

**TIONG NAM LOGISTICS HOLDINGS BERHAD**  
**(Company No. 182485V)**  
**(Incorporated in Malaysia)**

**INTERIM FINANCIAL REPORT**  
**30 SEPTEMBER 2015**

**TIONG NAM LOGISTICS HOLDINGS BERHAD**  
(Company No. 182485V)  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED INCOME STATEMENT**  
**FOR THE PERIOD ENDED 30 SEPTEMBER 2015 - UNAUDITED**

|                                                                                               | INDIVIDUAL 3 MONTHS<br>ENDED 30 SEPTEMBER |                   | CUMULATIVE 6 MONTHS<br>ENDED 30 SEPTEMBER |                   |
|-----------------------------------------------------------------------------------------------|-------------------------------------------|-------------------|-------------------------------------------|-------------------|
|                                                                                               | 2015<br>RM ('000)                         | 2014<br>RM ('000) | 2015<br>RM ('000)                         | 2014<br>RM ('000) |
| Revenue                                                                                       | 138,117                                   | 147,213           | 272,808                                   | 281,491           |
| Direct operating expenses                                                                     | (105,221)                                 | (106,653)         | (203,085)                                 | (205,885)         |
| Depreciation and amortisation                                                                 | (4,593)                                   | (3,734)           | (8,812)                                   | (6,989)           |
| Finance cost                                                                                  | (6,511)                                   | (5,210)           | (10,707)                                  | (9,275)           |
| Other overhead expenses                                                                       | (9,508)                                   | (9,853)           | (19,381)                                  | (18,140)          |
| <b>Profit/(Loss) before taxation</b>                                                          | <b>12,284</b>                             | <b>21,763</b>     | <b>30,823</b>                             | <b>41,202</b>     |
| Share of profit/(loss) after tax in associates                                                | (56)                                      | (4)               | 776                                       | 1,020             |
| <b>Profit/(Loss) after share of profit/(loss) of jointly controlled entity and associates</b> | <b>12,228</b>                             | <b>21,759</b>     | <b>31,599</b>                             | <b>42,222</b>     |
| Taxation                                                                                      | (4,034)                                   | (5,409)           | (8,921)                                   | (10,600)          |
| <b>Net profit/(loss) for the period</b>                                                       | <b>8,194</b>                              | <b>16,350</b>     | <b>22,678</b>                             | <b>31,622</b>     |
| Attributable to:                                                                              |                                           |                   |                                           |                   |
| Equity holders of the Company                                                                 | 7,403                                     | 14,803            | 20,984                                    | 27,997            |
| Non-controlling interests                                                                     | 791                                       | 1,547             | 1,694                                     | 3,625             |
| <b>Net profit/(loss) for the period</b>                                                       | <b>8,194</b>                              | <b>16,350</b>     | <b>22,678</b>                             | <b>31,622</b>     |
| Basic earnings per ordinary shares (sen)                                                      | 1.78                                      | 3.52              | 5.04                                      | 6.66              |
| Diluted earnings per ordinary shares (sen)                                                    | 1.66                                      | 2.69              | 4.70                                      | 5.10              |

The Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2015 and the accompanying explanatory notes attached to the financial statements

**TIONG NAM LOGISTICS HOLDINGS BERHAD**  
(Company No. 182485V)  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE  
INCOME FOR THE PERIOD ENDED 30 SEPTEMBER 2015 - UNAUDITED**

