



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

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED  
30 SEPTEMBER 2017**

(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME FOR THE QUARTER ENDED 30 SEPTEMBER 2017**

	Individual Quarter		Cumulative Quarter	
	3 months ended		9 months ended	
	30/09/2017	30/09/2016	30/09/2017	30/09/2016
	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>	132,062	114,033	466,914	344,411
<b>Cost of sales</b>	(100,802)	(81,808)	(355,131)	(246,633)
<b>Gross profit</b>	31,260	32,225	111,783	97,778
<b>Other income</b>	1,160	720	4,491	4,405
<b>Selling and distribution expenses</b>	(20,145)	(21,795)	(71,384)	(64,961)
<b>Administrative expenses</b>	(6,101)	(6,372)	(18,302)	(19,255)
<b>Other expenses</b>	(598)	(248)	(2,221)	(2,563)
<b>Profit from operations</b>	5,576	4,530	24,367	15,404
<b>Finance costs</b>	(2,693)	(2,944)	(7,833)	(8,863)
<b>Profit before tax</b>	2,883	1,586	16,534	6,541
<b>Tax expense</b>	(753)	(1,139)	(4,394)	(2,377)
<b>Profit for the financial period</b>	2,130	447	12,140	4,164
<b>Profit attributable to:-</b>				
<b>Owners of the parent</b>	1,844	578	11,802	4,461
<b>Non-controlling interests</b>	286	(131)	338	(297)
	2,130	447	12,140	4,164
<b>Earnings per ordinary share attributable to equity holders of the parent (sen):-</b>				
<b>Basic earnings per share</b>	1.33	0.42	8.52	3.22
<b>Diluted earnings per share *</b>	N/A	N/A	N/A	N/A

\* Not applicable

**TOMEI CONSOLIDATED BERHAD (692959–W)****QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED  
30 SEPTEMBER 2017**

(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME FOR THE QUARTER ENDED 30 SEPTEMBER 2017  
(Cont'd)**

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>3 months ended</b>		<b>9 months ended</b>	
	<b>30/09/2017</b>	<b>30/09/2016</b>	<b>30/09/2017</b>	<b>30/09/2016</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Profit for the financial period</b>	2,130	447	12,140	4,164
<b>Foreign currency translations</b>	<u>(772)</u>	<u>239</u>	<u>131</u>	<u>(488)</u>
<b>Total comprehensive income</b>	<u>1,358</u>	<u>686</u>	<u>12,271</u>	<u>3,676</u>
<b>Profit attributable to:-</b>				
<b>Owners of the parent</b>	1,072	817	11,933	3,973
<b>Non-controlling interests</b>	<u>286</u>	<u>(131)</u>	<u>338</u>	<u>(297)</u>
	<u>1,358</u>	<u>686</u>	<u>12,271</u>	<u>3,676</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 2016. The accompanying notes form an integral part of this statement.

**TOMEI CONSOLIDATED BERHAD (692959-W)****QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED  
30 SEPTEMBER 2017****(The figures have not been audited)****CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT  
30 SEPTEMBER 2017**

	As At 30/09/2017 RM'000	As At 31/12/2016 RM'000 (Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	15,623	17,285
Prepaid lease payments for land	489	503
Investment	1,244	-
Deferred tax assets	2,782	2,782
	<u>20,138</u>	<u>20,570</u>
<b>Current assets</b>		
Inventories	357,287	334,941
Derivative assets	-	20
Trade and other receivables	33,242	31,523
Current tax assets	2	22
Cash and bank balances	4,579	8,620
	<u>395,110</u>	<u>375,126</u>
<b>TOTAL ASSETS</b>	<u><u>415,248</u></u>	<u><u>395,696</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Share capital</b>	73,336	69,300
<b>Share premium</b>	-	4,036
<b>Reserves</b>	123,526	111,593
<b>Equity attributable to owners of the parent</b>	<u>196,862</u>	<u>184,929</u>
<b>Non-controlling interests</b>	4,068	5,077
<b>TOTAL EQUITY</b>	<u>200,930</u>	<u>190,006</u>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Borrowings	3,895	4,777
Deferred tax liabilities	461	461
	<u>4,356</u>	<u>5,238</u>
<b>Current Liabilities</b>		
Trade and other payables	34,009	29,401
Borrowings	174,743	169,909
Current tax liabilities	1,210	1,142
	<u>209,962</u>	<u>200,452</u>
<b>TOTAL LIABILITIES</b>	<u>214,318</u>	<u>205,690</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>415,248</u></u>	<u><u>395,696</u></u>
<b>Net assets per share (RM)</b>	1.45	1.37

