



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

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED  
30 JUNE 2019**

(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME FOR THE QUARTER ENDED 30 JUNE 2019**

|   | <b>Individual Quarter</b> |                  | <b>Cumulative Quarter</b> |                  |
|---|---------------------------|------------------|---------------------------|------------------|
|   | <b>3 months ended</b>     |                  | <b>6 months ended</b>     |                  |
|   | <b>30/6/2019</b>          | <b>30/6/2018</b> | <b>30/6/2019</b>          | <b>30/6/2018</b> |
|   | <b>RM'000</b>             | <b>RM'000</b>    | <b>RM'000</b>             | <b>RM'000</b>    |
| <b>Revenue</b>  | 135,511                   | 129,580          | 278,843                   | 279,533          |
| <b>Cost of sales</b>  | (104,529)                 | (99,052)         | (212,970)                 | (214,043)        |
| <b>Gross profit</b>   | 30,982                    | 30,528           | 65,873                    | 65,490           |
| <b>Other income</b>   | 1,226                     | 1,447            | 2,478                     | 3,045            |
| <b>Selling and distribution expenses</b>  | (21,185)                  | (22,091)         | (43,678)                  | (45,964)         |
| <b>Administrative expenses</b>  | (6,453)                   | (6,159)          | (12,726)                  | (12,298)         |
| <b>Other expenses</b>   | 97                        | (207)            | (431)                     | (459)            |
| <b>Profit from operations</b>   | 4,667                     | 3,518            | 11,516                    | 9,814            |
| <b>Finance costs</b>  | (2,951)                   | (2,852)          | (5,684)                   | (5,709)          |
| <b>Profit before tax</b>  | 1,716                     | 666              | 5,832                     | 4,105            |
| <b>Tax expense</b>  | (432)                     | (259)            | (1,572)                   | (1,194)          |
| <b>Profit for the financial period</b>  | <u>1,284</u>              | <u>407</u>       | <u>4,260</u>              | <u>2,911</u>     |
| <b>Profit attributable to:-</b>   |                           |                  |                           |                  |
| <b>Owners of the parent</b>   | 1,115                     | 394              | 3,981                     | 2,892            |
| <b>Non-controlling interests</b>  | 169                       | 13               | 279                       | 19               |
|   | <u>1,284</u>              | <u>407</u>       | <u>4,260</u>              | <u>2,911</u>     |
| <b>Earnings per ordinary share<br/>attributable to equity holders of<br/>the parent (sen):-</b> |                           |                  |                           |                  |
| <b>Basic earnings per share</b>   | 0.80                      | 0.28             | 2.87                      | 2.09             |
| <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 SECOND QUARTER ENDED  
30 JUNE 2019**

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

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME FOR THE QUARTER ENDED 30 JUNE 2019 (Cont'd)**

|  | <b>Individual Quarter</b> |                  | <b>Cumulative Quarter</b> |                  |
|--|---------------------------|------------------|---------------------------|------------------|
|  | <b>3 months ended</b>     |                  | <b>6 months ended</b>     |                  |
|  | <b>30/6/2019</b>          | <b>30/6/2018</b> | <b>30/6/2019</b>          | <b>30/6/2018</b> |
|  | <b>RM'000</b>             | <b>RM'000</b>    | <b>RM'000</b>             | <b>RM'000</b>    |
| <b>Profit for the financial period</b> | 1,284                     | 407              | 4,260                     | 2,911            |
| <b>Foreign currency translations</b>   | 464                       | 141              | (459)                     | (161)            |
| <b>Total comprehensive income</b>      | <u>1,748</u>              | <u>548</u>       | <u>3,801</u>              | <u>2,750</u>     |
| <b>Profit attributable to:-</b>        |                           |                  |                           |                  |
| <b>Owners of the parent</b>            | 1,579                     | 535              | 3,522                     | 2,731            |
| <b>Non-controlling interests</b>       | 169                       | 13               | 279                       | 19               |
|  | <u>1,748</u>              | <u>548</u>       | <u>3,801</u>              | <u>2,750</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 2018. The accompanying notes form an integral part of this statement.**