|                                                             | INDIVIDUAL 3 MONTHS<br>ENDED 30 SEPTEMBER |                   | CUMULATIVE 6 MONTHS<br>ENDED 30 SEPTEMBER |                   |
|-------------------------------------------------------------|-------------------------------------------|-------------------|-------------------------------------------|-------------------|
|                                                             | 2015<br>RM ('000)                         | 2014<br>RM ('000) | 2015<br>RM ('000)                         | 2014<br>RM ('000) |
| Profit/(Loss) for the period                                | 8,194                                     | 16,350            | 22,678                                    | 31,622            |
| Currency translation differences arising from consolidation | 639                                       | 122               | 1,044                                     | 128               |
| <b>Total comprehensive income/(loss)</b>                    | <b>8,833</b>                              | <b>16,472</b>     | <b>23,722</b>                             | <b>31,750</b>     |
| <b>Total comprehensive income/(loss) attributed to:</b>     |                                           |                   |                                           |                   |
| Equity holders of the Company                               | 8,042                                     | 14,925            | 22,028                                    | 28,125            |
| Non-controlling interests                                   | 791                                       | 1,547             | 1,694                                     | 3,625             |
|                                                             | <b>8,833</b>                              | <b>16,472</b>     | <b>23,722</b>                             | <b>31,750</b>     |

The Condensed Consolidated Statement of Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2015 and the accompanying explanatory notes attached to the financial statements

**TIONG NAM LOGISTICS HOLDINGS BERHAD**  
(Company No. 182485 V)  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 SEPTEMBER 2015 – UNAUDITED**

|                                                                   | 30 SEP 2015<br>RM ('000) | 31 MAR 2015<br>RM ('000) |
|-------------------------------------------------------------------|--------------------------|--------------------------|
| <b>Assets</b>                                                     |                          |                          |
| Property, plant and equipment                                     | 646,939                  | 580,224                  |
| Investment properties                                             | 98,526                   | 98,460                   |
| Prepaid lease payments                                            | 920                      | 1,048                    |
| Investment in associates                                          | 5,155                    | 6,379                    |
| Goodwill                                                          | 2,716                    | 2,716                    |
| Deferred tax assets                                               | -                        | 1,270                    |
| <b>Total non-current assets</b>                                   | <u>754,256</u>           | <u>690,097</u>           |
| <b>Other Investments</b>                                          | <u>18,750</u>            | <u>40,020</u>            |
| Inventories                                                       | 16,831                   | 16,936                   |
| Property development projects                                     | 250,273                  | 247,560                  |
| Receivables                                                       | 203,143                  | 197,340                  |
| Tax recoverable                                                   | 2,605                    | 1,990                    |
| Cash and cash equivalents                                         | 21,757                   | 22,408                   |
| <b>Total current assets</b>                                       | <u>513,359</u>           | <u>526,254</u>           |
| <b>Total assets</b>                                               | <u><u>1,267,615</u></u>  | <u><u>1,216,351</u></u>  |
| <b>Equity</b>                                                     |                          |                          |
| Share capital                                                     | 84,142                   | 84,142                   |
| Reserves                                                          | 394,903                  | 374,107                  |
| <b>Total equity attributable to equity holders of the Company</b> | <u>479,045</u>           | <u>458,249</u>           |
| Minority interest                                                 | 11,766                   | 22,552                   |
| <b>Total equity</b>                                               | <u>490,811</u>           | <u>480,801</u>           |
| <b>Liabilities</b>                                                |                          |                          |
| Deferred tax liabilities                                          | 22,198                   | 22,659                   |
| Other payables                                                    | 4,093                    | 3,908                    |
| Loans and borrowings                                              | 383,975                  | 262,211                  |
| <b>Total non-current liabilities</b>                              | <u>410,266</u>           | <u>288,778</u>           |
| <b>Payables</b>                                                   | <u>221,103</u>           | <u>235,409</u>           |
| Loans and borrowings                                              | 137,241                  | 197,876                  |
| Provision for taxation                                            | 8,194                    | 13,487                   |
| <b>Total current liabilities</b>                                  | <u>366,538</u>           | <u>446,772</u>           |
| <b>Total liabilities</b>                                          | <u>776,804</u>           | <u>735,550</u>           |
| <b>Total equity and liabilities</b>                               | <u><u>1,267,615</u></u>  | <u><u>1,216,351</u></u>  |
| <b>Net Assets per share (RM)</b>                                  | <u>1.13</u>              | <u>1.09</u>              |

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2015 and the accompanying explanatory notes attached to the interim financial statements.

