

**UNAUDITED FINANCIAL STATEMENTS FOR THE SECOND QUARTER AND HALF YEAR
ENDED 30 JUNE 2014**

1(a) An income statement (for the group) together with a comprehensive statement for the corresponding period of the immediately preceding financial year.

CONSOLIDATED INCOME STATEMENT

	GROUP Second quarter ended			GROUP Half year ended		
	30.06.2014 \$'000	30.06.2013 \$'000	% Change	30.06.2014 \$'000	30.06.2013 \$'000	% Change
Revenue	30,846	29,065	6	62,026	56,988	9
Other income	12	9	33	22	17	29
Other gains – net	37	246	(85)	125	411	(70)
Expenses						
- Purchases of inventories	(1,271)	(1,195)	6	(2,487)	(2,406)	3
- Depreciation of property, plant and equipment	(2,756)	(2,195)	26	(5,113)	(4,387)	17
- Depreciation of investment properties	(199)	(199)	-	(397)	(397)	-
- Amortisation of intellectual property rights	(22)	-	-	(44)	-	-
- Employee compensation	(12,570)	(10,876)	16	(24,265)	(21,319)	14
- Insurance	(566)	(644)	(12)	(1,149)	(1,260)	(9)
- Rental on operating leases	(1,008)	(1,039)	(3)	(2,233)	(2,039)	10
- Sub-contractor charges	(2,742)	(3,421)	(20)	(6,331)	(6,560)	(3)
- Travelling and transportation	(347)	(229)	52	(595)	(479)	24
- Upkeep of commercial vehicles	(4,190)	(3,847)	9	(7,788)	(7,436)	5
- Finance	(63)	(92)	(32)	(123)	(208)	(41)
- Other	(2,488)	(2,163)	15	(4,852)	(4,409)	10
Total expenses	(28,222)	(25,900)	9	(55,377)	(50,900)	9
Share of profit of joint venture	51	5	920	50	52	(4)
Profit before income tax	2,724	3,425	(20)	6,846	6,568	4
Income tax expense	(417)	(217)	92	(1,092)	(832)	31
Total profit	2,307	3,208	(28)	5,754	5,736	-
Profit attributable to:						
Equity holders of the Company	2,134	2,974	(28)	5,375	5,324	(1)
Non-controlling interests	173	234	(26)	379	412	(8)
	2,307	3,208	(28)	5,754	5,736	-

STATEMENT OF COMPREHENSIVE INCOME**Total profit for the period****Other comprehensive (loss)/ income:**

Item that may be reclassified subsequently to profit or loss:

Currency translation differences arising from consolidation

Total comprehensive income for the period**Total comprehensive income attributable to:**

Equity holders of the Company

Non-controlling interests

GROUP Second quarter ended		
30.06.2014 \$'000	30.06.2013 \$'000	% Change
2,307	3,208	(28)
(19)	105	(118)
2,288	3,313	(31)
2,115	3,079	(31)
173	234	(26)
2,288	3,313	(31)

GROUP Half year ended		
30.06.2014 \$'000	30.06.2013 \$'000	% Change
5,754	5,736	-
(121)	175	(169)
5,633	5,911	(5)
5,254	5,499	(4)
379	412	(8)
5,633	5,911	(5)

NOTES TO INCOME STATEMENT**(i) Profit before tax is arrived at after crediting/(charging):**

Interest income

Interest expense

Currency exchange (loss)/gain – net

Gain on disposal of property, plant & equipment

GROUP Second quarter ended		
30.06.2014 \$'000	30.06.2013 \$'000	% Change
12	9	33
(63)	(92)	(32)
(15)	30	(150)
37	104	(64)

GROUP Half year ended		
30.06.2014 \$'000	30.06.2013 \$'000	% Change
22	17	29
(123)	(208)	(41)
(19)	54	(135)
125	262	(52)

(ii) Adjustment for under or overprovision of tax of previous years

There is no material adjustment for under or overprovision of tax in respect of prior years.