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2016. The accompanying notes form an integral part of this statement.

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

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2017**

(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED 30 SEPTEMBER 2017**

-----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
<b>Balance as at 1 January 2017</b>	69,300	4,036	3,299	108,294	184,929	5,077	190,006
Profit for the financial period	-	-	-	11,802	11,802	338	12,140
Transaction with owners:-							
- Foreign currency translations, net of tax	-	-	131	-	131	-	131
- Disposal of a subsidiary company	-	-	-	-	-	(1,347)	(1,347)
- Transfer pursuant to Companies Act 2016 (Note a)	4,036	(4,036)	-	-	-	-	-
<b>Balance as at 30 September 2017</b>	73,336	-	3,430	120,096	196,862	4,068	200,930
					-		-

-----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
<b>Balance as at 1 January 2016</b>	69,300	4,036	3,257	103,607	180,200	5,573	185,773
Profit for the financial period	-	-	-	4,461	4,461	(297)	4,164
Transaction with owners:-							
- Foreign currency translations, net of tax	-	-	(358)	-	(358)	(130)	(488)
<b>Balance as at 30 September 2016</b>	69,300	4,036	2,899	108,068	184,303	5,146	189,449
					-		-

Note a: Pursuant to Section 74 of the Companies Act 2016 ("Act") which came into effect on 31 January 2017, the Company's share no longer have a par or nominal value. In accordance to the transitional provision set out in Section 618(3) of the Act, the amount in the share premium account has been transferred to the share capital account.

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2016. The accompanying notes form an integral part of this statement.

**TOMEI CONSOLIDATED BERHAD (692959–W)****QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED  
30 SEPTEMBER 2017****(The figures have not been audited)****CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE QUARTER  
ENDED 30 SEPTEMBER 2017**

	<b>9 months ended</b>	<b>9 months ended</b>
	<b>30/09/2017</b>	<b>30/09/2016</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	16,534	6,541
Adjustments for:-		
Amortisation of prepaid lease payments for land	14	14
Depreciation of property, plant and equipment	4,527	4,988
Fair value loss on derivative assets	-	135
Inventories written off	-	429
Property, plant and equipment written off	614	109
Gain on disposal of property, plant and equipment	(160)	(96)
Reversal of impairment loss on trade receivables	-	(36)
Unrealised gain on gold price fluctuation and foreign exchange	(893)	(747)
Finance costs	7,833	8,863
Interest income	(1)	(1)
	<hr/>	<hr/>
Operating profit before changes in working capital	28,468	20,199
Inventories	(22,346)	(8,113)
Trade and other receivables	812	(132)
Trade and other payables	1,231	(1,156)
	<hr/>	<hr/>
Cash generated from operations	8,165	10,798
Interest paid	(7,384)	(7,952)
Tax paid	(4,409)	(1,979)
Tax refunded	-	962
	<hr/>	<hr/>
Net cash (used in)/generated from operating activities	<hr/> <b>(3,628)</b>	<hr/> <b>1,829</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	1	1
Purchase of property, plant and equipment	(3,423)	(1,643)
Proceeds from disposal of property, plant and equipment	166	96
	<hr/>	<hr/>
Net cash used in investing activities	<hr/> <b>(3,256)</b>	<hr/> <b>(1,546)</b>