**TIONG NAM LOGISTICS HOLDINGS BERHAD**  
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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED 30 SEPTEMBER 2015 – UNAUDITED**

|                                                        | ← Attributable to shareholders of the Company → |                            |                               |                              |                                    |                                                |                               |                 |                                | Total<br>Equity<br>RM'000 |
|--------------------------------------------------------|-------------------------------------------------|----------------------------|-------------------------------|------------------------------|------------------------------------|------------------------------------------------|-------------------------------|-----------------|--------------------------------|---------------------------|
|                                                        |                                                 |                            |                               | Non-distributable            |                                    |                                                | Distributable                 |                 | Minority<br>Interest<br>RM'000 |                           |
|                                                        | Share<br>Capital<br>RM'000                      | Share<br>Premium<br>RM'000 | Warrant<br>Reserves<br>RM'000 | Treasury<br>Shares<br>RM'000 | Revaluation<br>Reserves<br>RM' 000 | Exchange<br>Fluctuation<br>Reserves<br>RM' 000 | Retained<br>Profits<br>RM'000 | Total<br>RM'000 |                                |                           |
| At 31 March 2015                                       | 84,142                                          | 5,631                      | 41,535                        | (3,191)                      | 47,673                             | (313)                                          | 282,772                       | 458,249         | 22,552                         | 480,801                   |
| Total comprehensive<br>Income/(loss) for the<br>period | -                                               | -                          | -                             | -                            | -                                  | 1,044                                          | 20,984                        | 22,028          | 1,694                          | 23,722                    |
| Conversion of Warrants                                 | -                                               | -                          | -                             | -                            | -                                  | -                                              | -                             | -               | -                              | -                         |
| Purchase of own shares                                 | -                                               | -                          | -                             | (1,232)                      | -                                  | -                                              | -                             | (1,232)         | -                              | (1,232)                   |
| Dividend paid to<br>minority interest                  | -                                               | -                          | -                             | -                            | -                                  | -                                              | -                             | -               | (12,480)                       | (12,480)                  |
| At 30 September 2015                                   | 84,142                                          | 5,631                      | 41,535                        | (4,423)                      | 47,673                             | 731                                            | 303,756                       | 479,045         | 11,766                         | 490,811                   |

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2015 and the accompanying explanatory notes attached to the interim financial statements.

**TIONG NAM LOGISTICS HOLDINGS BERHAD**  
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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW**  
**FOR THE PERIOD ENDED 30 SEPTEMBER 2015 - UNAUDITED**

|                                             | 2015<br>RM'000 | 2014<br>RM'000 |
|---------------------------------------------|----------------|----------------|
| <b>Cash flows from operating activities</b> |                |                |
| Profit / (loss) before tax                  | 31,599         | 42,222         |
| <b>Adjustment for :-</b>                    |                |                |
| Allowance/(Reversal) for doubtful debts     | 630            | 630            |
| Depreciation                                | 8,684          | 6,890          |
| Amortisation of prepaid lease payments      | 128            | 104            |
| Interest expenses                           | 10,707         | 9,275          |
| Loss/ (Gain) on disposals of :-             |                |                |
| - quoted investments                        | 201            | (1,368)        |
| - property, plant & equipment               | (117)          | (141)          |
| Share of profit in associates               | (776)          | (1,020)        |
| Interest income                             | (223)          | (596)          |
| Quoted investment                           |                |                |
| - Fair value loss / (gain)                  | 2,627          | (680)          |
| - Gross dividends                           | (316)          | (295)          |
|                                             | <hr/> 53,144   | <hr/> 55,021   |
| <b>Changes in working capital :</b>         |                |                |
| Changes in inventories                      | 105            | 418            |
| Changes in trade and other receivables      | (6,435)        | (6,679)        |
| Changes in trade and other payables         | (14,124)       | 1,766          |
| Changes in property development projects    | (2,713)        | (8,055)        |
|                                             | <hr/> 29,977   | <hr/> 42,471   |
| Tax paid                                    | (14,019)       | (13,121)       |
| <b>Net cash from operating activities</b>   | <hr/> 15,958   | <hr/> 29,350   |

