

Company No. 532570 V

JOHORE TIN BERHAD
(Company No. 532570 V)
(Incorporated in Malaysia)
AND ITS SUBSIDIARY COMPANIES

QUARTERLY REPORT
FOR THE SECOND QUARTER ENDED 30 JUNE 2003
(UNAUDITED)

This Report is dated 28 October 2003.

Company No. 532570 V

JOHORE TIN BERHAD
(Incorporated in Malaysia)
AND ITS SUBSIDIARY COMPANIES

QUARTERLY REPORT

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JOHORE TIN BERHAD
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**CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE QUARTER ENDED 30 JUNE 2003 (UNAUDITED)**

	Current Year Quarter 30 June 2003 RM'000	Current Year To Date 30 June 2003 RM'000
Revenue	19,305	40,051
Profit from operations	2,541	5,212
Finance cost	(30)	(72)
Income from other investments	53	97
Profit before taxation	2,564	5,237
Taxation	(656)	(1,260)
Profit after taxation	1,908	3,977
Basic earnings per ordinary share (sen)	5.20	10.83

The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2002 and the accompanying explanatory notes to the quarterly report.

As this is the first quarterly report being drawn up, there are no comparative figures for the preceding year.

JOHORE TIN BERHAD
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CONDENSED CONSOLIDATED BALANCE SHEET
AS OF 30 JUNE 2003 (UNAUDITED)

	As of 30 June 2003 (Unaudited) RM'000	As of 31 December 2002 (Audited) RM'000
ASSETS		
Property, plant and Equipment	15,762	15,740
Other investment	637	669
Current Assets		
Inventories	17,210	15,317
Trade receivables	26,553	21,979
Other receivables and prepaid expenses	2,643	2,089
Cash and bank balances	4,903	10,032
	51,309	49,417
Current Liabilities		
Trade payables	3,257	4,338
Other payables and accrued expenses	1,343	2,522
Hire-purchase payables	218	632
Borrowings	103	205
Tax liabilities	1,093	274
	6,014	7,971
Net Current Assets	45,295	41,446

	As of 30 June 2003 (Unaudited) RM'000	As of 31 December 2002 (Audited) RM'000
Long-term and Deferred Liabilities		
Hire-purchase payables – non current portion	11	35
Borrowings	472	527
Deferred tax liabilities	881	940
	(1,364)	(1,502)
Net Assets	60,330	56,353
Represented by:		
Issued capital	36,721	36,721
Reserves	23,609	19,632
Shareholders' Equity	60,330	56,353
Net Tangible Assets (NTA) per share	RM1.64	RM1.53

The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2002 and the accompanying explanatory notes to the quarterly report.

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 30 JUNE 2003 (UNAUDITED)**

	Share Capital RM'000	Non- Distributable Reserve Share Premium RM'000	Distributable Reserve Unappropriated Profits RM'000	Total RM'000
Balance as of 1 January 2003	36,721	3,897	15,735	56,353
Net profit for the 6-month period	-	-	3,977	3,977
Balance as of 30 June 2003	<u>36,721</u>	<u>3,897</u>	<u>19,712</u>	<u>60,330</u>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2002 and the accompanying explanatory notes to the quarterly report.

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CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE QUARTER ENDED 30 JUNE 2003 (UNAUDITED)

	Current Year-To-Date 30 June 2003 RM'000
Net cash used in operating activities	(4,472)
Net cash from investing activities	10
Net cash used in investing activities	<u>(667)</u>
Net decrease in cash and cash equivalents	(5,129)
Cash and cash equivalents as of 1 January 2003	<u>9,767</u>
Cash and cash equivalents as of 30 June 2003	<u><u>4,638</u></u>

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2002 and the accompanying explanatory notes to the quarterly report.

As this is the first quarterly report being drawn up, there are no comparative figures for the preceding year.

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UNAUDITED QUARTERLY REPORT
FOR THE SECOND QUARTER ENDED 30 JUNE 2003

Notes to the Financial Information

1. **Basis of Preparation**

This interim report is prepared in accordance with MASB 26 “Interim Financial Reporting” and paragraph 9.22 of the Listing Requirements of Kuala Lumpur Stock Exchange, and should be read in conjunction with the Group’s annual financial statements for the year ended 31 December 2002.

The accounting policies and presentation adopted for the interim financial report are consistent with those adopted for the annual financial statements for the year ended 31 December 2002.

2. **Audit Qualification**

The annual financial statements for the year ended 31 December 2002 were not qualified.

3. **Seasonal or Cyclical Factors**

The Group’s operations are not significantly affected by any seasonal or cyclical factors.

4. **Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow**

There are no unusual items affecting assets, liabilities, equity, net income or cash flow.

5. **Changes in Estimates**

There are no changes in estimates for the financial period under review.

6. **Issuance and Repayment of Debts and Equity Securities**

There are no issuance and repayment of debts and equity securities.

7. **Dividend**

No dividend was paid in the quarter ended 30 June 2003.

8. **Segmental Reporting**

The Group’s principal business activities are manufacturing of various tins, cans and other containers, and are primarily carried out in Malaysia. As such, segmental analysis on business segment and geographical segment is currently not applicable.

