



CENTURY LOGISTICS HOLDINGS BERHAD (424341-A)

Interim report on unaudited consolidated results for the financial period ended 30 September 2013

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED 30 SEPTEMBER 2013

	-----Individual quarter-----		-----Cumulative quarter-----	
	Current year quarter 30.09.2013 RM'000	Preceding year corresponding quarter 30.09.2012 RM'000	Current year to date 30.09.2013 RM'000	Preceding year corresponding period 30.09.2012 RM'000
Revenue	70,753	61,101	181,812	192,749
Direct operating expenses	<u>(49,152)</u>	<u>(42,073)</u>	<u>(125,483)</u>	<u>(139,720)</u>
Gross profit	21,601	19,028	56,329	53,029
Net other operating expenses	<u>(12,859)</u>	<u>(11,534)</u>	<u>(36,469)</u>	<u>(33,811)</u>
Results from operating activities	8,742	7,494	19,860	19,218
Net finance costs	<u>(927)</u>	<u>(761)</u>	<u>(2,589)</u>	<u>(2,321)</u>
Profit before taxation	7,815	6,733	17,271	16,897
Taxation	<u>(2,052)</u>	<u>(2,516)</u>	<u>(5,533)</u>	<u>(6,250)</u>
Profit for the period	<u>5,763</u>	<u>4,217</u>	<u>11,738</u>	<u>10,647</u>
Other comprehensive income				
Foreign currency translation differences for foreign operations	<u>80</u>	<u>(189)</u>	<u>374</u>	<u>(80)</u>
Other comprehensive income for the period	<u>80</u>	<u>(189)</u>	<u>374</u>	<u>(80)</u>
Total comprehensive income for the period	<u>5,843</u>	<u>4,028</u>	<u>12,112</u>	<u>10,567</u>
Profit attributable to:				
Equity holders of the Company	5,601	3,967	12,677	11,704
Non-controlling interests	<u>162</u>	<u>250</u>	<u>(939)</u>	<u>(1,057)</u>
Profit for the period	<u>5,763</u>	<u>4,217</u>	<u>11,738</u>	<u>10,647</u>
Total comprehensive income attributable to:				
Equity holders of the Company	5,681	3,778	13,051	11,624
Non-controlling interests	<u>162</u>	<u>250</u>	<u>(939)</u>	<u>(1,057)</u>
Total comprehensive income for the period	<u>5,843</u>	<u>4,028</u>	<u>12,112</u>	<u>10,567</u>
Earnings per share attributable to equity holders of the Company:				
Basic (sen)	<u>4.80</u>	<u>4.51</u>	<u>11.05</u>	<u>13.73</u>
Diluted (sen)	<u>4.80</u>	<u>4.05</u>	<u>11.05</u>	<u>12.31</u>

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2012.

CENTURY LOGISTICS HOLDINGS BERHAD (424341-A)

Interim report on unaudited consolidated results for the financial period ended 30 September 2013

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2013

	As at end of current quarter 30.09.2013 RM'000	As at preceding financial year end 31.12.2012 RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	203,125	244,001
Investment property	70,419	-
Deferred tax asset	122	122
Other investments	855	381
Goodwill on consolidation	3,730	3,730
	<u>278,251</u>	<u>248,234</u>
Current Assets		
Receivables	98,248	102,233
Cash and bank balances	39,349	20,928
	<u>137,597</u>	<u>123,161</u>
TOTAL ASSETS	<u><u>415,848</u></u>	<u><u>371,395</u></u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	122,064	95,820
Treasury shares	(9,646)	(7,280)
Reserves	138,623	130,245
	<u>251,041</u>	<u>218,785</u>
Non-controlling Interests	<u>1,233</u>	<u>2,172</u>
Total Equity	<u><u>252,274</u></u>	<u><u>220,957</u></u>
Non-current Liabilities		
Borrowings	68,399	54,777
Payables	6,861	9,148
Deferred taxation	10,647	9,803
	<u>85,907</u>	<u>73,728</u>
Current Liabilities		
Borrowings	22,594	26,736
Payables	55,073	49,974
	<u>77,667</u>	<u>76,710</u>
Total Liabilities	<u><u>163,574</u></u>	<u><u>150,438</u></u>
TOTAL EQUITY AND LIABILITIES	<u><u>415,848</u></u>	<u><u>371,395</u></u>
Net assets per share attributable to ordinary equity holders of the Company (RM)	2.16	2.39

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2012.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 SEPTEMBER 2013

