



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

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED  
31 DECEMBER 2018**

(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME FOR THE QUARTER ENDED 31 DECEMBER 2018**

	Individual Quarter		Cumulative Quarter	
	3 months ended		12 months ended	
	31/12/2018	31/12/2017	31/12/2018	31/12/2017
	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>	138,415	150,106	564,024	617,020
<b>Cost of sales</b>	(105,419)	(114,792)	(435,904)	(469,923)
<b>Gross profit</b>	32,996	35,314	128,120	147,097
<b>Other income</b>	8,240	2,280	12,230	6,771
<b>Selling and distribution expenses</b>	(23,725)	(21,396)	(93,672)	(92,780)
<b>Administrative expenses</b>	(6,961)	(7,242)	(26,018)	(25,702)
<b>Other expenses</b>	(1,896)	(860)	(2,516)	(3,081)
<b>Profit from operations</b>	8,654	8,096	18,144	32,305
<b>Finance costs</b>	(2,891)	(3,190)	(11,457)	(11,023)
<b>Profit before tax</b>	5,763	4,906	6,687	21,282
<b>Tax expense</b>	(1,425)	(757)	(1,765)	(5,151)
<b>Profit for the year</b>	4,338	4,149	4,922	16,131
<b>Profit/(Loss) attributable to:-</b>				
<b>Owners of the parent</b>	4,260	4,401	4,745	16,045
<b>Non-controlling interests</b>	78	(252)	177	86
	4,338	4,149	4,922	16,131
<b>Earnings per ordinary share attributable to equity holders of the parent (sen):-</b>				
<b>Basic earnings per share</b>	3.07	3.18	3.42	11.58
<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 FOURTH QUARTER ENDED 31 DECEMBER 2018**

(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER ENDED 31 DECEMBER 2018 (Cont'd)**

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>3 months ended</b>		<b>12 months ended</b>	
	<b>31/12/2018</b>	<b>31/12/2017</b>	<b>31/12/2018</b>	<b>31/12/2017</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Profit for the financial year</b>	4,338	4,149	4,922	16,131
<b>Foreign currency translations</b>	47	(646)	(134)	(515)
<b>Reclassification adjustment relating to subsidiary disposed of during the financial year</b>	-	(938)	-	(938)
<b>Total comprehensive income</b>	<u>4,385</u>	<u>2,565</u>	<u>4,788</u>	<u>14,678</u>
<b>Total comprehensive income attributable to:-</b>				
<b>Owners of the parent</b>	4,307	2,833	4,611	14,608
<b>Non-controlling interests</b>	<u>78</u>	<u>(268)</u>	<u>177</u>	<u>70</u>
	<u>4,385</u>	<u>2,565</u>	<u>4,788</u>	<u>14,678</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 2017. 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 2018****(The figures have not been audited)****CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT  
31 DECEMBER 2018**

	As At 31/12/2018 RM'000	As At 31/12/2017 RM'000 (Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	17,545	17,632
Prepaid lease payments for land	466	485
Investment	-	471
Deferred tax assets	1,655	2,290
	<u>19,666</u>	<u>20,878</u>
<b>Current assets</b>		
Inventories	333,552	348,415
Trade and other receivables	37,698	35,435
Current tax assets	2,726	664
Cash and bank balances	11,645	12,048
	<u>385,621</u>	<u>396,562</u>
<b>TOTAL ASSETS</b>	<u>405,287</u>	<u>417,440</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Share capital</b>	73,336	73,336
<b>Reserves</b>	129,339	126,201
<b>Equity attributable to owners of the parent</b>	<u>202,675</u>	<u>199,537</u>
<b>Non-controlling interests</b>	4,187	4,029
<b>TOTAL EQUITY</b>	<u>206,862</u>	<u>203,566</u>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Borrowings	2,356	3,597
Deferred tax liabilities	177	331
Other liabilities	569	582
	<u>3,102</u>	<u>4,510</u>
<b>Current Liabilities</b>		
Trade and other payables	27,998	32,898
Borrowings	167,325	176,466
	<u>195,323</u>	<u>209,364</u>
<b>TOTAL LIABILITIES</b>	<u>198,425</u>	<u>213,874</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>405,287</u>	<u>417,440</u>
<b>Net assets per share (RM)</b>	1.49	1.47

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2017. 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 2018**

