



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

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER
ENDED 31 DECEMBER 2016**

(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME FOR THE QUARTER ENDED 31 DECEMBER 2016**

	Individual Quarter		Cumulative Quarter	
	3 months ended		12 months ended	
	31/12/2016	31/12/2015	31/12/2016	31/12/2015
	RM'000	RM'000	RM'000	RM'000
Revenue	127,798	119,874	472,209	499,341
Cost of sales	(94,377)	(86,447)	(341,010)	(369,122)
Gross profit	33,421	33,427	131,199	130,219
Other income	(683)	2,970	3,722	5,927
Selling and distribution expenses	(20,323)	(20,369)	(85,284)	(88,299)
Administrative expenses	(7,088)	(6,616)	(26,343)	(26,004)
Other expenses	(903)	(745)	(3,466)	(7,765)
Profit from operations	4,424	8,667	19,828	14,078
Finance costs	(2,912)	(2,934)	(11,775)	(12,011)
Profit before tax	1,512	5,733	8,053	2,067
Tax expenses	(1,410)	(2,997)	(3,787)	(3,607)
Profit/(Loss) for the year	102	2,736	4,266	(1,540)
Profit/(Loss) attributable to:-				
Owners of the parent	226	2,725	4,687	(1,722)
Non-controlling interest	(124)	11	(421)	182
	102	2,736	4,266	(1,540)
Earnings/(Loss) per ordinary share attributable to equity holders of the parent (sen):-				
Basic earnings/(loss) per share	0.16	1.97	3.38	(1.24)
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 2016**

(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME FOR THE QUARTER ENDED 31 DECEMBER 2016 (Cont'd)**

	Individual Quarter		Cumulative Quarter	
	3 months ended		12 months ended	
	31/12/2016	31/12/2015	31/12/2016	31/12/2015
	RM'000	RM'000	RM'000	RM'000
Profit/(Loss) for the year	102	2,736	4,266	(1,540)
Foreign currency translations	455	(1,014)	(33)	1,514
Total comprehensive income/(loss) for the year	<u>557</u>	<u>1,722</u>	<u>4,233</u>	<u>(26)</u>
Total comprehensive income/(loss) attributable to:-				
Owners of the parent	681	1,711	4,654	(208)
Non-controlling interest	(124)	11	(421)	182
	<u>557</u>	<u>1,722</u>	<u>4,233</u>	<u>(26)</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 2015. 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 2016****(The figures have not been audited)****CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31
DECEMBER 2016**

	As At 31/12/2016 RM'000	As At 31/12/2015 RM'000 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	17,309	18,461
Prepaid lease payments for land	503	521
Deferred tax assets	2,758	1,513
	<u>20,570</u>	<u>20,495</u>
Current assets		
Inventories	334,941	337,334
Derivative assets	20	107
Trade and other receivables	31,555	26,159
Current tax assets	30	1,674
Cash and cash equivalents	8,620	8,576
	<u>375,166</u>	<u>373,850</u>
TOTAL ASSETS	<u><u>395,736</u></u>	<u><u>394,345</u></u>
EQUITY AND LIABILITIES		
Share capital	69,300	69,300
Share premium	4,036	4,036
Reserves	111,593	106,864
Equity attributable to owners of the parent	<u>184,929</u>	<u>180,200</u>
Non-controlling interest	5,077	5,573
TOTAL EQUITY	<u>190,006</u>	<u>185,773</u>
LIABILITIES		
Non-current liabilities		
Borrowings	4,393	7,654
Deferred tax liabilities	461	735
	<u>4,854</u>	<u>8,389</u>
Current Liabilities		
Trade and other payables	29,441	31,875
Borrowings	170,293	166,623
Current tax liabilities	1,142	1,685
	<u>200,876</u>	<u>200,183</u>
TOTAL LIABILITIES	<u>205,730</u>	<u>208,572</u>
TOTAL EQUITY AND LIABILITIES	<u><u>395,736</u></u>	<u><u>394,345</u></u>
Net assets per share (RM)	1.37	1.34

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2015. 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 2016