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

	Group		Company	
	30.06.2014	31.12.2013	30.06.2014	31.12.2013
	\$'000	\$'000	\$'000	\$'000
ASSETS				
Current assets				
Cash and cash equivalents	14,979	16,045	12,822	13,522
Trade and other receivables	23,230	18,946	28,408	18,204
Inventories	96	77	-	-
Other current assets	4,356	2,935	3,079	1,866
	<u>42,661</u>	<u>38,003</u>	<u>44,309</u>	<u>33,592</u>
Non-current assets				
Trade and other receivables	1,871	1,773	2,115	2,115
Investments in joint venture	1,037	987	788	788
Investments in subsidiaries	-	-	6,291	6,291
Property, plant and equipment	58,154	52,043	42,745	42,639
Investment properties	22,008	22,405	5,077	5,222
Intangible assets	409	450	-	-
Other non-current assets	290	303	16	16
	<u>83,769</u>	<u>77,961</u>	<u>57,032</u>	<u>57,071</u>
Total assets	<u>126,430</u>	<u>115,964</u>	<u>101,341</u>	<u>90,663</u>
LIABILITIES				
Current liabilities				
Trade and other payables	18,076	18,808	21,764	20,456
Current income tax liabilities	2,178	1,822	1,350	1,120
Borrowings	14,462	5,200	12,000	3,000
	<u>34,716</u>	<u>25,830</u>	<u>35,114</u>	<u>24,576</u>
Non-current liabilities				
Trade and other payables	8,054	6,847	5,893	4,557
Borrowings	3,119	3,828	-	-
Deferred income tax liabilities	6,032	6,193	4,578	4,784
	<u>17,205</u>	<u>16,868</u>	<u>10,471</u>	<u>9,341</u>
Total liabilities	<u>51,921</u>	<u>42,698</u>	<u>45,585</u>	<u>33,917</u>
NET ASSETS	<u>74,509</u>	<u>73,266</u>	<u>55,756</u>	<u>56,746</u>
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	30,244	30,244	30,244	30,244
Currency translation reserve	30	151	-	-
Retained profits	40,407	39,332	25,512	26,502
	<u>70,681</u>	<u>69,727</u>	<u>55,756</u>	<u>56,746</u>
Non-controlling interests	<u>3,828</u>	<u>3,539</u>	<u>-</u>	<u>-</u>
Total equity	<u>74,509</u>	<u>73,266</u>	<u>55,756</u>	<u>56,746</u>

1(b)(ii) Aggregate amount of group's borrowings and debt securities

Amount payable in one year or less, or on demand

As at 30.06.2014		As at 31.12.2013	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
1,799	12,663	1,719	3,481

Amount repayable after one year

As at 30.06.2014		As at 31.12.2013	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
3,119	-	3,828	-

Details of any collateral

Secured borrowings of the group relate to:

- a. finance lease liabilities for commercial vehicles and equipment where the rights to the leased commercial vehicles and equipment revert to the lessor in the event of default by the Group; and
- b. term loan secured by legal mortgage over an investment property.

The net book value of these commercial vehicles and equipment and investment property amounted to \$1,902,000 (31 December 2013 - \$2,121,000) and \$16,931,000 (31 December 2013 - \$17,183,000) respectively.

1(c) A statement of cash flow (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