(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED 31 DECEMBER 2018**

-----Attributable To Owners Of The Parent-----

---Non Distributable--- Distributable

	Share Capital 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 2018</b>	73,336	1,862	124,339	199,537	4,029	203,566
Impact of new MFRS 9 and 15 Restated			(87)	(87)	(19)	(106)
	73,336	1,862	124,252	199,450	4,010	203,460
Profit for the financial year	-	-	4,745	4,745	177	4,922
- Foreign currency translations, net of tax	-	(119)	-	(119)	-	(119)
- Dissolution of a subsidiary company	-	(15)	-	(15)	-	(15)
Transaction with owners:-						
- Dividend paid	-	-	(1,386)	(1,386)	-	(1,386)
<b>Balance as at 31 December 2018</b>	73,336	1,728	127,611	202,675	4,187	206,862

-----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 year	-	-	-	16,045	16,045	86	16,131
- Foreign currency translations, net of tax	-	-	(499)	-	(499)	(16)	(515)
Transaction with owners:-							
- Disposal of a subsidiary	-	-	(938)	-	(938)	(1,118)	(2,056)
- Transfer pursuant to Companies Act 2016 (Note a)	4,036	(4,036)	-	-	-	-	-
<b>Balance as at 31 December 2017</b>	73,336	-	1,862	124,339	199,537	4,029	203,566

Note a: Pursuant to Section 74 of the Companies Act 2016 ("Act") which came into effect on 31 January 2017, the Company's shares 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 2017. 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 2018****(The figures have not been audited)****CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE QUARTER  
ENDED 31 DECEMBER 2018**

	<b>12 months ended 31/12/2018 RM'000</b>	<b>12 months ended 31/12/2017 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	6,687	21,282
Adjustments for:-		
Amortisation of prepaid lease payments for land	18	18
Depreciation of property, plant and equipment	6,489	6,156
Inventories written down	-	1,002
Inventories written off	157	16
Property, plant and equipment written off	1,375	604
Gain on disposal of property, plant and equipment	(184)	(160)
Gain on disposal of a subsidiary	-	(934)
Gain on dissolution of a subsidiary	(20)	-
Gain on disposal of business	(7,119)	-
Impairment loss on other investment	471	-
Impairment loss on trade receivables	94	63
Reversal of impairment loss on trade and other receivables	(99)	-
Unrealised gain on gold price fluctuation and foreign exchange	(112)	(1,121)
Finance costs	11,457	11,023
Interest income	(1)	(2)
Operating profit before changes in working capital	19,213	37,947
Inventories	14,707	(16,725)
Trade and other receivables	4,599	(4,982)
Trade and other payables	(4,791)	6,956
Cash generated from operations	33,728	23,196
Interest paid	(11,021)	(10,275)
Tax paid	(3,598)	(7,017)
Tax refunded	7	-
Net cash generated from operating activities	19,116	5,904
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	1	2
Purchase of property, plant and equipment	(6,941)	(7,013)
Proceeds from disposal of property, plant and equipment	518	166
Net cash outflow from disposal of a subsidiary	-	(192)
Net cash used in investing activities	(6,422)	(7,037)

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

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED  
31 DECEMBER 2018**

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

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE QUARTER  
ENDED 31 DECEMBER 2018 (Cont'd)**

	<b>12 months ended 31/12/2018 RM'000</b>	<b>12 months ended 31/12/2017 RM'000</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Interest paid	(400)	(560)
Dividend paid	(1,386)	-
Net repayments of term loans	(1,481)	(259)
Net drawdown of short term borrowings	1,593	12,210
Net repayments of hire-purchase liabilities	(2,679)	(3,338)
Net cash (used in)/generated from financing activities	<u>(4,353)</u>	<u>8,053</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	8,341	6,920
<b>CASH &amp; CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR</b>	(25,210)	(32,590)
<b>EFFECT OF EXCHANGE RATES CHANGES</b>	242	460
<b>CASH &amp; CASH EQUIVALENTS AT END OF FINANCIAL YEAR</b>	<u>(16,627)</u>	<u>(25,210)</u>
<b>Represented by:-</b>		
<b>CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	11,645	12,048
Bank overdrafts	(28,272)	(37,258)
	<u>(16,627)</u>	<u>(25,210)</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2017. 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 2018

(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 MFRS 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 2017.