**TOMEI CONSOLIDATED BERHAD (692959–W)****QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED  
30 JUNE 2019****(The figures have not been audited)****CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT  
30 JUNE 2019**

|  | As At<br>30/6/2019<br>RM'000 | As At<br>31/12/2018<br>RM'000<br>(Audited) |
|--|------------------------------|--|
| <b>ASSETS</b>                                      |                              |  |
| <b>Non-current assets</b>                          |                              |  |
| Property, plant and equipment                      | 15,343                       | 17,544                                     |
| Prepaid lease payments for land                    | 457                          | 467  |
| Right-of-use asset                                 | 18,944                       | -  |
| Deferred tax assets                                | 1,655                        | 1,655                                      |
|  | <u>36,399</u>                | <u>19,666</u>                              |
| <b>Current assets</b>                              |                              |  |
| Inventories  | 342,180                      | 333,552                                    |
| Trade and other receivables                        | 28,758                       | 37,698                                     |
| Current tax assets                                 | 1,875                        | 2,726                                      |
| Cash and bank balances                             | 11,419                       | 11,645                                     |
|  | <u>384,232</u>               | <u>385,621</u>                             |
| <b>TOTAL ASSETS</b>                                | <u>420,631</u>               | <u>405,287</u>                             |
| <b>EQUITY AND LIABILITIES</b>                      |                              |  |
| <b>Share capital</b>                               | 73,336                       | 73,336                                     |
| <b>Reserves</b>                                    | 131,475                      | 129,339                                    |
| <b>Equity attributable to owners of the parent</b> | <u>204,811</u>               | <u>202,675</u>                             |
| <b>Non-controlling interests</b>                   | 4,466                        | 4,187                                      |
| <b>TOTAL EQUITY</b>                                | <u>209,277</u>               | <u>206,862</u>                             |
| <b>LIABILITIES</b>                                 |                              |  |
| <b>Non-current liabilities</b>                     |                              |  |
| Borrowings   | 10,138                       | 2,356                                      |
| Deferred tax liabilities                           | 177                          | 177  |
| Other liabilities                                  | 569                          | 569  |
|  | <u>10,884</u>                | <u>3,102</u>                               |
| <b>Current Liabilities</b>                         |                              |  |
| Trade and other payables                           | 25,494                       | 27,998                                     |
| Borrowings   | 174,976                      | 167,325                                    |
|  | <u>200,470</u>               | <u>195,323</u>                             |
| <b>TOTAL LIABILITIES</b>                           | <u>211,354</u>               | <u>198,425</u>                             |
| <b>TOTAL EQUITY AND LIABILITIES</b>                | <u>420,631</u>               | <u>405,287</u>                             |
| <b>Net assets per share (RM)</b>                   | 1.51                         | 1.49                                       |

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2018. The accompanying notes form an integral part of this statement.

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

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2019**

(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED 30 JUNE 2019**

|   | -----Attributable To Owners Of The Parent----- |  |                             |                 |                                    |                        |
|---|--|--|-----------------------------|-----------------|------------------------------------|------------------------|
|   | ---Non Distributable---                        |  |                             | Distributable   |                                    |                        |
|   | Share Capital<br>RM'000                        | Exchange Translation Reserve<br>RM'000 | Retained Earnings<br>RM'000 | Total<br>RM'000 | Non-Controlling Interest<br>RM'000 | Total Equity<br>RM'000 |
| <b>Balance as at 1 January 2019</b>         | 73,336   | 1,728                                  | 127,611                     | 202,675         | 4,187                              | 206,862                |
| Profit for the financial period             | -  | -                                      | 3,981                       | 3,981           | 279                                | 4,260                  |
| Transaction with owners:-                   |  |  |                             |                 |                                    |                        |
| - Dividend paid                             | -  | -                                      | (1,386)                     | (1,386)         | -                                  | (1,386)                |
| - Foreign currency translations, net of tax | -  | (459)                                  | -                           | (459)           | -                                  | (459)                  |
| <b>Balance as at 30 June 2019</b>           | <b>73,336</b>                                  | <b>1,269</b>                           | <b>130,206</b>              | <b>204,811</b>  | <b>4,466</b>                       | <b>209,277</b>         |