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW**  
**FOR THE PERIOD ENDED 30 SEPTEMBER 2015 – UNAUDITED-CONTINUATION**

|                                                         | 2015<br>RM'000  | 2014<br>RM'000  |
|---------------------------------------------------------|-----------------|-----------------|
| <b>Cash flows from investing activities</b>             |                 |                 |
| <b>Acquisition of :-</b>                                |                 |                 |
| - property, plant and equipment                         | (73,890)        | (33,926)        |
| - investment properties                                 | (67)            | (579)           |
| <b>Proceeds from disposal of :-</b>                     |                 |                 |
| - quoted investments                                    | 525             | 4,289           |
| - property, plant and equipment                         | 1,742           | 159             |
| <b>Proceed from redemption of</b>                       |                 |                 |
| - unquoted bond                                         | 13,256          | -               |
| - unquoted fund                                         | 7,874           | -               |
| <b>Investment in</b>                                    |                 |                 |
| - quoted shares                                         | (3,213)         | (2,519)         |
| - subsidiary                                            | 1               | (2,979)         |
| <b>Interest received</b>                                | 223             | 596             |
| <b>Dividend received</b>                                | 2,316           | 6,295           |
| <b>Net cash used in investing activities</b>            | <u>(51,233)</u> | <u>(28,664)</u> |
| <b>Cash flows from financing activities</b>             |                 |                 |
| <b>Drawdown of term loan</b>                            | 74,236          | 41,433          |
| <b>(Repayment of) / Proceeds from :</b>                 |                 |                 |
| - term loan                                             | (13,403)        | (22,847)        |
| - finance lease liabilities                             | (782)           | (443)           |
| - short term borrowings                                 | (3,635)         | (14,436)        |
| <b>Proceeds from new share arising from</b>             | -               | 198             |
| <b>Conversion of warrants</b>                           |                 |                 |
| <b>Net proceeds from issuing of Warrants</b>            | -               | -               |
| <b>Purchase of own shares</b>                           | (1,232)         | -               |
| <b>Interest paid</b>                                    | (10,707)        | (9,275)         |
| <b>Dividend paid to shareholders of the Company</b>     | -               | -               |
| <b>(Increase) / decrease in pledged deposits with</b>   |                 |                 |
| <b>licensed bank</b>                                    | (1,160)         | 1               |
| <b>Dividend paid to minority shareholders of</b>        |                 |                 |
| <b>    Subsidiaries</b>                                 | (12,480)        | (6,630)         |
| <b>Net cash used in financing activities</b>            | <u>30,837</u>   | <u>(11,999)</u> |
| <b>Exchange differences on translation of the</b>       |                 |                 |
| <b>    financial statements of foreign subsidiary</b>   | 1,044           | 128             |
| <b>Net increase / (decrease) in cash and cash</b>       |                 |                 |
| <b>    Equivalents</b>                                  | (3,394)         | (11,185)        |
| <b>Cash &amp; cash equivalents at beginning of year</b> | 14,917          | 39,896          |
| <b>Cash &amp; cash equivalents at end of year</b>       | <u>11,523</u>   | <u>28,711</u>   |

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW**  
**FOR THE PERIOD ENDED 30 SEPTEMBER 2015 – UNAUDITED-CONTINUATION**

|                                             | 2015<br>RM'000 | 2014<br>RM'000 |
|---------------------------------------------|----------------|----------------|
| <b>Cash and cash equivalents comprise :</b> |                |                |
| <b>Cash and bank balances</b>               | 16,485         | 11,680         |
| <b>Fixed deposits with licensed banks</b>   | 5,272          | 25,660         |
| <b>Bank overdraft</b>                       | (7,357)        | (7,674)        |
|                                             | <hr/> 14,400   | <hr/> 29,666   |
| <b>Less : Deposits pledged</b>              | (2,877)        | (955)          |
|                                             | <hr/> 11,523   | <hr/> 28,711   |

The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2015 and the accompanying explanatory notes attached to the interim financial statements.