	GROUP Second quarter ended		GROUP Half year ended	
	30.06.2014 \$'000	30.06.2013 \$'000	30.06.2014 \$'000	30.06.2013 \$'000
Cash flows from operating activities				
Total Profit	2,307	3,208	5,754	5,736
Adjustments for:				
- Depreciation of property, plant and equipment	2,756	2,195	5,113	4,387
- Depreciation of investment properties	199	199	397	397
- Amortisation of intangible assets	22	-	44	-
- Gain on disposal of property, plant and equipment	(36)	(104)	(126)	(262)
- Income tax expense	417	217	1,092	832
- Interest expense	63	92	123	208
- Interest income	(12)	(9)	(22)	(17)
- Share of profit of joint venture	(51)	(5)	(50)	(52)
	5,665	5,793	12,325	11,229
Changes in working capital				
- Trade and other receivables	(1,741)	318	(3,382)	(543)
- Inventories	(9)	(13)	(19)	2
- Other current assets	(375)	147	195	520
- Trade and other payables	1,716	755	(1,757)	(2,189)
Cash generated from operations	5,256	7,000	7,362	9,019
Income tax paid	(886)	(602)	(897)	(657)
Interest paid	(49)	(78)	(94)	(179)
Net cash provided by operating activities	4,321	6,320	6,371	8,183
Cash flows from investing activities				
Interest received	12	9	22	17
Proceeds from disposal of property, plant and equipment	62	124	677	460
Purchase of an intangible asset	-	(122)	(40)	(122)
Purchases of property, plant and equipment	(9,062)	(2,175)	(11,912)	(4,278)
Net cash used in investing activities	(8,988)	(2,164)	(11,253)	(3,923)
Cash flows from financing activities				
Dividends paid to equity holders of the Company	(4,300)	(3,763)	(4,300)	(3,763)
Dividends paid to non-controlling interests	(90)	(90)	(90)	(90)
Proceeds from issue of share to a non-controlling shareholder	-	411	-	411
Proceeds from borrowings	10,200	2,000	10,200	2,000
Repayments of borrowings	(1,300)	(655)	(1,600)	(3,115)
Repayments of finance lease liabilities	(152)	(215)	(302)	(543)
Net cash used in financing activities	4,358	(2,312)	3,908	(5,100)
Net increase/(decrease) in cash and cash equivalents	(309)	1,844	(974)	(840)
Cash and cash equivalents at beginning of period	15,303	13,286	16,045	15,913
Effect of currency translation on cash and cash equivalents	(15)	93	(92)	150
Cash and cash equivalents at end of period	14,979	15,223	14,979	15,223

1(d)(i) A statement (for the issuer and group) showing (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

	Attributable to equity holders of the Company			Non-controlling interests	Total equity
	Share capital	Currency translation reserves	Retained earnings		
	\$'000	\$'000	\$'000	\$'000	\$'000
GROUP					
2014					
Beginning of financial year	30,244	151	39,332	3,539	73,266
Total comprehensive income for the period	-	(102)	3,241	206	3,345
Balance at 31 Mar and 1 Apr 2014	30,244	49	42,573	3,745	76,611
Dividend paid	-	-	(4,300)	(90)	(4,390)
Total comprehensive income for the period	-	(19)	2,134	173	2,288
Balance at 30 Jun and 1 Jul 2014	30,244	30	40,407	3,828	74,509

2013					
Beginning of financial year	30,244	(72)	33,768	3,057	66,997
Total comprehensive income for the period	-	70	2,350	178	2,598
Balance at 31 Mar and 1 Apr 2013	30,244	(2)	36,118	3,235	69,595
Capital injection from non-controlling interest	-	-	-	411	411
Dividend paid	-	-	(3,763)	(90)	(3,853)
Total comprehensive income for the period	-	105	2,974	234	3,313
Balance at 30 Jun and 1 Jul 2013	30,244	103	35,329	3,790	69,466

COMPANY

2014				
Beginning of financial year	30,244	-	26,502	56,746
Total comprehensive income for the period	-	-	1,979	1,979
Balance at 31 Mar and 1 Apr 2014	30,244	-	28,481	58,725
Dividend paid	-	-	(4,300)	(4,300)
Total comprehensive income for the period	-	-	1,331	1,331
Balance at 30 Jun and 1 Jul 2014	30,244	-	25,512	55,756

2013				
Beginning of financial year	30,244	-	21,549	51,793
Total comprehensive income for the period	-	-	2,772	2,772
Balance at 31 Mar and 1 Apr 2013	30,244	-	24,321	54,565
Dividend paid	-	-	(3,763)	(3,763)
Total comprehensive income for the period	-	-	2,003	2,003
Balance at 30 Jun and 1 Jul 2013	30,244	-	22,561	52,805

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year**

Not applicable.