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED 31 DECEMBER 2016

	-----Attributable To Owners Of The Parent-----						Total Equity RM'000
	-----			-----			
	--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	
Balance as at 1 January 2016	69,300	4,036	3,257	103,607	180,200	5,573	185,773
Profit for the financial year	-	-	-	4,687	4,687	(421)	4,266
Foreign currency translations, net of tax	-	-	42	-	42	(75)	(33)
Total comprehensive income	-	-	42	4,687	4,729	(496)	4,233
Balance as at 31 December 2016	<u>69,300</u>	<u>4,036</u>	<u>3,299</u>	<u>108,294</u>	<u>184,929</u>	<u>5,077</u>	<u>190,006</u>

	-----Attributable To Owners Of The Parent-----						Total Equity RM'000
	-----			-----			
	---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	
Balance as at 1 January 2015	69,300	4,036	2,664	105,368	181,368	3,306	184,674
Profit for the financial year	-	-	-	(1,722)	(1,722)	182	(1,540)
Foreign currency translations, net of tax	-	-	1,514	-	1,514	-	1,514
Total comprehensive income	-	-	1,514	(1,722)	(208)	182	(26)
Transaction with owners:-							
- Dividends paid	-	-	-	(1,386)	(1,386)	-	(1,386)
- Disposal of equity interest to non-controlling interests	-	-	(921)	1,347	426	2,085	2,511
Total transactions with owners	-	-	(921)	(39)	(960)	2,085	1,125
Balance as at 31 December 2015	<u>69,300</u>	<u>4,036</u>	<u>3,257</u>	<u>103,607</u>	<u>180,200</u>	<u>5,573</u>	<u>185,773</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 2015. 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 2016****(The figures have not been audited)****CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR
ENDED 31 DECEMBER 2016**

	12 months ended 31/12/2016 RM'000	12 months ended 31/12/2015 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	8,053	2,067
Adjustments for:-		
Amortisation of prepaid lease payments for land	18	19
Depreciation of property, plant and equipment	6,420	6,262
Fair value loss/(gain) on financial instrument	115	(556)
Inventories written off	652	1,504
Property, plant and equipment written off	366	704
Allowance for impairment in trade receivables	96	-
Bad debts written off	-	62
Gain on disposal of property, plant and equipment	(99)	(357)
Reversal of impairment loss on trade receivables	(36)	-
Unrealised (gain)/loss on gold price fluctuation and foreign exchange	(227)	(209)
Finance costs	11,775	12,011
Interest income	(1)	(73)
	<hr/>	<hr/>
Profit before working capital changes	27,132	21,434
Decrease in inventories	1,742	15,982
(Increase)/decrease in trade and other receivables	(6,285)	1,315
Decrease in trade and other payables	(525)	(16,791)
	<hr/>	<hr/>
Cash from operations	22,064	21,940
Interest paid	(10,719)	(10,290)
Tax paid	(5,122)	(3,251)
Tax refunded	962	883
	<hr/>	<hr/>
Net cash from operating activities	7,185	9,282
	<hr/>	<hr/>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	1	73
Purchase of property, plant and equipment	(2,964)	(3,574)
Proceeds from disposal of property, plant and equipment	99	357
Proceeds from disposal of equity interest in a subsidiary	-	2,327
	<hr/>	<hr/>
Net cash used in investing activities	(2,864)	(817)
	<hr/>	<hr/>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	-	(1,386)
Interest paid	(1,056)	(1,721)
Net repayments of term loans	(8,930)	(6,519)
Net drawdown/(repayments) of short term borrowings	16,405	(5,705)
Repayments of hire-purchase liabilities	(3,940)	(3,551)
	<hr/>	<hr/>
Net cash used in financing activities	2,479	(18,882)
	<hr/>	<hr/>

TOMEI CONSOLIDATED BERHAD (692959–W)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER
ENDED 31 DECEMBER 2016**

(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED
31 DECEMBER 2016 (Cont'd)**

	12 months ended 31/12/2016 RM'000	12 months ended 31/12/2015 RM'000
NET DECREASE IN CASH AND CASH EQUIVALENTS	6,800	(10,417)
CASH & CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR	(39,581)	(29,626)
EFFECT OF EXCHANGE RATES CHANGES	191	462
CASH & CASH EQUIVALENTS AT END OF FINANCIAL YEAR	<u>(32,590)</u>	<u>(39,581)</u>
Represented by:-		
CASH AND CASH EQUIVALENTS		
Cash and bank balances	8,620	8,576
Bank overdrafts	(41,210)	(48,157)
	<u>(32,590)</u>	<u>(39,581)</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2015. 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 2016

(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 2015.