**TIONG NAM LOGISTICS HOLDINGS BERHAD**  
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**A NOTES TO THE INTERIM FINANCIAL REPORT**

**A1 Basis of Preparation**

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Listing Requirements of Bursa Malaysia Securities Berhad, including compliance with Financial Reporting Standards (FRS) 134 *Interim Financial Reporting*, issued by Malaysian Accounting Standard Board (MASB).

The interim financial statements should be read in conjunction with the Group's financial statement for the year ended 31 March 2015. This interim report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the financial year 2015 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for the full set of financial statements prepared in accordance with FRSS.

**A2 Changes in Accounting Policies**

On 19 November 2011, the Malaysian Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the MFRS Framework. The MFRS framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture and IC Interpretation 15 Agreements for construction of Real Estate, including its parents significant investor and venture (herein called "Transitioning Entities") which are granted an initial grace period of one year. Subsequently, on 30 June 2012, MASB extended the aforementioned transition period for another one year.

The Group falls within the scope definition of Transitioning Entities and have opted to defer adoption of the new MFRS Framework. Accordingly, the Group will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the financial year ending 31 March 2016. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. Such adjustments required will be made retrospectively.

**TIONG NAM LOGISTICS HOLDINGS BERHAD**  
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**A3 Audit Opinion**

The audit report of the Company and its subsidiaries for the preceding annual financial statements were not subject to any audit qualification.

**A4 Seasonality or Cyclicity of Interim Operations**

The operations of the Group shall be affected during the festive season in the months of November, December, January and February where there are lesser working days in the said months.

**A5 Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows**

There are no unusual items affecting assets, liabilities, equity, net income or cash flows for the current quarter ended 30 September 2015.

**A6 Material Changes in Estimates**

There were no changes in estimates of amounts that have had material effect in the current quarter results.

**A7 Issuance, Cancellation, Repurchase, Resale and Repayment of Debts and Equity Securities**

There are no issuance, cancellation, repurchase, resale, and repayment of debts and equity securities for the financial period ended 30 September 2015 other than the following: -

i) The Group repaid term loans of RM 4 million for the quarter ended 30 September 2015.

ii) During the second quarter ended 30 September 2015, the Company purchased 1,100,000 units of its issued ordinary shares from the open market (period to-date : 1,215,300 units). The Company held a total of 4,055,500 treasury shares as at 30 September 2015.

**A8 Dividend Paid**

No dividend was paid in the quarter ended 30 September 2015.

**A9 Segmental Report**

|                                  | As at 30 September 2015<br>RM'000      |                | As at 31 March 2015<br>RM'000          |                |
|----------------------------------|----------------------------------------|----------------|----------------------------------------|----------------|
| <b><u>Assets Employed</u></b>    |                                        |                |                                        |                |
| Logistics & Warehousing Services | 932,082                                |                | 773,059                                |                |
| Investments                      | 26,621                                 |                | 40,391                                 |                |
| Property Development Projects    | 308,912                                |                | 402,901                                |                |
|                                  | <b>1,267,615</b>                       |                | <b>1,216,351</b>                       |                |
|                                  | Individual 3 months ended 30 September |                | Cumulative 6 months ended 30 September |                |
|                                  | 2015                                   | 2014           | 2015                                   | 2014           |
|                                  | RM' 000                                | RM' 000        | RM' 000                                | RM' 000        |
| <b><u>Revenue</u></b>            |                                        |                |                                        |                |
| Logistics & Warehousing Services | 109,934                                | 102,862        | 220,322                                | 204,279        |
| Investments                      | 316                                    | 426            | 493                                    | 630            |
| Property development             | 27,867                                 | 43,925         | 51,993                                 | 76,582         |
|                                  | <b>138,117</b>                         | <b>147,213</b> | <b>272,808</b>                         | <b>281,491</b> |