- 1(d)(iii) Total number of issued shares excluding Treasury Shares at the end of 30 June 2014 as compared to 31 December 2013**

As at	30.06.2014	31.12.2013
No. of Ordinary Share	215,018,000	215,018,000

- 1(d)(iv) Movement of Treasury Shares**

Not applicable as the Company has no Treasury Shares.

- 2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)**

The figures have not been audited or reviewed by the Company's auditor.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)**

The figures have not been audited or reviewed by the Company's auditor.

- 4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied**

The accounting policies and methods of computation applied by the Group and the Company are consistent with those used in its most recently audited financial statements which have been prepared in accordance with the Singapore Financial Reporting Standards.

- 5. If there are any changes in the accounting policies and method of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change**

The effect of the adoption of the new or revised FRS and interpretations do not have a material impact on the Company's financial statements.

6. Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

	Second quarter ended		Half year ended	
	30.06.2014	30.06.2013	30.06.2014	30.06.2013
Earnings per ordinary share of the Group for the financial period based on net profit attributable to shareholders:				
(i) Based on weighted average number of shares	0.99 cents	1.38 cents	2.50 cents	2.48 cents
(ii) On a fully-diluted basis	0.99 cents	1.38 cents	2.50 cents	2.48 cents

The computation of earnings per ordinary share on the weighted average number of shares and fully diluted basis is based on 215,018,000 shares (2013: 215,018,000).

Diluted earnings per share is the same as basic earnings per share as there are no dilutive potential ordinary shares.

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year

	Group		Company	
	30.06.2014	31.12.2013	30.06.2014	31.12.2013
Net asset value per ordinary share based on issued share capital at the end of the financial period	32.87 cents	32.43 cents	25.93 cents	26.39 cents

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

Income Statement Review – Second Quarter 2014 ("2Q14") vs Second Quarter 2013 ("2Q13")

Group revenue in 2Q14 was \$30.85m representing an increase of 6% or \$1.78m compared to 2Q13. The higher revenue was mainly attributed to the increase in volume handled by the Transportation and Bulk Cargo Division and Warehousing Division.

Other gains (net) decreased by 85% from \$0.25m in 2Q13 to \$0.04m in 2Q14 mainly due a one-off transaction in 2Q13 relating to the receipt of \$0.14m being forfeiture of deposit received from a third party.

Overall expenses increased by 9% from \$25.90m in 2Q13 to \$28.22m in 2Q14, mainly due to increases in depreciation charges, employee compensation, upkeep of commercial vehicles and other expenses. The increase was partially offset by decreases in subcontractor charges and finance expenses.

Depreciation of property, plant and equipment increased by 25% from \$2.20m in 2Q13 to \$2.76m in 2Q14 which was in line with the increase in property, plant and equipment as the Group increased its investment to cope with the increase in volume for the Transportation and Bulk Cargo Division.

Employee compensation increased by 16% from \$10.88m in 2Q13 to \$12.57m in 2Q14. The increase was mainly due to the increase in volume of business, increase in wage rates, coupled with the effects of more jobs being handled internally. As a result of the latter, sub-contractors charges decreased by 20% to 2.74m in 2Q14 from \$3.42m in 2Q13.

Upkeep of commercial vehicles increased by 9% from \$3.85m in 2Q13 to \$4.19m in 2Q14, which was largely in line with higher revenue as more jobs were handled internally. In addition, the cost of maintaining the fleet of commercial vehicles also increased in line with the number of commercial vehicles owned during the quarter.

“Other” expense of \$2.49m in 2Q14 was higher compared to \$2.16m in 2Q13 as “Other” expense in 2Q13 included a one-off recovery of debt of \$0.13m.

The Group’s income tax expense increased by 92% from \$0.22m in 2Q13 to \$0.42m in 2Q14 despite lower total profit in 2Q14 mainly due to the absence of a tax incentive grant that was claimed in 2Q13.

As a result of all the above, the Group’s total profit after tax decreased by 28% from \$3.21m in 2Q13 to \$2.31m in 2Q14.