#### 2. SIGNIFICANT ACCOUNTING POLICIES

The following are Standards of the MFRS Framework that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been early adopted by the Group:

Title	Effective Date
MFRS 16 <i>Leases</i>	1 January 2019
IC Interpretation 23 <i>Uncertainty over Income Tax Treatments</i>	1 January 2019
Amendments to MFRS 128 <i>Long-term Interests in Associates and Joint Ventures</i>	1 January 2019
Amendments to MFRS 9 <i>Prepayment Features with Negative Compensation</i>	1 January 2019
Amendments to MFRS 3 <i>Annual Improvements to MFRS Standards 2015 - 2018 Cycle</i>	1 January 2019
Amendments to MFRS 11 <i>Annual Improvements to MFRS Standards 2015 - 2018 Cycle</i>	1 January 2019
Amendments to MFRS 112 <i>Annual Improvements to MFRS Standards 2015 - 2018 Cycle</i>	1 January 2019
Amendments to MFRS 123 <i>Annual Improvements to MFRS Standards 2015 - 2018 Cycle</i>	1 January 2019
Amendments to MFRS 119 <i>Plan Amendment, Curtailment or Settlement</i>	1 January 2019
<i>Amendments to References to the Conceptual Framework in MFRS Standards</i>	1 January 2020
MFRS 17 <i>Insurance Contracts</i>	1 January 2021
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

#### 3. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report for the preceding financial year ended 31 December 2017 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 2018.

#### 6. CHANGES IN ESTIMATES

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

# TOMEI CONSOLIDATED BERHAD (692959–W)

## QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2018

(The figures have not been audited)

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

#### 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 31 December 2018 and 31 December 2017, which are within the Group's objectives for capital management, are as follows:-

	31/12/2018 RM'000	31/12/2017 RM'000
Total debt net of cash and cash equivalents	158,036	168,015
Total equity	206,862	203,566
Net gearing ratio	0.76	0.83

The Group reported net gearing ratio of 0.76 as at 31 December 2018, decreased by 0.07 compared to 31 December 2017.

#### 8. DIVIDEND PAID

No dividend was paid during the current quarter.

#### 9. OPERATING SEGMENTAL INFORMATION – MFRS 8

The Group has 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

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

<b>Results for financial year ended 31 December 2018</b>	<b>Manufacturing &amp; Wholesales RM'000</b>	<b>Retail RM'000</b>	<b>Total RM'000</b>
<b>Revenue</b>			
Total sales	178,343	799,804	978,147
Inter-segment sales	(33,979)	(380,144)	(414,123)
External Sales	144,364	419,660	564,024



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

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED  
31 DECEMBER 2018**

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

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

**9. OPERATING SEGMENTAL INFORMATION – MFRS 8 (continued)**

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

<b>Results for financial year ended 31 December 2018</b>	<b>Manufacturing &amp; Wholesales RM’000</b>	<b>Retail RM’000</b>	<b>Total RM’000</b>
<b>Results</b>			
Profit/(Loss) before tax	(709)	7,396	6,687
Tax expense	30	(1,795)	(1,765)
Profit/(Loss) for the year	(679)	5,601	4,922
Non-controlling interest			(177)
Profit attributable to owners of the parent			4,745
<b>Assets and liabilities as at 31 December 2018</b>			
<b>Assets</b>			
Segment assets	68,500	332,406	400,906
Unallocated assets	-	-	4,381
Total assets	-	-	405,287
<b>Liabilities</b>			
Segment liabilities	25,115	173,133	198,248
Unallocated liabilities	-	-	177
Total liabilities	-	-	198,425
<b>Results for financial year ended 31 December 2017</b>			
<b>Revenue</b>			
Total sales	193,274	551,220	744,494
Inter-segment sales	(26,590)	(100,884)	(127,474)
External sales	166,684	450,336	617,020
<b>Results</b>			
Profit before tax	3,206	18,076	21,282
Tax expense	(728)	(4,423)	(5,151)
Profit for the year	2,478	13,653	16,131
Non-controlling interest			(86)
Profit attributable to owners of the parent			16,045

# TOMEI CONSOLIDATED BERHAD (692959–W)

## QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2018

(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 year is as follows:- (continued)

<b>Assets and liabilities as at 31 December 2017</b>	<b>Manufacturing &amp; Wholesales RM’000</b>	<b>Retail RM’000</b>	<b>Total RM’000</b>
<b>Assets</b>			
Segment assets	73,693	340,793	414,486
Unallocated assets	-	-	2,954
Total assets	-	-	417,440
<b>Liabilities</b>			
Segment liabilities	28,658	184,885	213,543
Unallocated liabilities	-	-	331
Total liabilities	-	-	213,874

#### 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

During the current quarter, the Company’s wholly-owned subsidiary, Flawless Skin Care Sdn Bhd had on 15 November 2018 entered into an Asset Purchase Agreement with LG Household & Health Care Malaysia Sdn Bhd to dispose off its entire business of distributing the skincare and cosmetic products of “The History of Whoo” and “belif” for a total consideration of Ringgit Malaysia Eight Million Nine Hundred Seventy Thousand Two Hundred Fourty Two (RM8,970,242.00) Only.