**TIONG NAM LOGISTICS HOLDINGS BERHAD**  
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**A9 Segmental Report**

|                                                                            | Individual 3 months ended 30 September |                 |                 |                 |                      |                 |                 |                 |
|----------------------------------------------------------------------------|----------------------------------------|-----------------|-----------------|-----------------|----------------------|-----------------|-----------------|-----------------|
|                                                                            | Logistics and warehousing services     |                 | Investment      |                 | Property development |                 | Total           |                 |
|                                                                            | 2015<br>RM '000                        | 2014<br>RM '000 | 2015<br>RM '000 | 2014<br>RM '000 | 2015<br>RM '000      | 2014<br>RM '000 | 2015<br>RM '000 | 2014<br>RM '000 |
| Segment profit, profit before tax, interest, depreciation and amortisation | 13,661                                 | 12,395          | (1,231)         | 1,426           | 10,892               | 16,702          | 23,322          | 30,523          |
| Depreciation and amortisation                                              | (4,593)                                | (3,734)         | -               | -               | -                    | -               | (4,593)         | (3,734)         |
| Interest Income                                                            | 27                                     | 79              | -               | -               | 39                   | 105             | 66              | 184             |
| Finance costs                                                              | (4,625)                                | (3,746)         | (206)           | (10)            | (1,680)              | (1,454)         | (6,511)         | (5,210)         |
| Share of profit of associates                                              | -                                      | -               | (56)            | (4)             | -                    | -               | (56)            | (4)             |
| <b>Profit before tax</b>                                                   | <b>4,470</b>                           | <b>4,994</b>    | <b>(1,493)</b>  | <b>1,412</b>    | <b>9,251</b>         | <b>15,353</b>   | <b>12,228</b>   | <b>21,759</b>   |

|                                                                            | Cumulative 6 months ended 30 September |                 |                 |                 |                      |                 |                 |                 |
|----------------------------------------------------------------------------|----------------------------------------|-----------------|-----------------|-----------------|----------------------|-----------------|-----------------|-----------------|
|                                                                            | Logistics and warehousing services     |                 | Investment      |                 | Property development |                 | Total           |                 |
|                                                                            | 2015<br>RM '000                        | 2014<br>RM '000 | 2015<br>RM '000 | 2014<br>RM '000 | 2015<br>RM '000      | 2014<br>RM '000 | 2015<br>RM '000 | 2014<br>RM '000 |
| Segment profit, profit before tax, interest, depreciation and amortisation | 31,433                                 | 23,586          | (2,335)         | 2,678           | 21,021               | 30,606          | 50,119          | 56,870          |
| Depreciation and amortisation                                              | (8,811)                                | (6,988)         | -               | -               | (1)                  | (1)             | (8,812)         | (6,989)         |
| Interest Income                                                            | 97                                     | 231             | -               | -               | 126                  | 365             | 223             | 596             |
| Finance costs                                                              | (8,211)                                | (7,342)         | (399)           | (55)            | (2,097)              | (1,878)         | (10,707)        | (9,275)         |
| Share of profit of associates                                              | -                                      | -               | 776             | 1,020           | -                    | -               | 776             | 1,020           |
| <b>Profit before tax</b>                                                   | <b>14,508</b>                          | <b>9,487</b>    | <b>(1,958)</b>  | <b>3,643</b>    | <b>19,049</b>        | <b>29,092</b>   | <b>31,599</b>   | <b>42,222</b>   |

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**A10 Valuation of Property, Plant & Equipment**

Under FRS140, investment properties are measured at fair value. The investment properties were revalued in March 2015 by an independent professional valuer based on open market basis using comparison method and cost method. Trucks, trailers and machineries and equipments are stated at cost less accumulated depreciation.

**A11 Subsequent Material Events**

There are no material events subsequent to the end of the period that have not been reflected in this quarterly report.

**A12 Changes in the Composition of the Group**

There were no changes in composition of the Group during the current quarter and financial period-to-date.

**A13 Contingent Liabilities and Contingent Assets**

There are no changes in contingent liabilities and contingent assets since the last annual balance sheet date.

**A14 Capital Commitments**

As at the end of the reporting quarter, the Group has approved and contracted for capital commitments of RM 225 million in respect of property, plant and equipments.

***B ADDITIONAL INFORMATION IN THE INTERIM FINANCIAL REPORT REQUIRED BY  
BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS***

**B1 Review of Performance of the Group**

Revenue for the current quarter has decreased by 6.2% to RM 138.1 million compared to RM 147.2 million for the preceding year corresponding quarter. This is mainly due to decrease in property development ("PD") revenue.

