

**FIRST QUARTER UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD
ENDED 31 MARCH 2015**

- 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		
	3 months ended		%
	31.03.2015	31.03.2014	Change
	\$'000	\$'000	
Revenue	36,343	31,180	17
Other income	5	10	(50)
Other gains – net	85	88	(3)
Expenses			
- Cost of inventories sold	(690)	(1,216)	(43)
- Depreciation of property, plant and equipment	(3,165)	(2,357)	34
- Depreciation of investment properties	(198)	(198)	-
- Amortisation of intellectual property rights	(23)	(22)	5
- Employee compensation	(13,707)	(11,695)	17
- Insurance	(685)	(583)	17
- Rental on operating leases	(2,318)	(1,225)	89
- Sub-contractors charges	(4,167)	(3,589)	16
- Travelling and transportation	(252)	(248)	2
- Upkeep of commercial vehicles and barges	(3,466)	(3,861)	(10)
- Finance	(70)	(60)	17
- Other	(2,604)	(2,101)	24
Total expenses	(31,345)	(27,155)	15
Share of profit / (loss) of joint ventures	30	(1)	N.M
Profit before income tax	5,118	4,122	24
Income tax expense	(892)	(675)	32
Total profit	4,226	3,447	23
Profit attributable to:			
Equity holders of the Company	3,986	3,241	23
Non-controlling interests	240	206	17
	4,226	3,447	23

Statement of Comprehensive income for the period ended 31 March 2015

	Group		
	3 months ended		
	31.03.2015	31.03.2014	%
	\$'000	\$'000	Change
Net profit for the period	4,226	3,447	23
<u>Other Comprehensive income/(loss):</u>			
Item that may be reclassified subsequently to profit or loss:			
Currency translation differences arising on consolidation	<u>91</u>	<u>(102)</u>	189
Total comprehensive income for the period	<u>4,317</u>	<u>3,345</u>	29
Total comprehensive income attributable to:			
Equity holders of the Company	4,077	3,139	30
Non-controlling interests	<u>240</u>	<u>206</u>	17
	<u>4,317</u>	<u>3,345</u>	29

N.M denotes Not Meaningful

Notes to Income statement

(i) Profit before tax is arrived at after crediting/(charging):

	Group		
	3 months ended		
	31.03.2015	31.03.2014	%
	\$'000	\$'000	Change
Interest income	5	10	(50)
Interest expense	(70)	(60)	17
Currency exchange loss – net	(31)	(4)	675
Gain on disposal of property, plant and equipment	85	90	(6)

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

There is no material adjustment for under or over provision 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	
	31.03.2015	31.12.2014	31.03.2015	31.12.2014
	\$'000	\$'000	\$'000	\$'000
ASSETS				
Current assets				
Cash and cash equivalents	28,043	20,905	24,299	17,719
Trade and other receivables	21,673	22,317	30,048	31,995
Inventories	51	203	-	-
Other current assets	2,685	3,079	1,596	1,940
	52,452	46,504	55,943	51,654
Non-current assets				
Trade and other receivables	1,985	1,969	2,115	2,115
Investments in joint ventures	1,069	1,039	788	788
Investments in subsidiaries	-	-	5,346	5,668
Property, plant and equipment	67,161	64,329	48,720	44,959
Investment properties	21,413	21,611	4,860	4,932
Intangible assets	344	367	-	-
Other non-current assets	787	651	533	390
	92,759	89,966	62,362	58,852
Total assets	145,211	136,470	118,305	110,506
LIABILITIES				
Current liabilities				
Trade and other payables	18,784	22,394	24,897	27,751
Current income tax liabilities	2,378	1,448	1,359	722
Borrowings	21,831	16,146	19,197	13,442
	42,993	39,988	45,453	41,915
Non-current liabilities				
Trade and other payables	7,632	7,140	5,471	4,979
Borrowings	7,798	6,484	3,494	1,671
Deferred income tax liabilities	6,473	6,513	4,478	4,571
	21,903	20,137	13,443	11,221
Total liabilities	64,896	60,125	58,896	53,136
NET ASSETS	80,315	76,345	59,409	57,370
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	30,244	30,244	30,244	30,244
Currency translation reserve	269	178	-	-
Retained profits	45,867	42,228	29,165	27,126
	76,380	72,650	59,409	57,370
Non-controlling interests	3,935	3,695	-	-
Total equity	80,315	76,345	59,409	57,370

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

Amount payable in one year or less, or on demand

As at 31.03.2015		As at 31.12.2014	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
3,070	18,761	2,656	13,490

Amount repayable after one year

As at 31.03.2015		As at 31.12.2014	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
7,798	-	6,484	-