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

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

On 19 January 2018, the Company’s subsidiary company, Tomei International Limited was dissolved after being placed under members’ voluntary winding up.

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

#### 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 2017.

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

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED  
31 DECEMBER 2018**

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

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

**14. COMMITMENTS**

Except as disclosed below, there were no other material commitments as at 31 December 2018:-

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> 26,698
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ii) Capital commitments

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

Approved but not contracted for	<b>RM’000</b> 6,694
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**TOMEI CONSOLIDATED BERHAD (692959-W)**

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2018**

(The figures have not been audited)

**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**15. PERFORMANCE REVIEW**

*Comparison with previous year's corresponding quarter and financial year-to-date*

	<b>Individual Quarter</b>			
	<b>3 months ended</b>		<b>Variance</b>	
	<b>31/12/2018</b>	<b>31/12/2017</b>	<b>RM'000</b>	<b>Percentage</b>
	<b>RM'000</b>	<b>RM'000</b>		
<b>Sales</b>				
Retail	102,803	114,096	-11,293	-10%
Manufacturing & wholesales	35,612	36,010	-398	-1%
<b>Total</b>	<b>138,415</b>	<b>150,106</b>	<b>-11,691</b>	<b>-8%</b>
<b>Profit/(Loss) before tax</b>				
Retail	5,493	5,905	-412	-7%
Manufacturing & wholesales	270	(999)	1,269	N/A
<b>Total</b>	<b>5,763</b>	<b>4,906</b>	<b>857</b>	<b>17%</b>

	<b>Year-to-date</b>			
	<b>12 months ended</b>		<b>Variance</b>	
	<b>31/12/2018</b>	<b>31/12/2017</b>	<b>RM'000</b>	<b>Percentage</b>
	<b>RM'000</b>	<b>RM'000</b>		
<b>Sales</b>				
Retail	419,660	450,336	-30,676	-7%
Manufacturing & wholesales	144,364	166,684	-22,320	-13%
<b>Total</b>	<b>564,024</b>	<b>617,020</b>	<b>-52,996</b>	<b>-9%</b>
<b>Profit/(Loss) before tax</b>				
Retail	7,396	18,076	-10,680	-59%
Manufacturing & wholesales	(709)	3,206	-3,915	-122%
<b>Total</b>	<b>6,687</b>	<b>21,282</b>	<b>-14,595</b>	<b>-69%</b>

**(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 (cont'd)*

The Group reported revenue of RM138.415 million for the current quarter ended 31 December 2018 in comparison to RM150.106 million recorded in the previous year's corresponding quarter mainly due to lower sales volume. However, it reported a higher profit before tax ("PBT") of RM5.763 million during the current quarter compared to RM4.906 million reported in the previous year's corresponding quarter due to gain on the disposal of its skincare business.

For the financial year to-date, the Group reported total revenue of RM564.024 million compared to RM617.020 million recorded last year. As a result, it reported a lower PBT of RM6.687 million as compared to RM21.282 million reported last year due to lower sales volume and gross profit margin attained mitigated by the gain on disposal of the skincare business.

*Retail Segment*

The retail segment reported lower revenue of RM102.803 million for the current quarter compared to RM114.096 million in the previous year's corresponding quarter mainly due to lower sales volume. During the quarter, the retail segment has reported a gain on the disposal of its skincare business. As a result, the retail segment reported PBT of RM5.493 million for the current quarter. For the financial year to-date, the retail division reported decrease in both revenue and profitability to RM419.660 million and RM7.396 million from RM450.336 million and RM18.076 million achieved for last year respectively.

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

During the current quarter, the M&W's revenue of RM35.612 million approximates its previous year's corresponding quarter. It managed to report a PBT of RM0.270 million as compared to loss before tax ("LBT") of RM0.999 million recorded in the previous year's corresponding quarter. For the financial year to-date, the M&W reported decrease in revenue to RM144.364 million from RM166.684 million last year. As a result of lower sales and declining gold price, it reported LBT of RM0.709 million compared to PBT of RM3.206 million reported last year.