Logistics and Warehousing Services revenue increased by 6.8% to RM 109.9 million compared to RM 102.9 million for the preceding year corresponding quarter. This increase is mainly due to securing of new total logistics customers as well as business expansion from our existing total logistics customers.

PD revenue decreased by 36.4% to RM 27.9 million compared to RM 43.9 million for the preceding year corresponding quarter. This decrease is mainly due to our construction progress for flagship project in Southern Industrial and Logistics Clusters, Nusajaya, Johor Bahru (SiLC 5) is near completion stage.

The Group posted a pre-tax profit of RM 12.28 million for the current quarter as compared to the pre-tax profit of RM 21.76 million for the preceding year corresponding quarter mainly due to decrease in revenue.

**B2 Variation of Results Against the Preceding Quarter**

Revenue for the current quarter has increased by 2.5% to RM 138.1 million compared to RM 134.7 million for the preceding quarter.

Logistics and Warehousing Services revenue slightly decreased by 0.5% to RM 109.9 million compared to RM 110.4 million for the preceding quarter.

PD revenue increased by 15.8% to RM 27.9 million compared to RM 24.1 million for the preceding quarter. This increase is mainly due to more revenue are recognized on our another flagship project in Tiong Nam Business Park located in Southern Industrial and Logistics Clusters, Nusajaya, Johor Bahru (SiLC 7).

The Group posted a pre-tax profit of RM 12.23 million compared to the pre-tax profit of RM 19.37 million for the preceding quarter mainly due to one off set-up cost for new total logistic customers.

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**B3 Current Year Prospects**

The global and regional economic climate in financial year 2016 is expected to remain challenging to our core business segment, logistics & warehousing services segment. The Group is cognizant of the industry development and understands that maintaining the Group's market share is paramount to our long term sustainability.

The Group will strengthen our core competencies and step up efforts in corporate strategies of clientele development and service innovation as a differentiating factor in the competitive operating environment.

Going forward, the Group will continue seeking new business opportunities, focus on operational efficiency and cost control effectiveness to better contend with competition.

The property development segment is expected to contribute positively to the Group in financial year 2016.

Premised on the above, the Group is expected to deliver another year of favourable profit.

**B4 Profit Forecast**

Not applicable.

**B5 Tax Expense**

|                   | Individual<br>3 months ended<br>30 September |                | Cumulative<br>6 months ended<br>30 September |                |
|-------------------|----------------------------------------------|----------------|----------------------------------------------|----------------|
|                   | 2015<br>RM'000                               | 2014<br>RM'000 | 2015<br>RM'000                               | 2014<br>RM'000 |
| Income Tax        | 3,737                                        | 6,175          | 8,107                                        | 11,075         |
| Deferred Taxation | 297                                          | (766)          | 814                                          | (475)          |
|                   | <u>4,034</u>                                 | <u>5,409</u>   | <u>8,921</u>                                 | <u>10,600</u>  |

The Group's effective tax rate for individual 3 months and cumulative 6 months were higher than the statutory tax rate mainly due to certain expenses which are tax-deductible.

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**B6 Profit / (Loss) on Sale on Unquoted Investments**

There was no disposal of unquoted investments for the current quarter and financial period to date.

**B7 Status of Corporate Proposals**

There are no corporate proposals pending completion as at 30 September 2015.

**B8 Group Borrowings and Debt Securities**

**Borrowings in Malaysian Ringgit**

|                                    | <b>RM'000</b>  |
|------------------------------------|----------------|
| <b>Long term borrowings:</b>       |                |
| Secured                            | 383,975        |
| Unsecured                          | -              |
| <b>Total Long term borrowings</b>  | <u>383,975</u> |
| <b>Short term borrowings:</b>      |                |
| Secured                            | 47,384         |
| Unsecured                          | 89,857         |
| <b>Total Short term borrowings</b> | <u>137,241</u> |
| <b>Total borrowings</b>            | <u>521,216</u> |

**B9 Off Balance Sheet Financial Instruments**

There was no financial instruments with off balance sheet risk at the date of this report.