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 MFRS 107 <i>Disclosure Initiative</i>	1 January 2017
Amendments to MFRS 112 <i>Recognition of Deferred Tax Assets for Unrealised Losses</i>	1 January 2017
Amendment to MFRS 12 <i>Annual improvements to MFRS standard 2014 – 2016 cycle</i>	1 January 2017
Amendment to MFRS 1 <i>Annual improvements to MFRS standard 2014 – 2016 cycle</i>	1 January 2018
MFRS 9 <i>Financial Instruments (IFRS 9 as issued by IASB in July 2014)</i>	1 January 2018
MFRS 15 <i>Revenue from Contracts with Customers</i>	1 January 2018
Clarifications to MFRS 15	1 January 2018
Amendments to MFRS 128 <i>Annual Improvements to MFRS Standards 2014 - 2016 Cycle</i>	1 January 2018
Amendments to MFRS 140 <i>Transfers of Investment Property</i>	1 January 2018
Amendments to MFRS 2 <i>Classification and Measurement of Share-based Payment Transactions</i>	1 January 2018
IC Interpretation 22 <i>Foreign Currency Transactions and Advance Consideration</i>	1 January 2018
Amendments to MFRS 4 <i>Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts</i>	1 January 2018
MFRS 16 <i>Leases</i>	1 January 2019
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associates or Joint Venture</i>	Deferred

3. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report for the preceding financial year ended 31 December 2015 was issued without any qualification.

TOMEI CONSOLIDATED BERHAD (692959–W)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2016

(The figures have not been audited)

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

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 year ended 31 December 2016.

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 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 2016 and 31 December 2015, which are within the Group's objectives for capital management, are as follows:-

	31/12/2016	31/12/2015
	RM'000	RM'000
Total debt net of cash and cash equivalents	166,066	165,701
Total equity	190,006	185,773
Net gearing ratio	0.87	0.89

The Group reported net gearing ratio of 0.87 as at 31 December 2016, decreased by 0.02 compared to 31 December 2015. The group has not breach the debt covenant imposed by the lenders.

8. DIVIDEND PAID

No dividend was paid during the current quarter.

9. OPERATING SEGMENTAL INFORMATION

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 2016**

(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 2016	Manufacturing & Wholesales RM'000	Retail RM'000	Total RM'000
Revenue			
Total sales	136,979	376,602	513,581
Inter-segment sales	(20,287)	(21,085)	(41,372)
External sales	116,692	355,517	472,209
Results			
Profit before tax	5,077	2,976	8,053
Tax expense	(1,258)	(2,529)	(3,787)
Profit for the year	3,819	447	4,266
Non-controlling interest			421
Profit attributable to owners of the parent			4,687
Assets and liabilities as at 31 December 2016			
Assets			
Segment assets	66,445	326,503	392,948
Unallocated assets	-	-	2,788
Total assets	-	-	395,736
Liabilities			
Segment liabilities	27,821	176,306	204,127
Unallocated liabilities	-	-	1,603
Total liabilities	-	-	205,730
Results for financial year ended 31 December 2015			
Results for financial year ended 31 December 2015	Manufacturing & Wholesales RM'000	Retail RM'000	Total RM'000
Revenue			
Total sales	120,726	392,461	513,187
Inter-segment sales	(9,988)	(3,858)	(13,846)
External sales	110,738	388,603	499,341
Results			
Profit/(Loss) before tax	5,415	(3,348)	2,067
Tax expense	(1,510)	(2,097)	(3,607)
Profit/(Loss) for the year	3,905	(5,445)	(1,540)
Non-controlling interest			(182)
Loss attributable to owners of the parent			(1,722)

TOMEI CONSOLIDATED BERHAD (692959–W)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2016

(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 2015	Manufacturing & Wholesales RM'000	Retail RM'000	Total RM'000
Assets			
Segment assets	58,913	332,245	391,158
Unallocated assets	-	-	3,187
Total assets	-	-	394,345
Liabilities			
Segment liabilities	23,139	183,013	206,152
Unallocated liabilities	-	-	2,420
Total liabilities	-	-	208,572

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

There were no significant events during the current quarter.