|   | -----Attributable To Owners Of The Parent----- |  |                             |                 |                                    |                        |
|---|--|--|-----------------------------|-----------------|------------------------------------|------------------------|
|   | ---Non Distributable---                        |  |                             | Distributable   |                                    |                        |
|   | Share Capital<br>RM'000                        | Exchange Translation Reserve<br>RM'000 | Retained Earnings<br>RM'000 | Total<br>RM'000 | Non-Controlling Interest<br>RM'000 | Total Equity<br>RM'000 |
| <b>Balance as at 1 January 2018</b>         | 73,336   | 1,862                                  | 124,339                     | 199,537         | 4,029                              | 203,566                |
| Profit for the financial period             | -  | -                                      | 2,892                       | 2,892           | 19                                 | 2,911                  |
| Transaction with owners:-                   |  |  |                             |                 |                                    |                        |
| - Dividend paid                             | -  | -                                      | (1,386)                     | (1,386)         | -                                  | (1,386)                |
| - Foreign currency translations, net of tax | -  | (161)                                  | -                           | (161)           | -                                  | (161)                  |
| <b>Balance as at 30 June 2018</b>           | <b>73,336</b>                                  | <b>1,701</b>                           | <b>125,845</b>              | <b>200,882</b>  | <b>4,048</b>                       | <b>204,930</b>         |

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2018. The accompanying notes form an integral part of this statement.

**TOMEI CONSOLIDATED BERHAD (692959–W)****QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2019****(The figures have not been audited)****CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE QUARTER ENDED 30 JUNE 2019**

|   | <b>6 months ended</b> | <b>6 months ended</b> |
|---|-----------------------|-----------------------|
|   | <b>30/6/2019</b>      | <b>30/6/2018</b>      |
|   | <b>RM'000</b>         | <b>RM'000</b>         |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                           |                       |                       |
| Profit before tax   | 5,832                 | 4,105                 |
| Adjustments for:-   |                       |                       |
| Amortisation of prepaid lease payments for land                       | 9                     | 10                    |
| Amortisation of right of use asset                                    | 5,651                 | -                     |
| Depreciation of property, plant and equipment                         | 2,861                 | 3,147                 |
| Property, plant and equipment written off                             | 270                   | 1                     |
| Gain on disposal of property, plant and equipment                     | (132)                 | (158)                 |
| Gain on disposal of subsidiary  | -                     | (20)                  |
| Unrealised (gain)/loss on gold price fluctuation and foreign exchange | (72)                  | 235                   |
| Finance costs   | 5,684                 | 5,709                 |
|   | <hr/>                 | <hr/>                 |
| Operating profit before changes in working capital                    | 20,103                | 13,030                |
| Inventories   | (8,628)               | 6,315                 |
| Trade and other receivables   | (16,079)              | 402                   |
| Trade and other payables  | 16,172                | (9,993)               |
|   | <hr/>                 | <hr/>                 |
| Cash generated from operations  | 11,568                | 9,754                 |
| Interest paid   | (4,875)               | (5,473)               |
| Tax paid  | (972)                 | (3,104)               |
| Tax refunded  | 250                   | 2                     |
| Net cash from operating activities                                    | <hr/> <b>5,971</b>    | <hr/> <b>1,179</b>    |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                           |                       |                       |
| Purchase of property, plant and equipment                             | (716)                 | (4,082)               |
| Proceeds from disposal of property, plant and equipment               | 134                   | 418                   |
| Net cash used in investing activities                                 | <hr/> <b>(582)</b>    | <hr/> <b>(3,664)</b>  |

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

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED  
30 JUNE 2019**

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

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE QUARTER  
ENDED 30 JUNE 2019 (Cont'd)**

|   | <b>6 months ended</b>  | <b>6 months ended</b>  |
|---|------------------------|------------------------|
|   | <b>30/6/2019</b>       | <b>30/6/2018</b>       |
|   | <b>RM'000</b>          | <b>RM'000</b>          |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                             |                        |                        |
| Interest paid   | (138)                  | (221)                  |
| Dividend paid   | (1,386)                | (1,386)                |
| Net repayments of term loans  | (370)                  | (896)                  |
| Net drawdown of short term borrowings                                   | (2,780)                | 3,805                  |
| Net repayments of hire-purchase liabilities                             | (479)                  | (1,324)                |
| Net cash from financing activities                                      | <u>(5,153)</u>         | <u>(22)</u>            |
| <b>NET INCREASE/(DECREASE) IN CASH AND<br/>CASH EQUIVALENTS</b>         |                        |                        |
|   | 236                    | (2,507)                |
| <b>CASH &amp; CASH EQUIVALENTS AT BEGINNING OF<br/>FINANCIAL PERIOD</b> |                        |                        |
|   | (16,627)               | (25,210)               |
| <b>EFFECT OF EXCHANGE RATES CHANGES</b>                                 |                        |                        |
|   | 3                      | 162                    |
| <b>CASH &amp; CASH EQUIVALENTS AT END OF<br/>FINANCIAL PERIOD</b>       |                        |                        |
|   | <u><u>(16,388)</u></u> | <u><u>(27,555)</u></u> |
| <b>Represented by:-</b>   |                        |                        |
| <b>CASH AND CASH EQUIVALENTS</b>  |                        |                        |
| Cash and bank balances  | 11,419                 | 8,527                  |
| Bank overdrafts   | (27,807)               | (36,082)               |
|   | <u><u>(16,388)</u></u> | <u><u>(27,555)</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 2018. The accompanying notes form an integral part of this statement.**