**TOMEI CONSOLIDATED BERHAD (692959–W)****QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED  
30 SEPTEMBER 2017**

(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE QUARTER  
ENDED 30 SEPTEMBER 2017 (Cont'd)**

	<b>9 months ended</b>	<b>9 months ended</b>
	<b>30/09/2017</b>	<b>30/09/2017</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Interest paid	(449)	(911)
Net repayments of term loans	(1,266)	(7,120)
Drawdown of short term borrowings	7,752	6,064
Net repayments of hire-purchase liabilities	(2,622)	(2,949)
Net cash generated from/(used in) financing activities	<u>3,415</u>	<u>(4,916)</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(3,469)	(4,633)
<b>CASH &amp; CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD</b>	(32,590)	(39,581)
<b>EFFECT OF EXCHANGE RATES CHANGES</b>	(9)	217
<b>CASH &amp; CASH EQUIVALENTS AT END OF FINANCIAL PERIOD</b>	<u><u>(36,068)</u></u>	<u><u>(43,997)</u></u>
<b>Represented by:-</b>		
<b>CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	4,579	8,098
Bank overdrafts	(40,647)	(52,095)
	<u><u>(36,068)</u></u>	<u><u>(43,997)</u></u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2016. The accompanying notes form an integral part of this statement.

# TOMEI CONSOLIDATED BERHAD (692959–W)

## QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2017

(The figures have not been audited)

### PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134

#### 1. BASIS OF PREPARATION

The 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 and should be read together with the Group's Audited Financial Statement for the year ended 31 December 2016.

#### 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 1 <i>Annual Improvements to MFRS Standards 2014-2016 Cycle</i>	1 January 2018
Amendments to MFRS 2 <i>Classification and Measurement of Share-based Payment Transactions</i>	1 January 2018
MFRS 15 <i>Revenue from Contracts with Customers</i>	1 January 2018
Clarifications to MFRS 15	1 January 2018
MFRS 9 <i>Financial instruments (IFRS as issued by IASB in July 2014)</i>	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
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>	See MFRS 4 Paragraph 46 and 48
MFRS 16 <i>Leases</i>	1 January 2019
Amendments to MFRS 10 and MFRS 128 <i>Sales 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 2016 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 30 September 2017.

# TOMEI CONSOLIDATED BERHAD (692959–W)

## QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2017

(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 net debt to be the key components in the Group's capital structure. The Group monitors capital on the basis of 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 30 September 2017 and 30 September 2016, which are within the Group's objectives for capital management, are as follows:-

	30/09/2017	30/09/2016
	<u>RM'000</u>	<u>RM'000</u>
Total debt net of cash and cash equivalents	174,059	169,934
Total equity	200,930	189,449
Net gearing ratio	0.87	0.90

The Group reported net gearing ratio of 0.87 as at 30 September 2017, decreased by 0.03 compared to 30 September 2016.

#### 8. DIVIDEND PAID

No dividend was paid during the current quarter.

#### 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 THIRD QUARTER ENDED  
30 SEPTEMBER 2017**

(The figures have not been audited)

**PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont'd)****9. OPERATING SEGMENTAL INFORMATION – MFRS 8(Cont'd)**

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

<b>Results for financial period ended 30 September 2017</b>	<b>Manufacturing &amp; Wholesales RM'000</b>	<b>Retail RM'000</b>	<b>Total RM'000</b>
<b>Revenue</b>			
Total sales	145,413	404,853	550,266
Inter-segment sales	(19,110)	(64,242)	(83,352)
External sales	126,303	340,611	466,914
<b>Results</b>			
Profit before tax	4,664	11,870	16,534
Tax expense	(983)	(3,411)	(4,394)
Profit for the period	3,681	8,459	12,140
Non-controlling interest			(338)
Profit attributable to owners of the parent			11,802
<b>Assets and liabilities as at 30 September 2017</b>			
<b>Assets</b>			
Segment assets	70,802	341,662	412,464
Unallocated assets	-	-	2,784
Total assets	-	-	415,248
<b>Liabilities</b>			
Segment liabilities	27,109	185,538	212,647
Unallocated liabilities	-	-	1,671
Total liabilities	-	-	214,318
<b>Results for financial period ended 30 September 2016</b>			
	<b>Manufacturing &amp; Wholesales RM'000</b>	<b>Retail RM'000</b>	<b>Total RM'000</b>
<b>Revenue</b>			
Total sales	99,681	269,624	369,305
Inter-segment sales	(11,801)	(13,093)	(24,894)
External sales	87,880	256,531	344,411
<b>Results</b>			
Profit before tax	4,798	1,743	6,541
Tax expense	(1,029)	(1,348)	(2,377)
Profit for the period	3,769	395	4,164
Non-controlling interest			297
Profit attributable to owners of the parent			4,461

# TOMEI CONSOLIDATED BERHAD (692959-W)

## QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2017

(The figures have not been audited)

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

#### 9. OPERATING SEGMENTAL INFORMATION – MFRS 8 (Cont'd)

Assets and liabilities as at 30 September 2016	Manufacturing & Wholesales RM'000	Retail RM'000	Total RM'000
<b>Assets</b>			
Segment assets	67,450	329,471	396,921
Unallocated assets	-	-	2,138
Total assets	-	-	399,059
<b>Liabilities</b>			
Segment liabilities	25,278	181,602	206,880
Unallocated liabilities	-	-	2,730
Total liabilities	-	-	209,610

#### 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 1 March 2017, the Company's indirect subsidiary company, Tomei Gold & Jewellery (MJ) SdnBhd was dissolved after being placed under members' voluntary winding up since 29 December 2015.

On 14 March 2017, the Company had subscribed for additional 100,000 of ordinary shares in its wholly owned subsidiary company, Tomei Gold & Jewellery Holdings (M) SdnBhd for a cash consideration of RM100,000.

On 30 May 2017, the Company has disposed of 36% of its shareholding in its 55% owned subsidiary company, Wealthy Concept Limited for HKD1,621,000.00. The transaction was completed on 30 June 2017.

Other than the above, there were no changes to the composition of the Group for the financial period.

#### 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 2016.

**TOMEI CONSOLIDATED BERHAD (692959-W)****QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED  
30 SEPTEMBER 2017****(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 30 September 2017:-

## 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.

Future rental commitments	<b>RM'000</b> 34,817
---------------------------	-------------------------

## ii) Capital commitments

Capital expenditure in respect of purchase of property, plant and equipment.

Approved but not contracted for	<b>RM'000</b> 595
---------------------------------	----------------------

**15. PERFORMANCE REVIEW**

	<b>Individual Quarter</b>			
	<b>3 months ended</b>		<b>Changes</b>	
	<b>30/09/2017</b>	<b>30/09/2016</b>	<b>RM'000</b>	<b>Percentage</b>
	<b>RM'000</b>	<b>RM'000</b>		
<b>Sales</b>				
Retail	97,521	82,065	15,456	19%
Manufacturing & wholesales	34,541	31,968	2,573	8%
<b>Total</b>	<b>132,062</b>	<b>114,003</b>	<b>18,059</b>	<b>16%</b>
<b>Profit before tax</b>				
Retail	2,503	(1,026)	3,529	-
Manufacturing & wholesales	380	2,612	(2,232)	-85%
<b>Total</b>	<b>2,883</b>	<b>1,586</b>	<b>1,297</b>	<b>82%</b>
	<b>Year to-date</b>			
	<b>9 months ended</b>		<b>Changes</b>	
	<b>30/09/2017</b>	<b>30/09/2016</b>	<b>RM'000</b>	<b>Percentage</b>
	<b>RM'000</b>	<b>RM'000</b>		
<b>Sales</b>				
Retail	340,611	256,531	84,080	33%
Manufacturing & wholesales	126,303	87,880	38,423	44%
<b>Total</b>	<b>466,914</b>	<b>344,411</b>	<b>122,503</b>	<b>36%</b>
<b>Profit before tax</b>				
Retail	11,870	1,743	10,127	581%
Manufacturing & wholesales	4,664	4,798	(134)	-3%
<b>Total</b>	<b>16,534</b>	<b>6,541</b>	<b>9,993</b>	<b>153%</b>