12. CHANGES IN COMPOSITION OF THE GROUP

On 28 November 2016, the Company acquired 100% interest in its indirect subsidiary company, Tomei Gold & Jewellery Holdings (M) Sdn Bhd from Tomei Retail Sdn Bhd for cash consideration of RM26,360,466.00

On 30 December 2016, the Company had subscribed for additional shares in the following wholly owned subsidiary companies for cash consideration.

Subsidiaries	Number of shares	RM
Flawless Skin Care Sdn. Bhd.	100,000	100,000
Tomei Gold & Jewellery Manufacturing Sdn. Bhd.	100,000	100,000
Tomei Marketing Sdn. Bhd.	100,000	100,000
Tomei Retail Sdn. Bhd.	100,000	100,000

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 2015.

TOMEI CONSOLIDATED BERHAD (692959–W)**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2016****(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 2016:-

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>38,757</u>

ii) Capital commitments

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

	RM'000
Approved but not contracted for	<u>4,500</u>

15. PERFORMANCE REVIEW

	Individual Quarter		Year to-date	
	3 months ended		12 months ended	
	31/12/2016	31/12/2015	31/12/2016	31/12/2015
	RM'000	RM'000	RM'000	RM'000
Sales				
Retail	98,986	94,206	355,517	388,603
Manufacturing & wholesales	<u>28,812</u>	<u>25,668</u>	<u>116,692</u>	<u>110,738</u>
Total	<u>127,798</u>	<u>119,874</u>	<u>472,209</u>	<u>499,341</u>
Profit/(Loss) before tax				
Retail	1,233	4,323	2,976	(3,348)
Manufacturing & wholesales	<u>279</u>	<u>1,410</u>	<u>5,077</u>	<u>5,415</u>
Total	<u>1,512</u>	<u>5,733</u>	<u>8,053</u>	<u>2,067</u>

Comparison with previous year's corresponding quarter

The Group reported revenue of RM127.798 million for the current quarter ended 31 December 2016 as compared to RM119.874 million last year, an increase of 6.6%. As a result, the Group reported profit before tax ("PBT") of RM1.512 million for the current quarter.

TOMEI CONSOLIDATED BERHAD (692959–W)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2016

(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)

Retail Segment

The retail segment reported increase in revenue to RM98.986 million for the current quarter compared to RM94.206 million in the previous year’s corresponding quarter as the Group continued on its strategy of reaching out to its customers through closer customer engagement. The retail segment reported a PBT of RM1.233 million during the current quarter.

Manufacturing & Wholesales segment (“M&W”)

During the current quarter, the M&W’s revenue increased by 12.25% to RM28.812 million compared to previous year’s corresponding quarter. The M&W segment reported a PBT of RM0.279 million during the current quarter.

Comparison with previous year’s corresponding financial year to date

The Group’s revenue for the current financial year is RM472.209 million compared to RM499.341 million reported last year. Despite lower revenue, the Group managed to report higher PBT of RM8.053 million compared to RM2.067 million reported last year due mainly to the benefits derived from the on-going rationalization efforts taken .

Retail Segment

The retail division reported sales of RM355.517 million as compared to RM388.603 million recorded last year, a drop of 8.51%. The drop is in line with the Group’s rationalization effort taken which resulted in the closure of certain retail outlets that did not perform up to expectation or did not meet the brand positioning. The on-going rationalization plan managed to turnaround the retail division’s loss last year to report a PBT of RM2.976 million.

Manufacturing & Wholesales segment (“M&W”)

The M&W reported revenue of RM116.692 million for the financial year compared to RM110.738 million last year. As a result, it managed to report a PBT of RM5.077 million for the current financial year.