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 \$9,278,000 (31 December 2014 - \$6,981,000) and \$16,553,000 (31 December 2014 - \$16,679,000) 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	
	3 months ended	
	31.03.2015	31.03.2014
	\$'000	\$'000
Cash flows from operating activities		
Total profit	4,226	3,447
Adjustments for:		
- Depreciation of property, plant and equipment	3,165	2,357
- Depreciation of investment properties	198	198
- Amortisation of intangible assets	23	22
- Gain on disposal of property, plant and equipment	(85)	(90)
- Income tax expense	892	675
- Interest expense	70	60
- Interest income	(5)	(10)
- Share of (profit) / loss of joint venture	(30)	1
	<u>8,454</u>	<u>6,660</u>
Changes in working capital		
- Trade and other receivables	628	(1,641)
- Inventories	152	(10)
- Other current and non-current assets	258	570
- Trade and other payables	(1,633)	(3,473)
Cash generated from operations	<u>7,859</u>	<u>2,106</u>
Income tax paid	(2)	(11)
Interest paid	(55)	(45)
Net cash provided by operating activities	<u>7,802</u>	<u>2,050</u>
Cash flows from investing activities		
Interest received	5	10
Proceeds from disposal of property, plant and equipment	186	615
Purchase of intangible assets	-	(40)
Additions to property, plant and equipment	(5,036)	(2,850)
Net cash used in investing activities	<u>(4,845)</u>	<u>(2,265)</u>
Cash flows from financing activities		
Proceeds from borrowings	6,000	-
Repayments of borrowings	(1,050)	(300)
Repayments of lease liabilities	(499)	(150)
Share buy back	(347)	-
Net cash provided by / (used in) financing activities	<u>4,104</u>	<u>(450)</u>
Net increase / (decrease) in cash and cash equivalents	7,061	(665)
Cash and cash equivalents at beginning of financial year	20,905	16,045
Effects of currency translation on cash and cash equivalents	77	(77)
Cash and cash equivalents at end of financial period	<u>28,043</u>	<u>15,303</u>

- 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 →					
	Share capital	Currency translation reserves	Retained profits	Total	Non-controlling interests	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
GROUP						
2015						
Beginning of financial year	30,244	178	42,228	72,650	3,695	76,345
Buy-back of shares	-	-	(347)	(347)	-	(347)
Total comprehensive income for the period	-	91	3,986	4,077	240	4,317
Balance at 31 Mar 2015 and 1 Apr 2015	30,244	269	45,867	76,380	3,935	80,315
2014						
Beginning of financial year	30,244	151	39,332	69,727	3,539	73,266
Total comprehensive (loss) / income for the period	-	(102)	3,241	3,139	206	3,345
Balance at 31 Mar 2014 and 1 Apr 2014	30,244	49	42,573	72,866	3,745	76,611
COMPANY						
2015						
Beginning of financial year	30,244	-	27,126	57,370		
Buy-back of shares	-	-	(347)	(347)		
Total comprehensive income for the period	-	-	2,386	2,386		
Balance at 31 Mar 2015 and 1 Apr 2015	30,244	-	29,165	59,409		
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 2014 and 1 Apr 2014	30,244	-	28,481	58,725		

- 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**

During the period from 19 Mar 2015 to 31 Mar 2015, the Company had brought back 594,700 shares by way of market acquisitions transacted on the SGX-ST. Those shares repurchased were subsequently cancelled. There was no change in the amount of issued and paid up share capital as these purchases were made entirely out of profits.

The share buyback was pursuant to a Share Purchase Mandate approved by the shareholders on 30th April 2014.

- 1(d)(iii) Total number of issued shares excluding Treasury Shares at the end of 31 March 2015 as compared to 31 December 2014**

As at	31.03.2015	31.12.2014
No. of Ordinary Share	214,423,300	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)**

Not applicable.

- 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

		Group	
		3 months ended	
		31.03.2015	31.03.2014
Earnings per ordinary share of the Group for the financial period based on net profit attributable to shareholders:		1.85 cents	1.51 cents
(i)	Based on weighted average number of shares		
	- Weighted average number of shares	214,973,494	215,018,000
		Shares	Shares
(ii)	On a fully-diluted basis	1.85 cents	1.51 cents

The computation of earnings per ordinary share on weighted average number of shares and fully diluted basis is based on 214,973,494 shares (2014: 215,018,000).

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	
	31.03.2015	31.12.2014	31.03.2015	31.12.2014
Net asset value per ordinary share based on issued share capital at the end of the financial period	35.62 cents	33.79 cents	27.71 cents	26.68 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 – First Quarter 2015 ("1Q15") vs First Quarter 2014 ("1Q14")

Group revenue in 1Q15 was \$36.34m representing an increase of 17% or \$5.16m compared to 1Q14. The higher revenue was mainly attributed to the increase in volume handled. The Transportation and Bulk Cargo Division and the Warehousing Division are the two main Divisions contributing to the increase in revenue.