# TOMEI CONSOLIDATED BERHAD (692959–W)

## QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2019

(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 2018.

#### 2. SIGNIFICANT ACCOUNTING POLICIES

At the date of authorisation of these interim financial statements, the Group adopted the following Standards of the MFRS Framework that were issued by the Malaysia Accounting Standards Board:

| 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 - 2017 Cycle</i>   | 1 January 2019 |
| Amendments to MFRS 11 <i>Annual Improvements to MFRS Standards 2015 - 2017 Cycle</i>  | 1 January 2019 |
| Amendments to MFRS 112 <i>Annual Improvements to MFRS Standards 2015 - 2017 Cycle</i> | 1 January 2019 |
| Amendments to MFRS 123 <i>Annual Improvements to MFRS Standards 2015 - 2017 Cycle</i> | 1 January 2019 |
| Amendments to MFRS 119 <i>Plan Amendment, Curtailment or Settlement</i>               | 1 January 2019 |

The following MFRSs, Amendment to MFRSs and IC Interpretation have been issued but has not been early adopted by the Group.

| Title   | Effective Date |
|---|----------------|
| <i>Amendments to References to the Conceptual Framework in MFRS Standards</i>   | 1 January 2020 |
| Amendments to MFRS 3 <i>Definition of a Business</i>  | 1 January 2020 |
| Amendments to MFRS 101 and MFRS 108 <i>Definition of Material</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 2018 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.

# TOMEI CONSOLIDATED BERHAD (692959-W)

## QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2019

(The figures have not been audited)

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

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

There were no extraordinary or exceptional items for the current quarter ended 30 June 2019.

#### 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 June 2019 and 30 June 2018, which are within the Group's objectives for capital management, are as follows:-

|   | 30/6/2019     | 30/6/2018     |
|---|---------------|---------------|
|   | <u>RM'000</u> | <u>RM'000</u> |
| Total debt net of cash and cash equivalents | 173,695       | 172,280       |
| Total equity                                | 209,277       | 204,930       |
| Net gearing ratio                           | 0.83          | 0.84          |

The Group reported net gearing ratio of 0.83 as at 31 March 2019, decreased by 0.01 compared to 30 June 2018.

Upon the adoption of MFRS 16 *Leases*, total debts of the Group is inclusive of lease creditors arising from the right-of-use assets which amounted to RM19,308,000.

#### 8. DIVIDEND PAID

During the current quarter, the Company paid a first and final single tier dividend of 1.0 sen per ordinary share in respect of the financial year ended 31 December 2018 on 3 June 2019.



**TOMEI CONSOLIDATED BERHAD (692959-W)****QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED  
30 JUNE 2019**

(The figures have not been audited)

**PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont’d)****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 period is as follows:-

| <b>Results for financial period ended<br/>30 June 2019</b> | <b>Manufacturing<br/>&amp; Wholesales<br/>RM'000</b> | <b>Retail<br/>RM'000</b> | <b>Total<br/>RM'000</b> |
|--|--|--------------------------|-------------------------|
| <b>Revenue</b>   |  |                          |                         |
| Total sales  | 85,237   | 215,481                  | 300,718                 |
| Inter-segment sales  | (10,702)   | (11,173)                 | (21,875)                |
| External sales   | 74,535   | 204,308                  | 278,843                 |
| <b>Results</b>   |  |                          |                         |
| Profit before tax  | 2,573  | 3,259                    | 5,832                   |
| Tax expense  | (652)  | (920)                    | (1,572)                 |
| Profit for the period                                      | 1,921  | 2,339                    | 4,260                   |
| Non-controlling interest                                   |  |                          | (279)                   |
| Profit attributable to owners of the parent                |  |                          | 3,981                   |
| <b>Assets and liabilities as at<br/>30 June 2019</b>       |  |                          |                         |
| <b>Assets</b>  |  |                          |                         |
| Segment assets   | 72,689   | 344,412                  | 417,101                 |
| Unallocated assets   | -  | -                        | 3,530                   |
| Total assets   | -  | -                        | 420,631                 |
| <b>Liabilities</b>   |  |                          |                         |
| Segment liabilities  | 24,272   | 186,905                  | 211,177                 |
| Unallocated liabilities                                    | -  | -                        | 177                     |
| Total liabilities  | -  | -                        | 211,354                 |