9. **Valuation of Property, Plant & Equipment**
No valuation of property, plant & equipment has been carried out.
10. **Subsequent Material Events**
Subsequent to the period-end:
- i) Two of the Company's subsidiary companies have jointly incorporated a private limited company in Indonesia, PT Medan Johor Tin, to carry on the business of manufacturing of tins, cans, tinplates and other relevant business for domestic sales;
 - ii) Pursuant to the approval from Securities Commission, the Company has declared and paid out an interim dividend of 10.9%, tax-exempt, amounting to RM4,002,589 in respect of the financial year ending 31 December 2003; and
 - iii) Pursuant to the proposed listing of the Company on the Second Board of Kuala Lumpur Stock Exchange, the Company has made a public offer of 7,265,000 new ordinary shares of RM1 each at an issue price of RM1.35 per share. These shares have been fully issued and allotted.
11. **Changes in the Composition of the Group**
There are no changes in the composition of the Group for the quarter ended 30 June 2003.
12. **Contingent Liabilities**
There are no material changes in contingent liabilities or contingent assets since the last annual balance sheet date.
13. **Review of Performance of the Group**
The Group has recorded a pre-tax profit of RM2.564 million on the back of turnover of RM19.305 million for the second quarter ended 30 June 2003. The year-to-date pre-tax profit and turnover is RM5.237 million and RM40.051 million respectively. There are no material factors which have affected the earnings and revenue of the Group for the current quarter and financial year to date.
14. **Prospects**
For the remaining period to the financial year ending 31 December 2003, the Group is expected to at least maintain the operating performance achieved in the current quarter.
15. **Variance of Profit Forecast**
The analysis of variance will only be applicable in the final quarter.

16. **Taxation**

	Current Year Quarter 30 June 2003 RM'000	Current Year To Date 30 June 2003 RM'000
Income Tax	656	1,319
Deferred Tax	-	(59)
	<u>656</u>	<u>1,260</u>

The effective tax rate of the Group for the current quarter is lower than the statutory tax rate due mainly to the utilisation of reinvestment allowance.

17. **Profit/(Losses) on Sales of Unquoted Investments and Properties**

The gain on disposal of property, plant and equipment is as follows:

	Current Year Quarter 30 June 2003 RM'000	Current Year To Date 30 June 2003 RM'000
Gain on disposal of property, plant and equipment	<u>147</u>	<u>147</u>

18. **Particulars of Purchase or Disposal of Quoted Securities**

(a) Purchases and disposals

	Current Year Quarter 30 June 2003 RM'000	Current Year To Date 30 June 2003 RM'000
Total purchase consideration	-	-
Total sales proceeds	-	41
Total gain on disposal	-	9

(b) Investment as of 30 June 2003

	RM'000
At cost	637
At book value	637
At market value	724

19. **Status of Corporate Proposals**

In conjunction with and as an integral part of the listing of and quotation for the entire enlarged issued and paid-up share capital of the Company on the Second Board of the Kuala Lumpur Stock Exchange, the Company has undertaken / is undertaking a Restructuring and Flotation Exercise which involved the following:

- The Company has acquired the entire issued and paid-up share capital of Johore Tin Factory Sdn. Bhd., Unican Industries Sdn. Bhd. and Kluang Tin & Can Factory Sdn. Bhd. on 30 September 2002;
- The Board of Directors of the Company has declared and paid out 10.9% tax exempt dividends amounting to RM4,002,589 to its shareholders on 25 July 2003 and 22 September 2003 respectively;
- The consolidation of shareholding of a few individuals in the Company to a private investment holding company has been completed on 14 October 2003;
- The Company has made a public offer of 7,265,000 new ordinary shares of RM1 each at an issue price of RM1.35 per share. These shares have been fully issued and allotted on 17 October 2003; and
- The admission to the Official List and the listing and quotation for the entire enlarged issued and paid-up share capital of the Company of 43,986,000 shares on the Second Board of the KLSE is expected to be on 31 October 2003.

Other than the above, there are no corporate proposals announced for the current quarter.

The public issue has raised total gross proceeds of RM9.808 million which is expected to be utilised by 31 December 2005 for the following purposes:

Utilisation	RM'000
Capital expenditure on property, plant and equipment	7,600
Estimated listing expenses	1,500
Repayment of bank borrowings	550
Working capital	<u>158</u>
TOTAL	<u>9,808</u>

20. **Borrowings**

The Group's borrowings as of the end of the reporting quarter are as follows:

	Secured	Unsecured	Total
	RM'000	RM'000	RM'000
Short term	103	-	103
Long term	472	-	472
Total	<u>575</u>	<u>-</u>	<u>575</u>

21. **Off Balance Sheet Financial Instruments**

There is no financial instrument with off balance sheet risk as of the date of this quarterly report.

22. **Material Litigations**

There is no change in material litigation since the last audited annual balance sheet.

23. **Earnings Per Share**

The number of ordinary shares used in the computation of EPS is as follows:

	Current Year Quarter	Current Year To Date
	30 June, 2003	30 June, 2003
	'000	'000
Number of ordinary shares	36,721	36,721