

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER  
ENDED 31 DECEMBER 2015**

**(The figures have not been audited)**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE QUARTER ENDED  
31 DECEMBER 2015 (Cont'd)**

	<b>12 months ended 31/12/2015 RM'000</b>	<b>12 months ended 31/12/2014 RM'000 (Audited)</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(10,417)	(18,708)
<b>CASH &amp; CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR</b>	(29,626)	(11,378)
<b>EFFECTS OF EXCHANGE RATES CHANGES</b>	462	460
<b>CASH &amp; CASH EQUIVALENTS AT END OF FINANCIAL YEAR</b>	<u>(39,581)</u>	<u>(29,626)</u>
<b>Represented by:-</b>		
<b>CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	8,576	8,944
Fixed deposit with a licensed bank	-	4,227
Bank overdrafts	(48,157)	(42,797)
	<u>(39,581)</u>	<u>(29,626)</u>

**The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2014. 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 2015

(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 2014.

#### 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 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>	Deferred
Amendments to MFRS 116 and MRFS 138 <i>Clarification of Acceptable Methods of Depreciation and Amortisation</i>	1 January 2016
Amendments to MFRS 11 Accounting for Acquisitions of Interests in Joint Operations	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
MFRS 15 <i>Revenue from Contracts with Customers</i>	1 January 2018
MFRS 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 2014 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 2015.

**(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 2015 and 31 December 2014, which are within the Group's objectives for capital management, are as follows:-

	31/12/2015	31/12/2014
	RM'000	RM'000
Total debt net of cash and cash equivalents	165,701	167,310
Total equity	185,773	184,674
Net gearing ratio	0.89	0.91

The Group reported net gearing ratio of 0.89 as at 31 December 2015, decreased by 0.02 compared to 31 December 2014.

**8. DIVIDEND PAID**

On 5 June 2015, 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 2014.

**9. OPERATING SEGMENTAL INFORMATION – MFRS 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 2015**

(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:-

<b>Results for financial year ended 31 December 2015</b>	<b>Manufacturing &amp; Wholesales RM'000</b>	<b>Retail RM'000</b>	<b>Total RM'000</b>
<b>Revenue</b>			
Total sales	119,950	392,118	512,068
Inter-segment sales	(9,213)	(3,858)	(13,071)
External sales	110,737	388,260	498,997
<b>Results</b>			
Profit/(Loss) before tax	5,415	(3,348)	2,067
Tax expense	(1,510)	(2,097)	(3,607)
Profit/(Loss) for the financial year	3,905	(5,445)	(1,540)
Non-controlling interests			(182)
Loss attributable to owners of the parent			(1,722)
<b>Assets and liabilities as at 31 December 2015</b>			
<b>Assets</b>			
Segment assets	58,913	332,245	391,158
Unallocated assets	-	-	3,187
Total assets	-	-	394,345
<b>Liabilities</b>			
Segment liabilities	23,139	183,013	206,152
Unallocated liabilities	-	-	2,420
Total liabilities	-	-	208,572
<b>Results for financial year ended 31 December 2014</b>			
<b>Results for financial year ended 31 December 2014</b>	<b>Manufacturing &amp; Wholesales RM'000</b>	<b>Retail RM'000</b>	<b>Total RM'000</b>
<b>Revenue</b>			
Total sales	144,285	428,950	573,235
Inter-segment sales	(7,958)	(478)	(8,436)
External sales	136,327	428,472	564,799
<b>Results</b>			
Profit/(Loss) before tax	5,910	(397)	5,513
Tax expense	(1,031)	(2,775)	(3,806)
Profit/(Loss) for the financial year	4,879	(3,172)	1,707
Non-controlling interests			(583)
Profit attributable to owners of the parent			1,124

**TOMEI CONSOLIDATED BERHAD (692959–W)**

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2015**

(The figures have not been audited)