Income Statement Review – half year 2014 (“1H14”) vs half year 2013 (“1H13”)

Group revenue increased by 9% or \$5.04m, from \$56.99m in 1H13 to \$62.03m in 1H14. The higher revenue was mainly attributable to the increase in volume handled by the Transportation and Bulk Cargo Division and Warehousing Division.

Other gains decreased, while overall expenses and income tax expense increased, and the reasons are similar to those cited for 2Q14 Vs 2Q13. The Group’s total profit after tax increased marginally from \$5.74m in 1H13 to \$5.75m in 1H14.

Statement of Financial Position

Trade and other receivables increased by \$4.38m from \$20.72m as at 31 December 2013 to \$25.10m as at 30 June 2014. The increase was mainly due to the increase in revenue.

Other current assets increased by \$1.42m from \$2.94m as at 31 December 2013 to \$4.36m as at 30 June 2014. The increase was due to higher prepayment arising from the payment of annual insurance premium in June 2014.

Total borrowings for the Group increased by \$8.55m or 95% from \$9.03m as at 31 December 2013 to \$17.58m as at 30 June 2014. Proceeds from borrowings were utilized to finance the purchase of additional property, plant and equipment.

Statement of Cashflow

The Group continues to generate positive cashflow. However, net cash inflow from operating activities for 1H14 reduced compared to 1H13 from \$8.18m to \$6.37m, primarily due to an increase in trade and other receivables arising from the increase in revenue. The additional cash provided by operating activities and the increase in bank borrowings were utilized mainly to finance the purchase of additional property, plant and equipment for the Transportation and Bulk Cargo Division.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

Not applicable as there has been no forecast or prospect statement disclosed to shareholders previously.

10. A commentary at the date of the announcement of the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

The Group achieved a 6% increase in revenue for 2Q14 and 9% increase in revenue for 1H14 compared to the preceding corresponding periods.

The business environment will continue to create challenges for the Group. The performance of the Group will continue to be affected by diesel prices, tightening of the labour market and pressure on wages costs.

The Group will continue to be prudent with costs and look for synergistic opportunities to increase its competitiveness.

11. Dividend

(a) Current Financial Period Reported On

Any dividend recommended for the current financial period reported on?

Yes.

Name of Dividend	Proposed Interim tax exempt (one-tier)
Dividend Type	Cash
Dividend Amount per share (in cents)	0.50 cents

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

Yes

Name of Dividend	Interim tax exempt (one-tier)
Dividend Type	Cash
Dividend Amount per share (in cents)	0.50 cents

(c) Date payable

The Directors have declared an interim tax exempt (one-tier) dividend of 0.50 cents per ordinary share for the financial year ending 31 December 2014, payable on 30 September 2014.

(d) Books closure date

NOTICE IS HEREBY GIVEN that the Transfer Books and Register of Members of the Company will be closed on 17 September 2014 for the preparation of dividend warrants. Duly completed transfers received by the Company's Share Registrar, Tricor Barbinder Share Registration Services, at 80 Robinson Road, #02-00, Singapore 068898 up to 5.00 p.m. on 16 September 2014 will be registered before Shareholders' entitlements to the interim dividend are determined. Members whose Securities Accounts with The Central Depository (Pte) Limited are credited with Shares as at 5.00p.m. on 16 September 2014 will be entitled to the interim dividend.

12. If no dividend has been declared/recommended, a statement to that effect

Not applicable.

13. Interested Person Transactions (IPT)

The Company has not obtained a general mandate from shareholders for interested person transactions.

There are no interested person transactions (excluding transaction less than \$100,000) for the second quarter financial period ended 30 June 2014.

14. Negative assurance confirmation by Directors pursuant to the SGX Listing Rule 705(5) of the Listing Manual

We, Poh Key Boon and Poh Kay Yong, hereby confirm on behalf of the Board of Directors of the Company that, to the best of its knowledge, nothing material has come to the attention of the Board of Directors of the Company which may render the second quarter and six months unaudited results for the financial period ended 30 June 2014 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Poh Key Boon
Director

Poh Kay Yong
Director

BY ORDER OF THE BOARD

Poh Khim Hong (Ms)
Finance Director & CFO
13 August 2014