**TOMEI CONSOLIDATED BERHAD (692959–W)****QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2018**

(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			
	3 months ended		Variance	
	31/12/2018	30/9/2018	RM'000	Percentage
	RM'000	RM'000	RM'000	Percentage
Retail	102,803	103,338	-535	-1%
Manufacturing & wholesales	35,612	42,738	-7,126	-17%
<b>Total</b>	<b>138,415</b>	<b>146,076</b>	<b>-7,661</b>	<b>-5%</b>

  

	Profit/(Loss) before tax			
	3 months ended		Variance	
	31/12/2018	30/9/2018	RM'000	Percentage
	RM'000	RM'000	RM'000	Percentage
Retail	5,493	(2,779)	8,272	N/A
Manufacturing & wholesales	270	(402)	672	N/A
<b>Total</b>	<b>5,763</b>	<b>(3,181)</b>	<b>8,944</b>	<b>N/A</b>

During the current quarter, the Group posted a lower revenue of RM138.415 million compared to RM146.076 million in the preceding quarter. Despite the lower revenue, it managed to post a PBT of RM5.763 million due to a gain on disposal of its skincare business

*Retail Segment*

The retail segment's revenue of RM102.803 million approximates the immediate preceding quarter's revenue. As a result of better gross margin and gain from the disposal of its skincare business, it reported a PBT of RM5.493 million compared to a LBT of RM2.779 million last quarter.

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

The M&W's revenue for the current quarter of RM35.612 million is 17% lower compared to RM42.738 million recorded in the preceding quarter. It reported a better gross margin with the improving gold price since the month of December. As a result, it reported a PBT of RM0.270 million compared to LBT of RM0.402 million recorded in the previous quarter.

# TOMEI CONSOLIDATED BERHAD (692959–W)

## QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2018

(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 recovery of the local economy will be very much dependent on the recovery of commodity prices. In this context, the Group will adopt a more cautious and conservative approach to its business by reducing operating costs and increasing revenue through aggressive promotion and marketing of its products.

#### 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	
	31/12/2018 RM'000	31/12/2017 RM'000	31/12/2018 RM'000	31/12/2017 RM'000
Current taxation	945	1,379	965	4,790
Under/(Over) provision	-	(984)	320	(1)
Deferred taxation	480	362	480	362
	<u>1,425</u>	<u>757</u>	<u>1,765</u>	<u>5,151</u>

The effective tax rate of the Group for the current year approximates its 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 31 December 2018, the Group has total borrowings of RM169.681 million, all of which are denominated in Ringgit Malaysia.

	Secured RM'000	Unsecured RM'000	Total RM'000
Current	765	166,560	167,325
Non-current	1,392	964	2,356
	<u>2,157</u>	<u>167,524</u>	<u>169,681</u>

## TOMEI CONSOLIDATED BERHAD (692959–W)

### QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2018

(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. DERIVATIVE ASSETS

As at 31 December 2018, the Group does not have any outstanding derivative assets or liabilities.

##### 22. CHANGES IN MATERIAL LITIGATIONS

No material litigation has arisen since 31 December 2017.

##### 23. DIVIDEND PAYABLE

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

##### 24. EARNINGS PER ORDINARY SHARE

The basic earnings per share is calculated by dividing the net profit for the financial 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	
	31/12/2018 RM'000	31/12/2017 RM'000	31/12/2018 RM'000	31/12/2017 RM'000
Consolidated profit for the financial year attributable to equity holders of the parent:	4,260	4,401	4,745	16,045
Weighted average number of ordinary shares in issue ('000)	138,600	138,600	138,600	138,600
Basic earnings per share (sen):	3.07	3.18	3.42	11.58
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.



**TOMEI CONSOLIDATED BERHAD (692959–W)****QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2018****(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)****25. PROFIT BEFORE TAX**

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

	<b>Individual Quarter 3 months ended</b>		<b>Year-to-date 12 months ended</b>	
	<b>31/12/2018 RM'000</b>	<b>31/12/2017 RM'000</b>	<b>31/12/2017 RM'000</b>	<b>31/12/2017 RM'000</b>
Amortisation and depreciation	1,712	1,633	6,507	6,174
Finance costs	2,891	3,190	11,457	11,023
Impairment loss in trade receivables	94	63	94	63
Impairment loss on other investment	471	-	471	-
Inventories written down	-	1,002	-	1,002
Inventories written off	157	16	157	16
Property, plant and equipment written off	1,298	(9)	1,375	605
Gain on gold price fluctuation and foreign exchange	(137)	(229)	(112)	(1,121)
Gain on disposal of subsidiary company	-	(934)	-	(934)
Gain on dissolution of subsidiary company	-	-	(20)	-
Gain on disposal of business	(7,119)	-	(7,119)	-
Loss/(Gain) on disposal of property, plant and equipment	27	-	(184)	(160)
Interest income	(1)	(1)	(1)	(2)
Reversal of impairment in trade receivables	(99)	-	(99)	-

By Order of the Board

Secretary

Teoh Kok Jong (LS 04719)

Dated : 20 February 2019