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

**9. OPERATING SEGMENTAL INFORMATION (Cont’d)**

<b>Assets and Liabilities as at 31 December 2014</b>	<b>Manufacturing &amp; Wholesales RM’000</b>	<b>Retail RM’000</b>	<b>Total RM’000</b>
<b>Assets</b>			
Segment assets	60,240	351,905	412,145
Unallocated assets	-	-	2,552
Total assets	-	-	414,697
<b>Liabilities</b>			
Segment liabilities	27,872	201,605	229,477
Unallocated liabilities	-	-	546
Total liabilities	-	-	230,023

**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 21 October 2015, Tomei Gold & Jewellery Holdings (M) Sdn Bhd, a wholly owned subsidiary company of the Company had entered into a Merchandise Sub-License Agreement with Sanrio Wave Hong Kong Co. Ltd. to manufacture and distribute jewellery products based on Hello Kitty, My Melody and Little Twin Stars throughout Malaysia.

Other than the above, there were no other significant events during the current quarter.

**12. CHANGES IN COMPOSITION OF THE GROUP**

On 26 March 2015, the Company subscribed for additional 399,998 ordinary shares of RM1.00 each in its wholly owned subsidiary company, Flawless Skin Care Sdn. Bhd., for a total cash consideration of RM399,998.00.

On 16 November 2015, the Company has struck off its indirect subsidiaries, Goldheart (M) Sdn. Bhd. and Goldheart Jewelry (M) Sdn. Bhd. from the Companies Commission of Malaysia (“CCM”) after receiving approval from the CCM.

**TOMEI CONSOLIDATED BERHAD (692959–W)**

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER  
ENDED 31 DECEMBER 2015**

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**(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 16 December 2015, the Company had subscribed for additional 12,200,000 ordinary shares of HKD1.00 each in its wholly owned subsidiary company, Wealthy Concept Limited (“WCL”) at par for HKD12,200,000 by way of capitalizing of its advances to the company, increasing its total shareholding to 32,200,000 ordinary shares of HKD1.00 each.

Subsequent to the additional subscription, the Company then disposed off 45% of its shareholding in WCL equivalent to 14,490,000 ordinary shares of HKD1.00 each for cash consideration of HKD4,500,000.

On 17 December 2015, the Company had further subscribed additional shares in its following wholly owned subsidiary companies for cash consideration.

Subsidiaries	Number <u>of shares</u>	<u>RM</u>
Flawless Skin Care Sdn. Bhd.	2,100,000	2,100,000
Tomei Gold & Jewellery Manufacturing Sdn. Bhd.	10,000	10,000
Tomei Marketing Sdn. Bhd.	1,500,000	1,500,000
Tomei Retail Sdn. Bhd.	2,499,998	2,499,998

**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 2014.

**TOMEI CONSOLIDATED BERHAD (692959-W)****QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2015****(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 2015:-

## 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>28,824</u>

## ii) Capital commitments

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

	RM'000
Approved but not contracted for	<u>5,074</u>

**15. PERFORMANCE REVIEW**

	<b>Individual Quarter</b>		<b>Year to-date</b>	
	<b>3 months ended</b>		<b>12 months ended</b>	
	<b>31/12/2015</b>	<b>31/12/2014</b>	<b>31/12/2015</b>	<b>31/12/2014</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Sales				
Retail	93,862	115,874	388,260	428,472
Manufacturing & wholesales	25,668	34,541	110,737	136,327
Total	<u>119,530</u>	<u>150,415</u>	<u>498,997</u>	<u>564,799</u>
Profit/(Loss) before tax				
Retail	4,323	(4,361)	(3,348)	(397)
Manufacturing & wholesales	1,410	995	5,415	5,910
Total	<u>5,733</u>	<u>(3,366)</u>	<u>2,067</u>	<u>5,513</u>

***Comparison with previous year's corresponding quarter***

The Group reported revenue of RM119.530 million for the current quarter ended 31 December 2015 in comparison to RM150.415 million recorded in the previous year's corresponding quarter, a drop of 20.53% following the soft retail environment in Malaysia.

