

TIONG NAM TRANSPORT HOLDINGS BERHAD
(Company No. 182485 V)

30 August 2001

Listing Department
KUALA LUMPUR STOCK EXCHANGE
9th Floor Exchange Square
Bukit Kewangan
50936 Kuala Lumpur

Dear Sirs

TIONG NAM TRANSPORT HOLDINGS BERHAD
UNAUDITED 1st QUARTER REPORT ON CONSOLIDATED RESULTS FOR FINANCIAL PERIOD ENDING 31 MARCH 2002

CONSOLIDATED INCOME STATEMENT

	INDIVIDUAL PERIOD		CUMMULATIVE PERIOD		
	CURRENT YEAR QUARTER 30.6.2001 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30.6.2000 RM'000	CURRENT YEAR TO DATE 30.6.2001 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30.6.2000 RM'000	
1	(a) Revenue	30,870	29,669	30,870	29,669
	(b) Investment income	0	166	0	166
	(c) Other income	0	0	0	0
2	(a) Profit/(loss) before finance cost, depreciation and amortisation, exceptional items, income tax, minority interests and extraordinary items	5,841	6,770	5,841	6,770
	(b) Finance Cost	1,734	1,651	1,734	1,651
	(c) Depreciation and amortisation	2,924	2,160	2,924	2,160
	(d) Exceptional items	0	0	0	0
	(e) Profit/(loss) before income tax, minority interests and extraordinary items	1,183	2,959	1,183	2,959
	(f) Share of profits and losses of associated companies	174	0	174	0
	(g) Profit/(loss) before income tax, minority interests and extraordinary items after share of profit and losses of associated companies	1,357	2,959	1,357	2,959
	(h) Income tax	562	988	562	988
	(i) Profit/(loss) after income tax before deducting minority interests	795	1,971	795	1,971
	(ii) Minority interests	-20	0	-20	0
	(j) Pre-acquisition profit/(loss), if applicable	0	0	0	0
	(k) Net Profit/(loss) from ordinary activities attributable to members of the company	815	1,971	815	1,971
	(l) Extraordinary items	0	0	0	0
	(i) Minority interests	0	0	0	0
	(ii) Extraordinary items attributable to members of the company	0	0	0	0
	(m) Net profit/ (loss) attributable to members of the company	815	1,971	815	1,971
3	Earnings per share based on 2(m) above after deducting any provision for preference dividends, if any :				
	(a) Basic (based on ordinary shares - sen)	1.9	5.0	1.9	5.0
	(b) Fully diluted (based on ordinary shares - sen)	2.0	4.2	2.0	4.2
4	(a) Dividend per share (sen)	0.00	0.00	0.00	0.00
	(b) Dividend Description				
		AS AT END OF CURRENT QUARTER		AS AT PRECEDING FINANCIAL YEAR END	
		30.6.2001		31.3.2000	
5	Net tangible assets per share (RM)	3.12		3.25	

Remark : Containers haulage business commenced in March 2001 and revenue for first quarter includes revenue for the said business.

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CONSOLIDATED BALANCE SHEET

	AS AT END OF CURRENT QUARTER (Unaudited) 30/6/2001 RM('000)	AS AT PRECEDING FINANCIAL YEAR END (Audited) 31/3/2000 RM('000)
Fixed Assets	230,710	210,381
Investment in Associated Companies	779	655
Investments in Quoted/Unquoted Shares	6,117	5,998
Goodwill on Consolidation	269	269
Current Assets		
Stocks	3,183	3,084
Trade Debtors	37,144	32,544
Other Debtors	13,834	15,260
Cash and Bank Balances	7,094	3,317
	61,255	54,205
Current Liabilities		
Short Term Borrowings	60,592	87,573
Trade Creditors	8,721	7,771
Other Creditors	10,566	11,310
Provision for Taxation	3,483	3,505
Hire Purchase/Lease Creditors	8,330	6,156
	91,692	116,315
Net Current Assets/(Liabilities)	(30,437)	(62,110)
Total	207,438	155,193
Share Capital	43,963	39,563
Reserves		
Share Premium	8,703	4,930
Revaluation Reserve	40,478	40,478
Retained Profit	44,130	43,335
Minority Interests	3,436	3,456
Long Term Borrowings	12,828	10,070
Hire Purchase/Lease Creditors	8,854	5,581
Deferred Taxation	8,061	7,780
Bonds	36,985	0
	207,438	155,193
Net tangible assets per share (RM)	3.12	3.25

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Notes

- 1 The report for the quarter ended 30 June 2001 has been prepared using similar accounting policies as used in the most recent annual financial statements.
- 2 There is no exceptional items in the quarter ended 30 June 2001.
- 3 There is no extraordinary items in the quarter ended 30 June 2001.
- 4 Taxation for the quarter includes deferred taxation of RM281,000. The higher effective tax charge over the statutory tax rate is mainly due to operating losses incurred in four (4) subsidiary companies during the quarter ended 30 June 2001.
- 5 There is no sale of unquoted investments and properties in the quarter ended 30 June 2001.
- 6 The Company has purchased quoted securities amounting to RM119,667-00 in the quarter ended 30 June 2001.

Investments in quoted shares at cost and at market value as at 30 June 2001 are as follows :

	RM'000
Investment at cost	5,333
At market value	2,066

- 7 To comply with the Container Haulage Licence requirement, Triumph Alliance Sdn Bhd has increased its issued and paid-up capital from RM1,000,000 comprising of 1,000,000 ordinary shares of RM1.00 each fully paid to RM6,000,000 comprising of 6,000,000 ordinary shares of RM1.00 each fully paid via an issue of 5,000,000 ordinary shares of RM1.00 each fully paid to Tiong Nam Trading & Transport (M) Sdn Bhd for a cash consideration of RM5,000,000-00.