Overall expenses increased by 15% from \$27.16m in 1Q14 to \$31.35m in 1Q15. The increase was mainly due to the increase in depreciation of property, plant and equipment, employee compensation, rental on operating leases, sub-contractor charges and "Other" expenses. The increase is partly offset by the decrease in cost of inventories sold and upkeep of commercial vehicles and barges.

Depreciation of property, plant and equipment increased by 34% from \$2.36m in 1Q14 to \$3.17m in 1Q15. This was in line with the Group's increased investments in property, plant and equipment to cope with the increase in volume for the Transportation and Bulk Cargo Division and the Warehousing Division.

Employee compensation increased by 17% from \$11.70m in 1Q14 to \$13.71m in 1Q15. This was in line with the increase in volume of business and higher wage costs arising from a tighter labour market.

Rental on operating leases increased by 89% from \$1.23m in 1Q14 to \$2.32m in 1Q15 due to the rental of third party warehouse premises to cope with the increased volume and temporary house the warehousing department during the redevelopment at Pandan yard.

Sub-contractors charges increased by 16% from \$3.59m in 1Q14 to \$4.17m in 1Q15. The increase was mainly due to the increase in volume of business handled by the Transportation and Bulk Cargo Division.

Cost of inventories sold decreased by 43% from \$1.22m in 1Q14 to \$0.69m in 1Q15. The decrease was mainly due to lower diesel prices.

Upkeep of commercial vehicles and barges decreased by 10% from \$3.86m in 1Q14 to \$3.47m in 1Q15, mainly due to lower diesel prices. The decrease was partly offset by the increase in volume handled by the Transportation and Bulk Cargo Division.

“Other” expense of \$2.60m in 1Q15 was higher compared to \$2.10m in 1Q14 as “Other” expense in 1Q15 included a one-off demolition cost of \$0.36m incurred in phase 1 of redevelopment at Pandan yard.

Consequently, the Group’s net profit after tax increased by 23% from \$3.45m in 1Q14 to \$4.23m in 1Q15.

Statement of financial position review

Trade and other payables reduced by \$3.12m from \$29.53m as at 31 December 2014 to \$26.42m as at 31 March 2015. This was mainly due to pay-out of provision for employee compensation accrued as at 31 December 2014.

Property, plant and equipment increased by \$2.83m from \$64.33m as at 31 December 2014 to \$67.16m as at 31 March 2015. The increase was mainly due to the progress payments of \$3.2m relating to the redevelopment at Pandan yard and for the purchase of commercial vehicles and equipment for the Transportation and Bulk Cargo Division and the Warehousing Division.

Total borrowings for the Group increased by \$7m from \$22.63m as at 31 December 2014 to S\$29.63m as at 31 March 2015. Proceeds from borrowings were utilized to finance the purchase of property, plant and equipment which included the progress payments for the redevelopment at Pandan yard.

Statement of Cashflow

The Group continues to generate positive cashflow. Cash provided by operating activities were mainly utilized to finance the purchase of additional property, plant and equipment which included the progress payments of the redevelopment at Pandan yard.

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

None.

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 performance of the group will continue to be affected by diesel prices, tightening of the labour market, wage cost pressures and interest rate fluctuations.

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

The Company is in phase 1 of the redevelopment project to demolish the existing buildings and structures at Pandan yard and construct a single user general warehouse comprising a block of ramp up warehouse building with a block of office space together with ancillary facilities which is targeted to complete by February 2018. During this period of redevelopment, the increased rental costs of third party warehouses in different locations and the additional manpower required to manage the project is expected to raise operating expenses.

11. Dividend

(a) Current Financial Period Reported On

Any dividend recommended for the current financial period reported on?

No dividend has been declared for first quarter 2015.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

None

(c) Date payable

Not applicable

(d) Books closure date

Not applicable

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

No dividend has been declared or recommended for the period ended 31 March 2015.

13. Interested Person Transactions

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 first quarter financial period ended 31 March 2015.

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

We, Poh Kay Yong and Poh Key Boon, hereby confirm on behalf of the Board of Directors of the Company that, to the best of our knowledge, nothing material has come to the attention of the Board of Directors of the Company which may render the first quarter unaudited results for the financial period ended 31 March 2015 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Poh Kay Yong
Director

Poh Key Boon
Director

BY ORDER OF THE BOARD

Poh Khim Hong (Ms)
Finance Director & CFO
13 May 2015