**(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 lower sales, the Group reported a profit before tax (“PBT”) of RM5.733 million during the current quarter in comparison to loss before tax (“LBT”) of RM3.366 million recorded in the preceding year’s corresponding quarter mainly due to higher profit margin earned, lower operating costs and gain from foreign exchange.

*Retail Segment*

The retail segment reported revenue of RM93.862 million for the current quarter compared to RM115.874 million in the previous year’s corresponding quarter, a drop of 19.00%. Despite the reduction in sales, it reported a PBT of RM4.323 million compared to LBT of RM4.361 million in the preceding year’s corresponding quarter mainly due to higher profit margin earned and lower operating costs arising from closure of non-profit making outlets.

*Manufacturing & Wholesales segment (“M&W”)*

During the current quarter, the M&W reported revenue of RM25.668 million compared to RM34.541 million reported in the previous year’s corresponding quarter, a drop of 25.69%. Despite the drop in sales, it reported a higher PBT of RM1.410 million as compared to RM0.995 million recorded in the previous year’s corresponding quarter mainly due to higher profit margin earned.

*Comparison with previous year’s corresponding financial year to-date*

The Group’s revenue for the financial year ended 31 December 2015 reduced by 11.65% to RM498.997 million as compared to RM564.799 million recorded in the last financial year mainly due to softer retail market condition in Malaysia. Due to the introduction of the Goods & Services Tax since April 2015 and the weakening of the Ringgit, consumers have been very cautious with their spending. As a result, the Group reported a lower PBT of RM2.067 million as compared to RM5.513 million achieved in the previous year.

*Retail Segment*

The retail division reported sales of RM388.260 million as compared to RM428.472 million last year. Both the introduction of the Goods & Services Tax and the weakening of Ringgit have escalated the cost of living among consumers and this has dampened the retail sentiments in Malaysia. As a result, the retail division reported a higher LBT of RM3.348 million as compared to RM0.397 million reported last year.

*Manufacturing & Wholesales segment (“M&W”)*

The M&W reported sales of RM110.737 million as compared to RM136.327 million last year. As a result, it reported a lower PBT of RM5.415 million as compared to RM5.910 million last year.

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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)**

**15. PERFORMANCE REVIEW (Cont'd)**

*Comparison with preceding quarter*

	Revenue		Profit/(Loss) before tax	
	3 months ended		3 months ended	
	31/12/2015 RM'000	30/9/2015 RM'000	31/12/2015 RM'000	30/9/2015 RM'000
Retail	93,862	92,648	4,323	(5,971)
Manufacturing & wholesales	25,668	25,412	1,410	803
Total	119,530	118,060	5,733	(5,168)

The Group's revenue for current quarter has increased by 1.25% compared to the preceding quarter mainly due to increasing demand during the year end festivities. As a result, the Group reported a PBT of RM5.733 million compared to LBT of RM5.168 million reported in the previous quarter. The higher gross profit margin earned and the gain from foreign exchange during the current quarter also has contributed favourably to the financial results.

*Retail Segment*

The retail segment reported an increase of 1.31% in revenue compared to its preceding quarter mainly due to year end festivities. As a result and coupled with better gross margin earned, it reported a PBT of RM4.323 million compared to LBT of RM5.971 million reported in its preceding quarter. The favourable result is also due to lower operating costs incurred and gain from foreign exchange.

*Manufacturing & Wholesales segment ("M&W")*

The M&W segment reported higher sales of RM25.668 million compared to RM25.412 million recorded in its preceding quarter. As a result and coupled with higher gross profit margin earned, it reported higher PBT of RM1.410 million compared to RM0.803 million reported in the preceding quarter.

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#### 16. COMMENTARY ON PROSPECTS

The outlook for the global economy remains uncertain in the midst of the prolonged depressed oil and commodity prices. These factors will definitely impact the consumer's disposable income.

The Group will continue with the rationalization of its operations with a view to improve on its profitability in the next financial year.