TOMEI CONSOLIDATED BERHAD (692959–W)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2016

(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 before tax	
	3 months ended		3 months ended	
	31/12/2016	30/9/2016	31/12/2016	30/9/2016
	RM'000	RM'000	RM'000	RM'000
Retail	98,986	82,065	1,233	(1,026)
Manufacturing & wholesales	28,812	31,968	279	2,612
Total	127,798	114,033	1,512	1,586

The Group's revenue for the current quarter increased by 12.07% to RM127.798 million as compared to the preceding quarter mainly due to better sales volume generated during the year end festivities. The Group's PBT of RM1.512 million approximates its previous quarter profitability.

16. COMMENTARY ON PROSPECTS

Despite the challenging economic situation in Malaysia, our Group will continue with its strategy of cost control and maximizing the return of our outlets to ensure the sustainability of our 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 period.

TOMEI CONSOLIDATED BERHAD (692959–W)**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2016**

(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)**18. TAX EXPENSE**

	Individual Quarter		Year to-date	
	31/12/2016	31/12/2015	31/12/2016	31/12/2015
	RM'000	RM'000	RM'000	RM'000
Current taxation	2,929	3,290	5,174	3,722
Under provision in prior year	-	-	132	178
Deferred taxation				
- Current	(1,519)	(297)	(1,519)	(297)
- Under provision in prior years	-	4	-	4
	<u>1,410</u>	<u>2,997</u>	<u>3,787</u>	<u>3,607</u>

The effective tax rate of the Group for the current quarter and financial year to date was higher than its 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 financial year.

20. BORROWINGS AND DEBT SECURITIES

As at 31 December 2016, the Group has total borrowings of RM174.686 million, all of which are denominated in Ringgit Malaysia.

	Secured	Unsecured	Total
	RM'000	RM'000	RM'000
Current	3,514	166,779	170,293
Non-current	2,773	1,620	4,393
	<u>6,287</u>	<u>168,399</u>	<u>174,686</u>

TOMEI CONSOLIDATED BERHAD (692959-W)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2016

(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)

21. CHANGES IN MATERIAL LITIGATIONS

No material litigation has arisen since 31 December 2015.

22. DIVIDEND PAYABLE

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

23. EARNINGS/(LOSS) PER SHARE

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

	Individual Quarter 3 months ended		Year to-date 12 months ended	
	31/12/2016 RM'000	31/12/2015 RM'000	31/12/2016 RM'000	31/12/2015 RM'000
Consolidated profit/(loss) for the financial period attributable to equity holders of the parent	221	2,725	4,687	(1,722)
Weighted average number of ordinary shares in issue ('000)	138,600	138,600	138,600	138,600
Basic earnings/(loss) per share (sen)	0.16	1.97	3.38	(1.24)
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.

TOMEI CONSOLIDATED BERHAD (692959–W)**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2016****(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. PROFIT/(LOSS) BEFORE TAX**

	Individual Quarter		Year to-date	
	3 months ended		12 months ended	
	31/12/2016	31/12/2015	31/12/2016	31/12/2015
	RM'000	RM'000	RM'000	RM'000
Profit before tax is arrived at after charging/(crediting):-				
Amortisation and depreciation	1,436	1,638	6,438	6,281
Bad debts written off	-	62	-	62
Allowance for impairment in trade receivables	96	-	96	-
Finance costs	2,912	2,934	11,775	12,011
Inventories written off	223	623	652	1,504
Property, plant and equipment written off	257	132	366	704
Gain on gold price fluctuation and foreign exchange	476	(2,345)	(245)	(1,362)
Fair value loss/(gain) on financial instrument	(20)	(63)	115	(556)
Gain on disposal of property, plant and equipment	(3)	-	(99)	(357)
Reversal of impairment loss on trade receivables	-	-	(36)	-
Interest income	-	(4)	(1)	(73)

26. REALISED AND UNREALISED RETAINED EARNINGS

	As at	
	31/12/2016	31/12/2015
	RM'000	RM'000
Total retained earnings:-		
- realised	117,400	114,867
- unrealised	2,524	1,058
	<u>119,924</u>	<u>115,925</u>
Less: Consolidation adjustments	<u>(11,630)</u>	<u>(12,318)</u>
Total Group retained earnings	<u>108,294</u>	<u>103,607</u>

By Order of the Board

Secretary

Teoh Kok Jong (LS 04719)

Dated : 20 February 2017