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- 8 On 22 March 2000 Commerce International Merchant Bankers Berhad (CIMB) on behalf of the Company has made announcement on the following:
- (a) a proposed bonus issue of up to 31,590,000 new Tiong Nam Transport Holdings Berhad (TNT) Shares, credited as fully paid-up, on the basis of three (3) new TNT Shares for every five (5) existing TNT Shares held;
 - (b) a proposed issue of RM45,000,000 nominal value of Bonds;
 - (c) a proposed rights issue of up to 26,325,000 New Warrants at an issue price to be fixed later on the basis of one (1) New Warrant for every two (2) existing TNT Shares held before the Proposed Bonus Issue;
 - (d) a proposed acquisition of freehold land and building from Tiong Nam Holdings Sdn Bhd (TNSB) for a total cash consideration of RM7,500,000;
 - (e) a proposed waiver for Mr Ong Yoong Nyock, Madam Yong Kwee Lian, Mr Ong Yong Meng, TNTT Realty Sdn Bhd and Renitrans Sdn Bhd from the obligation to undertake a mandatory take over offer for :
 - (i) the remaining ordinary shares of RM1.00 each ("TNT Shares") and existing warrants in TNT not already owned by them after the proposed exercise by Mr Ong Yoong Nyock of part of his entitlement of the existing warrants of up to 4,400,000 existing warrants into TNT Shares; and
 - (ii) the remaining TNT Shares, existing warrants and new warrants in TNT not already owned by them after the exercise of the new warrants into TNT Shares by Mr Ong Yoong Nyock pursuant to his subscription of the potential unsubscribed new warrants through excess applications; and
 - (f) a proposed increase in the authorised share capital of TNT from RM100,000,000 comprising 100,000,000 TNT Shares to RM200,000,000 comprising 200,000,000 TNT Shares.

hereinafter known as proposals.

At the date of this quarterly report, CIMB and the Company have submitted the proposals to the following authorities for approvals :

- (i) Securities Commission (SC)
- (ii) Foreign Investment Committee (FIC)
- (iii) Ministry of Finance
- (iv) Bank Negara Malaysia (BNM)

The Company on 14 July 2000 and 8 July 2000 has received approvals from FIC and BNM respectively. Approvals from SC and shareholders of the Company were received on 13 December 2000 and 2 May 2001 respectively.

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On 20 August 2001, the following book closure dates have been announced to the Kuala Lumpur Stock Exchange :

- i Bonus Issue – 7 September 2001
- ii Rights issue of Warrants – 7 September 2001
- iii Adjustments to the existing Warrants pursuant to the Bonus issue and Rights issue of Warrants – 7 September 2001

9 The Group has repaid RM16 million term loans during the financial period to-date. A new term loan of RM11 million was obtained of which RM8.3 million has been drawn down

New issues of 4,400,000 ordinary shares of RM1.00 each were made in relation to the exercise of existing Warrants 1994/2004 by Mr Ong Yoong Nyock in the quarter ended 30 June 2001.

10 All borrowings are denominated in Malaysian Ringgit :

	RM'000
Short-term borrowings	
Unsecured	60,592
Long-term borrowings	
Secured	36,985
Unsecured	12,828

	49,813
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The long-term bonds are secured by a bank guarantee facility which is secured by land and buildings with total market value of RM23,632,000-00. The market value of RM23,632,000-00 is supported by approved valuers in April and May 2000.

11 At the date of the quarterly report, the Group has no existing contingent liabilities except that the Company has provided corporate guarantees to financial institutions for short and long term loans and hire purchase and leasing facilities provided to subsidiary companies which have been disclosed as liabilities in the accounts.

12 At the date of the quarterly report, there were no financial instruments with off-balance sheet risk.

13 At the date of the quarterly report, there were no pending material litigation.

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14 Segmental analysis

	Current Year To-Date 30.6.2001		
	Turnover RM'000	Profit before Taxation RM'000	Assets Employed RM'000
Transportation Services	26,250	286	105,700
Property letting & warehousing services	4,620	1,251	132,210
Unallocated assets	-	(314)	54,055
Others	-	134	6,896
Total	30,870	1,357	298,861

- 15 Operating profits before exceptional items and taxation (excluding investment income) have decreased from RM2.02 million in the preceding quarter ended 31 March 2001 to RM1.18 million for the current quarter ended 30 June 2001. The decrease was due to lower turnover in transportation, general and bonded warehousing and a very competitive containers haulage business.
- 16 Operating profits before taxation have declined due to lower turnover in transportation, warehousing and containers haulage activities in the quarter ended 30 June 2001.
- 17 No significant items, transactions or events of a material and unusual nature have arisen between the end of the quarter 30.6.2001 and the date of announcement which will affect substantially the results of the Group.
- 18 The operations of the Group shall be affected during the festive season in the months of December, January and February where exporters and importers are closed and there are lesser working days during the said months.
- 19 For the remaining period of the financial year ending 31 March 2002, the Group's operating profits before taxation is expected to be affected by the slowdown in the economy, the electronic industry and a very competitive containers haulage business.
- 20 There is no profit forecast for the quarter ended 30 June 2001.
- 21 The Directors do not recommend the payment of dividend for the quarter ended 30 June 2001.