#### 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 year.

#### 18. TAX EXPENSE

	Individual Quarter		Year to-date	
	31/12/2015 RM'000	31/12/2014 RM'000	31/12/2015 RM'000	31/12/2014 RM'000
Current tax expense	3,290	149	3,722	3,060
Under provision in prior years	-	-	178	88
Deferred taxation				
- Current	(297)	525	(297)	549
- Under provision in prior years	4	110	4	109
	<u>2,997</u>	<u>784</u>	<u>3,607</u>	<u>3,806</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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**20. BORROWINGS AND DEBT SECURITIES**

As at 31 December 2015, the Group has total borrowings of RM174.241 million, all of which are denominated in Ringgit Malaysia.

	<b>Secured RM'000</b>	<b>Unsecured RM'000</b>	<b>Total RM'000</b>
Current	3,074	163,549	166,623
Non-current	3,332	4,322	7,654
	<u>6,406</u>	<u>167,871</u>	<u>174,277</u>

**21. DERIVATIVE ASSETS**

	<b>Contract amount RM'000</b>	<b>Derivative Assets RM'000</b>
Gold loans contracts	1,431	33
Gold futures contracts	<u>5,945</u>	<u>74</u>
	<u>7,376</u>	<u>107</u>

These gold contract and gold future contract 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 recognized a net gain of RM0.556 million arising from fair value changes of derivative assets.

**22. CHANGES IN MATERIAL LITIGATIONS**

No material litigation has arisen since 31 December 2014.

**23. DIVIDEND PAYABLE**

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



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**24. EARNINGS/(LOSS) PER ORDINARY SHARE**

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

	<b>Individual Quarter 3 months ended</b>		<b>Year to-date 12 months ended</b>	
	<b>31/12/2015 RM'000</b>	<b>31/12/2014 RM'000</b>	<b>31/12/2015 RM'000</b>	<b>31/12/2014 RM'000</b>
Consolidated profit/(loss) for the financial year attributable to equity holders of the parent	2,720	(4,240)	(1,720)	1,120
Weighted average number of ordinary shares in issue ('000)	138,600	138,600	138,600	138,600
Basic earnings/(loss) per share (sen)	1.97	(3.06)	(1.24)	0.81
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. PROFIT/(LOSS) BEFORE TAX**

	<b>Individual Quarter 3 months ended</b>		<b>Year to-date 12 months ended</b>	
	<b>31/12/2015 RM'000</b>	<b>31/12/2014 RM'000</b>	<b>31/12/2015 RM'000</b>	<b>31/12/2014 RM'000</b>
Profit/(Loss) before tax is arrived at after charging/(crediting):-				
Amortisation and depreciation	1,638	1,625	6,281	6,306
Bad debts written off	62	-	62	-
Finance costs	2,934	2,977	12,011	11,455
Fair value (gain)/loss on derivative assets	(63)	1,472	(556)	1,256
(Gain)/Loss on gold price fluctuation and foreign exchange	(2,345)	505	1,362	(1,844)
Inventories written back	-	(1,054)	-	(1,054)
Inventories written down	-	260	-	260
Inventories written off	623	-	1,504	-
Interest income	(4)	(40)	(73)	(92)
Loss/(Gain) on disposal of property, plant and equipment	-	19	(357)	(128)
Property, plant and equipment written off	132	409	704	681
Reversal of impairment loss on trade and other receivables	-	-	-	(31)

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**26. REALISED AND UNREALISED RETAINED EARNINGS**

	<b>As at</b>	
	<b>31/12/2015</b>	<b>31/12/2014</b>
	<b>RM'000</b>	<b>RM'000</b>
Total retained earnings:-		
- realised	114,867	123,715
- unrealised	1,058	(2,595)
	<u>115,925</u>	<u>121,120</u>
Less: Consolidation adjustments	<u>(13,239)</u>	<u>(15,752)</u>
Total Group retained earnings	<u><u>102,686</u></u>	<u><u>105,368</u></u>

By Order of the Board

Secretary

Teoh Kok Jong (LS 04719)

Dated : 24 February 2016