**TOMEI CONSOLIDATED BERHAD (692959–W)****QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2019**

(The figures have not been audited)

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

| <b>Results for financial period ended<br/>30 June 2018</b> | <b>Manufacturing<br/>&amp; Wholesales<br/>RM'000</b> | <b>Retail<br/>RM'000</b> | <b>Total<br/>RM'000</b> |
|--|--|--------------------------|-------------------------|
| <b>Revenue</b>   |  |                          |                         |
| Total sales  | 91,350   | 232,976                  | 324,326                 |
| Inter-segment sales  | (25,336)   | (19,457)                 | (44,793)                |
| External sales   | 66,014   | 213,519                  | 279,533                 |
| <b>Results</b>   |  |                          |                         |
| (Loss)/Profit before tax                                   | (577)  | 4,682                    | 4,105                   |
| Tax expense  | 66   | (1,260)                  | (1,194)                 |
| (Loss)/Profit for the period                               | (511)  | 3,422                    | 2,911                   |
| Non-controlling interest                                   |  |                          | (19)                    |
| Profit attributable to owners of the parent                |  |                          | 2,892                   |
| <b>Assets and liabilities as at<br/>30 June 2018</b>       |  |                          |                         |
|  | <b>RM'000</b>  | <b>RM'000</b>            | <b>RM'000</b>           |
| <b>Assets</b>  |  |                          |                         |
| Segment assets   | 68,649   | 336,409                  | 405,058                 |
| Unallocated assets   | -  | -                        | 4,856                   |
| Total assets   | -  | -                        | 409,914                 |
| <b>Liabilities</b>   |  |                          |                         |
| Segment liabilities  | 27,374   | 177,279                  | 204,653                 |
| Unallocated liabilities                                    | -  | -                        | 331                     |
| Total liabilities  | -  | -                        | 204,984                 |

**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**

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 2018.

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

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED  
30 JUNE 2019**

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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 30 June 2019:-

Capital commitments

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

Approved but not contracted for

**RM’000**

**5,156**

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**TOMEI CONSOLIDATED BERHAD (692959-W)****QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2019****(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*

|                            | Individual Quarter |                |              |             |
|----------------------------|--------------------|----------------|--------------|-------------|
|                            | 3 months ended     |                | Variance     |             |
|                            | 30/6/2019          | 30/6/2018      | RM'000       | Percentage  |
|                            | RM'000             | RM'000         | RM'000       | Percentage  |
| <b>Sales</b>               |                    |                |              |             |
| Retail                     | 99,000             | 96,141         | 2,859        | 3%          |
| Manufacturing & wholesales | 36,511             | 33,439         | 3,072        | 9%          |
| <b>Total</b>               | <b>135,511</b>     | <b>129,580</b> | <b>5,931</b> | <b>5%</b>   |
| <b>Profit before tax</b>   |                    |                |              |             |
| Retail                     | 533                | 882            | -349         | -40%        |
| Manufacturing & wholesales | 1,183              | (216)          | 1,399        | N/A         |
| <b>Total</b>               | <b>1,716</b>       | <b>666</b>     | <b>1,050</b> | <b>158%</b> |

|                            | Year-to-date   |                |              |            |
|----------------------------|----------------|----------------|--------------|------------|
|                            | 6 months ended |                | Variance     |            |
|                            | 30/6/2019      | 30/6/2018      | RM'000       | Percentage |
|                            | RM'000         | RM'000         | RM'000       | Percentage |
| <b>Sales</b>               |                |                |              |            |
| Retail                     | 204,308        | 213,519        | -9,211       | -4%        |
| Manufacturing & wholesales | 74,535         | 66,014         | 8,521        | 13%        |
| <b>Total</b>               | <b>278,843</b> | <b>279,533</b> | <b>-690</b>  | <b>Nil</b> |
| <b>Profit before tax</b>   |                |                |              |            |
| Retail                     | 3,259          | 4,682          | -1,423       | -30%       |
| Manufacturing & wholesales | 2,573          | (577)          | 3,150        | N/A        |
| <b>Total</b>               | <b>5,832</b>   | <b>4,105</b>   | <b>1,727</b> | <b>42%</b> |