## TOMEI CONSOLIDATED BERHAD (692959-W)

### QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2017

---

(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 and financial year to-date*

The Group reported increase in revenue to RM132.062 million for the current quarter ended 30 September 2017 in comparison to RM114.003 million recorded in the previous year's corresponding quarter. The improvement in revenue is contributed by both the retail and manufacturing & wholesales segment. As a result, the Group reported a stronger profit before tax ("PBT") of RM2.883 million compared to RM1.586 million reported in previous year's corresponding quarter.

For the financial year to-date, the Group reported increase in revenue to RM466.914 million compared to RM344.411 million last year. In line with this improvement, PBT increased to RM16.534 million compared to RM6.541 million last year.

###### *Retail Segment*

The retail segment reported revenue of RM97.521 million for the current quarter compared to RM82.065 million in the previous year's corresponding quarter, an increase of 19% due to higher consumer's demand. As a result, it managed to turnaround its loss before tax of RM1.026 million in the last quarter to report a PBT of RM2.503 million for the current quarter.

For the financial year to-date, the retail segment reported increase in revenue to RM340.611 million compared to RM256.531 million last year. In line with this improvement, PBT increased to RM11.870 million compared to RM1.743 million last year.

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

During the current quarter, the M&W segment reported revenue of RM34.541 million compared to RM31.968 million in the previous year's corresponding quarter. However, it reported lower PBT of RM0.380 million compared RM2.612 million in the previous year's corresponding quarter mainly due to lower profit margin.

For the financial year to-date, the M&W segment reported increase in revenue to RM126.303 million compared to RM87.880 million last year. Its PBT however reduce slightly to RM4.664 million compared to RM4.798 million last year mainly due to lower profit margin.

# TOMEI CONSOLIDATED BERHAD (692959-W)

## QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2017

(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		Changes	
	3 months ended		RM'000	Percentage
	30/09/2017 RM'000	30/06/2017 RM'000		
Retail	97,521	125,560	(28,039)	-22%
Manufacturing & wholesales	34,541	43,614	(9,073)	-21%
Total	132,062	169,174	(37,112)	-22%

  

	Profit before tax		Changes	
	3 months ended		RM'000	Percentage
	30/09/2017 RM'000	30/06/2017 RM'000		
Retail	2,503	4,946	(2,443)	-49%
Manufacturing & wholesales	380	2,386	(2,006)	-84%
Total	2,883	7,332	(4,449)	-61%

The Group reported revenue of RM132.062 million for the current quarter compared to RM169.174 million recorded in the preceding quarter. The higher revenue reported in its previous quarter was mainly contributed by higher sales volume during the Hari Raya festival which fell in the month of June. As a result, it reported a lower PBT of RM2.883 million compared to RM7.332 million in the preceding quarter.

##### *Retail Segment*

The retail segment reported revenue of RM97.521 million compared to RM125.560 million in the preceding quarter mainly due to lower sales volume. As a result, it reported a lower PBT of RM2.503 million compared to RM4.946 million in its preceding quarter.

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

The M&W segment reported lower revenue of RM34.541 million during the current quarter compared to RM43.614 million in the preceding quarter mainly due to lower sales volume. Due to this, it reported a lower PBT of RM0.380 million during the current quarter.