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**B10 Dividends**

The Board of Directors did not recommend the payment of the dividend for the current quarter ended 30 September 2015.

**B11 Earnings Per Share**

a The number of ordinary shares used in the computation of EPS

|                               | Individual 3 months<br>ended 30 September |              | Cumulative 6 months<br>ended 30 September |              |
|-------------------------------|-------------------------------------------|--------------|-------------------------------------------|--------------|
|                               | 2015<br>'000                              | 2014<br>'000 | 2015<br>'000                              | 2014<br>'000 |
| Basic                         | 416,657                                   | 420,712      | 416,657                                   | 420,712      |
| Diluted earnings per<br>share | 446,588                                   | 549,466      | 446,588                                   | 549,466      |

**B12 Realised and Unrealised Retained Earnings**

The retained earnings may be analysed as follows:

|                          | As at<br>30 September 2015<br>RM'000 | As at<br>31 March 2015<br>RM'000 |
|--------------------------|--------------------------------------|----------------------------------|
| Realised profit          | 350,797                              | 326,697                          |
| Unrealised profit        | 38,578                               | 40,004                           |
|                          | <hr/>                                | <hr/>                            |
|                          | 389,375                              | 366,701                          |
| Less :                   |                                      |                                  |
| Consolidation adjustment | (85,619)                             | (83,929)                         |
|                          | <hr/>                                | <hr/>                            |
| Total retained earning   | 303,756                              | 282,772                          |
|                          | <hr/> <hr/>                          | <hr/> <hr/>                      |

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**B13 Notes to Statements of Comprehensive Income**

|                                                                      | INDIVIDUAL 3 MONTHS<br>ENDED 30 SEPTEMBER<br>RM '000 |                    | INDIVIDUAL 3 MONTHS<br>ENDED 30 SEPTEMBER<br>RM '000 |                    |
|----------------------------------------------------------------------|------------------------------------------------------|--------------------|------------------------------------------------------|--------------------|
|                                                                      | 2015                                                 | 2014<br>(Restated) | 2015                                                 | 2014<br>(Restated) |
| Net profit for the period is arrived at after charging / (crediting) |                                                      |                    |                                                      |                    |
| Audit fees                                                           | 88                                                   | 60                 | 168                                                  | 107                |
| Depreciation                                                         | 4,520                                                | 3,683              | 8,684                                                | 6,885              |
| Amortisation of prepaid leases payments                              | 73                                                   | 51                 | 128                                                  | 104                |
| Contributions to Employees Providend Fund                            | 1,458                                                | 1,184              | 2,865                                                | 2,259              |
| Wages, salaries and others                                           | 17,515                                               | 14,951             | 34,506                                               | 28,760             |
| Rental expenses of land and buildings                                | 7,677                                                | 6,896              | 15,638                                               | 13,019             |
| Rental of machineries and equipments                                 | 3,131                                                | 3,066              | 6,060                                                | 5,828              |
| (Gain)/loss on disposal of :-                                        |                                                      |                    |                                                      |                    |
| - quoted investments                                                 | 201                                                  | (397)              | 201                                                  | (1,368)            |
| - property, plant and equipment                                      | (44)                                                 | (164)              | (116)                                                | (263)              |
| Rental income from land and buildings                                | (966)                                                | (451)              | (1,556)                                              | (806)              |
| Realised (gain) /loss on foreign exchange                            | (2,483)                                              | 466                | (3,143)                                              | 364                |
| Quoted investments :                                                 |                                                      |                    |                                                      |                    |
| - fair value (gain) / loss                                           | 1,346                                                | (603)              | 2,627                                                | (680)              |
| - gross dividends                                                    | (316)                                                | (261)              | (329)                                                | (295)              |
| Impairment loss on receivables                                       | 315                                                  | 315                | 630                                                  | 630                |
| Interest income                                                      | (66)                                                 | (184)              | (223)                                                | (596)              |