The Group reported an increase in revenue of 5% to RM135.511 million for the current quarter ended 30 June 2019 in comparison to RM129.580 million recorded in the previous year's corresponding quarter. The increase in revenue was contributed by higher sales volume in both its retail and manufacturing and wholesales segment. As a result, the Group reported higher profit before tax ("PBT") of RM1.716 million compared to RM0.666 million reported in previous year's corresponding quarter.

For the financial year to date, the Group's revenue of RM278.843 million approximates the revenue for the preceding year. Its PBT has improved from RM4.105 million last year to RM5.832 million during the financial year mainly contributed by improved profitability in its Manufacturing and Wholesales segment.

# TOMEI CONSOLIDATED BERHAD (692959-W)

## QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2019

(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)

##### *Retail Segment*

The retail segment reported a 3% increase in revenue to RM99.000 million for the current quarter compared to RM96.141 million in the previous year's corresponding quarter mainly driven by better sales for the Hari Raya festivals which falls in the month of June. However, due to lower gross profit margin from aggressive promotion, it reported lower PBT of RM0.533 million compared to RM0.882 million recorded in the previous year's corresponding quarter.

For the financial year to date the retail segment reported a decline of 4% in sales to RM204.308 million mainly due to the exclusion of contribution from its skincare division which was disposed on 31 December 2018. As a result, its PBT for the period dropped to RM3.259 million compared to RM4.682 million last year.

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

During the current quarter, the M&W reported revenue of RM36.511 million compared to RM33.439 million in the previous year's corresponding quarter mainly due to higher sales volume. As a result, it reported a PBT of RM1.183 million, a turnaround from the loss of RM0.216 million recorded in the previous year's corresponding quarter.

For financial year to date the M&W reported increase in revenue to RM74.535 million compared to RM66.014 million last year due to better demand for its products. As a result, it reported PBT of RM2.573 million, a turnaround from the loss of RM0.577 million reported last year.

##### *Comparison with preceding quarter*

|                            | 3 months ended |                | Variance       |            |
|----------------------------|----------------|----------------|----------------|------------|
|                            | 30/6/2019      | 31/3/2019      | RM'000         | Percentage |
| <b>Revenue</b>             | <b>RM'000</b>  | <b>RM'000</b>  | <b>RM'000</b>  |            |
| Retail                     | 99,000         | 105,308        | (6,308)        | -6%        |
| Manufacturing & wholesales | 36,511         | 38,024         | (1,513)        | -4%        |
| <b>Total</b>               | <b>135,511</b> | <b>143,332</b> | <b>(7,821)</b> | <b>-5%</b> |

|                            | 3 months ended |               | Variance       |             |
|----------------------------|----------------|---------------|----------------|-------------|
|                            | 30/6/2019      | 31/3/2019     | RM'000         | Percentage  |
| <b>Profit before tax</b>   | <b>RM'000</b>  | <b>RM'000</b> | <b>RM'000</b>  |             |
| Retail                     | 533            | 2,726         | (2,193)        | -80%        |
| Manufacturing & wholesales | 1,183          | 1,390         | (207)          | -15%        |
| <b>Total</b>               | <b>1,716</b>   | <b>4,116</b>  | <b>(2,400)</b> | <b>-58%</b> |

The Group reported revenue of RM135.511 million for the current quarter compared to RM143.332 million in the preceding quarter mainly due to lower sales volume during the current quarter. As a result, it reported lower PBT of RM1.716 million compared to RM4.116 million recorded in the preceding quarter.

## TOMEI CONSOLIDATED BERHAD (692959–W)

### QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2019

(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)

###### *Retail Segment*

The retail segment's revenue decreased 6% to RM99.000 million compared to RM105.308 million in the preceding quarter mainly due to lower sales volume. As a result of lower sales and lower gross profit margin from aggressive promotion, it reported a lower PBT of RM0.533 million compared to RM2.726 million recorded in the preceding quarter.