#### 16. COMMENTARY ON PROSPECTS

Despite a soft retail environment, the Group continues its effort to improve on its operation. As part of our strategy, we have introduced many new products range to the market while at the same time being innovative in serving our customers. We expect these efforts to continue to sustain the level of profitability of the Group for the last quarter of the financial year.

# TOMEI CONSOLIDATED BERHAD (692959-W)

## QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2017

(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)

#### 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	
	30/09/2017 RM'000	30/09/2016 RM'000	30/09/2017 RM'000	30/09/2016 RM'000
Current taxation	107	1,007	3,411	2,245
Under provision in prior year	646	132	983	132
	<u>753</u>	<u>1,139</u>	<u>4,394</u>	<u>2,377</u>

The effective tax rate of the Group for the financial period approximates the statutory tax rate.

#### 19. CORPORATE PROPOSALS

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

#### 20. BORROWINGS AND DEBT SECURITIES

As at 30 September 2017, the Group has total borrowings of RM178.638 million, all of which are denominated in Ringgit Malaysia.

	Secured RM'000	Unsecured RM'000	Total RM'000
Current	1,329	173,414	174,743
Non-current	2,173	1,722	3,895
	<u>3,502</u>	<u>175,136</u>	<u>178,638</u>

#### 21. DERIVATIVE ASSETS

During the financial period, the Group does not have any derivative assets or liabilities.

#### 22. CHANGES IN MATERIAL LITIGATIONS

No material litigation has arisen since 31 December 2016.

#### 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 THIRD QUARTER ENDED  
30 SEPTEMBER 2017****(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. EARNINGS PER ORDINARY SHARE**

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

	<b>Individual Quarter 3 months ended</b>		<b>Year to-date 9 months ended</b>	
	<b>30/09/2017 RM'000</b>	<b>30/09/2016 RM'000</b>	<b>30/09/2017 RM'000</b>	<b>30/09/2016 RM'000</b>
Consolidated profit for the financial period attributable to equity holders of the parent	1,844	578	11,802	4,461
Weighted average number of ordinary shares in issue ('000)	138,600	138,600	138,600	138,600
Basic earnings per share (sen)	1.33	0.42	8.52	3.22
Diluted earnings per share	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

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

**25. PROFIT BEFORE TAX**

Profit before tax is arrived at after charging/(crediting):-

	<b>Individual Quarter 3 months ended</b>		<b>Year to-date 9 months ended</b>	
	<b>30/09/2017 RM'000</b>	<b>30/09/2016 RM'000</b>	<b>30/09/2017 RM'000</b>	<b>30/09/2016 RM'000</b>
Amortisation and depreciation	1,166	1,684	4,541	5,002
Finance costs	2,693	2,944	7,833	8,863
Inventories written off	-	-	-	429
Property, plant and equipment written off	577	70	614	109
Loss/(Gain) on gold price fluctuation and foreign exchange	598	(38)	(893)	(732)
Fair value loss/(gain) on financial instrument	-	11	-	135
Gain on disposal of property, plant and equipment	(27)	(94)	(160)	(96)
Reversal of impairment loss on trade receivables	-	-	-	(36)
Interest income	-	-	(1)	(1)

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

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED  
30 SEPTEMBER 2017**

(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**

	<b>As at</b>	
	<b>30/09/2017</b>	<b>30/09/2016</b>
	<b>RM'000</b>	<b>RM'000</b>
Total retained earnings:-		
- realised	131,316	119,033
- unrealised	3,214	747
	<u>134,530</u>	<u>119,780</u>
Less: Consolidation adjustments	<u>(14,434)</u>	<u>(11,712)</u>
Total Group retained earnings	<u><u>120,096</u></u>	<u><u>108,068</u></u>

By Order of the Board

Secretary  
Teoh Kok Jong (LS 04719)  
Dated :16 November 2017