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

The M&W's revenue decreased 4% to RM36.511 million compared to RM38.024 million in the preceding quarter mainly due to lower sales volume. As a result, it reported lower PBT of RM1.183 million compared to RM1.390 million recorded in the preceding quarter.

##### 16. COMMENTARY ON PROSPECTS

The Group will continue on its rationalization strategy in improving its sales volume through introduction of more new design and at the same time taking step to contained its operating cost. Barring any unforeseen circumstances, the Board of Directors is of the view that the Group will remain profitable for the 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.

##### 18. TAX EXPENSE

|                  | Individual Quarter |           | Year-to-date |           |
|------------------|--------------------|-----------|--------------|-----------|
|                  | 30/6/2019          | 30/6/2018 | 30/6/2019    | 30/6/2018 |
|                  | RM'000             | RM'000    | RM'000       | RM'000    |
| Current taxation | 432                | 259       | 1,572        | 1,194     |

The effective tax rate of the Group for the current financial period is higher than 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.

**TOMEI CONSOLIDATED BERHAD (692959–W)****QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2019****(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)****20. BORROWINGS AND DEBT SECURITIES**

As at 30 June 2019, the Group has total borrowings of RM185.114 million, all of which are denominated in Ringgit Malaysia.

|             | <b>Secured<br/>RM'000</b> | <b>Unsecured<br/>RM'000</b> |                       | <b>Total<br/>RM'000</b> |
|-------------|---------------------------|-----------------------------|-----------------------|-------------------------|
|             | <b>Bank</b>               | <b>Bank</b>                 | <b>Lease creditor</b> |                         |
| Current     | 642                       | 163,458                     | 10,876                | 174,976                 |
| Non-current | 1,256                     | 450                         | 8,432                 | 10,138                  |
|             | <u>1,898</u>              | <u>163,908</u>              | <u>19,308</u>         | <u>185,114</u>          |

**21. DERIVATIVE ASSETS**

As at 30 June 2019, the Group does not have any outstanding derivative assets or liabilities.

**22. CHANGES IN MATERIAL LITIGATIONS**

No material litigation has arisen since 31 December 2018.

**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 period by the weighted average number of ordinary shares in issue during the period.

|   | <b>Individual Quarter<br/>3 months ended</b> |                             | <b>Year-to date<br/>6 months ended</b> |                             |
|---|--|-----------------------------|--|-----------------------------|
|   | <b>30/6/2019<br/>RM'000</b>                  | <b>30/6/2018<br/>RM'000</b> | <b>30/6/2019<br/>RM'000</b>            | <b>30/6/2018<br/>RM'000</b> |
| Consolidated profit for the financial period attributable to equity holders of the parent | 1,115  | 394                         | 3,981                                  | 2,892                       |
| Weighted average number of ordinary shares in issue ('000)                                | 138,600                                      | 138,600                     | 138,600                                | 138,600                     |
| Basic earnings per share (sen)  | 0.80   | 0.28                        | 2.87                                   | 2.09                        |
| 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 SECOND QUARTER ENDED  
30 JUNE 2019**

(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<br/>3 months ended</b> |                             | <b>Individual Quarter<br/>6 months ended</b> |                             |
|--|--|-----------------------------|--|-----------------------------|
|  | <b>30/6/2019<br/>RM'000</b>                  | <b>30/6/2018<br/>RM'000</b> | <b>30/6/2019<br/>RM'000</b>                  | <b>30/6/2018<br/>RM'000</b> |
| Amortisation and depreciation                              | 1,390  | 1,660                       | 2,870  | 3,158                       |
| Amortisation right-of-use assets                           | 3,757  | -                           | 5,651  | -                           |
| Finance costs  | 2,951  | 2,852                       | 5,684  | 5,709                       |
| Property, plant and equipment written off                  | 9  | 1                           | 270  | 1                           |
| Gain on dissolution of a subsidiary<br>company             | -  | (20)                        | -  | (20)                        |
| Net gain on gold price fluctuation and<br>foreign exchange | (667)  | (276)                       | (1,228)                                      | (235)                       |
| Gain on disposal of property, plant and<br>equipment       | (74)   | (97)                        | (132)  | (158)                       |

By Order of the Board

Secretary

Teoh Kok Jong (LS 04719)

Dated : 21 August 2019