	Current year to date 30.09.2013 RM'000	Preceding year corresponding period 30.09.2012 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the year	11,738	10,647
Adjustments:		
Non-Cash Items	19,163	17,806
Non-Operating Items	(152)	476
Operating profit before working capital changes	30,749	28,929
Movement in working capital:		
Net change in current assets	2,546	8,887
Net change in current liabilities	1,835	(22,304)
Cash generated from operations	35,130	15,512
Tax Paid	(3,916)	(6,210)
Net cash generated from operating activities	31,214	9,302
CASH FLOWS USED IN INVESTING ACTIVITIES		
Dividend received	-	210
Acquisition of investment	(500)	(4)
Interest received	418	497
Disposal of property, plant and equipment	1,112	192
Subscription of shares in existing subsidiary company by non-controlling interests	-	1,715
Purchase of property, plant and equipment	(33,996)	(30,984)
Net cash used in investing activities	(32,966)	(28,374)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net proceeds from issuance of shares	26,244	8,143
Dividend paid to equity holders	(4,672)	(6,148)
Proceeds from borrowings	27,822	32,281
Repayment of borrowings	(23,848)	(10,409)
Purchase of own shares	(2,367)	(1,371)
Interest paid	(3,006)	(2,818)
Net cash generated from financing activities	20,173	19,678
Net increase in cash and cash equivalents	18,421	606
Cash and cash equivalents at beginning of the period	20,928	22,615
Cash and cash equivalents at end of the period	39,349	23,221
Cash and cash equivalents at the end of the financial period comprise the following :		
Cash on hand and at banks	11,474	10,785
Deposits with licensed banks	27,875	12,436
	39,349	23,221

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2012.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2013

	Attributable to Equity Holders of the Company				Non-controlling Total Interests RM'000	Total Equity RM'000	
	Issued Capital RM'000	Share Premium Reserve RM'000	Other Reserves RM'000	Distributable Retained Earnings RM'000			
As at end of current quarter							
As at 1 January 2013	95,820	801	(6,690)	128,854	218,785	2,172	220,957
Issuance of shares	26,244	-	-	-	26,244	-	26,244
Purchase of treasury shares	-	-	(2,367)	-	(2,367)	-	(2,367)
Exercise of warrants	-	1,312	(1,312)	-	-	-	-
Transfer to retained earnings upon lapse of warrants	-	-	(18)	18	-	-	-
Total comprehensive income for the period	-	-	374	12,677	13,051	(939)	12,112
Dividends paid	-	-	-	(4,672)	(4,672)	-	(4,672)
As at 30 September 2013	122,064	2,113	(10,013)	136,877	251,041	1,233	252,274
As at preceding year corresponding quarter							
As at 1 January 2012	84,136	217	(4,608)	120,970	200,715	1,689	202,404
Issuance of shares	8,143	-	-	-	8,143	-	8,143
Subscription of shares in existing subsidiary company by non-controlling interests	-	-	-	-	-	1,715	1,715
Purchase of treasury shares	-	-	(1,371)	-	(1,371)	-	(1,371)
Exercise of warrants	-	407	(407)	-	-	-	-
Acquisition of non-controlling interests in a subsidiary company	-	-	-	-	-	(4)	(4)
Total comprehensive income for the period	-	-	(80)	11,704	11,624	(1,057)	10,567
Dividends paid	-	-	-	(6,148)	(6,148)	-	(6,148)
As at 30 September 2012	92,279	624	(6,466)	126,526	212,963	2,343	215,306

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2012.

Notes To The Financial Statements

1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2012.

These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2012.

2. Significant Accounting Policies

The Group has adopted the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the provisions of the Companies Act, 1965 in Malaysia for accounting period beginning on 1 January 2013. As disclosed in the Group's annual financial statements for the financial year ended 31 December 2012, the following are new/revised accounting standards effective for annual periods beginning on or after 1 January 2013.

MFRS 7	Financial Instruments: Disclosures (Amendments relating to Disclosures - Offsetting Financial Assets and Liabilities)
MFRS 10	Consolidated Financial Statements
MFRS 10	Consolidated Financial Statements (Amendments relating to Transition Guidance)
MFRS 11	Joint Arrangements
MFRS 11	Joint Arrangements (Amendments relating to Transition Guidance)
MFRS 12	Disclosures of Interests in Other Entities
MFRS 12	Disclosures of Interest in Other Entities (Amendments relating to Transition Guidance)
MFRS 13	Fair Value Measurement
MFRS 119	Employee Benefits (IAS 19 as amended by IASB in June 2011)
MFRS 127	Separate Financial Statements (IAS 27 as amended by IASB in May 2011)
MFRS 128	Investments in Associates and Joint Ventures (IAS 28 as amended by IASB in May 2011)
IC Int. 20	Stripping costs in the Production Phase of a Surface Mine

Amendments to MFRSs contained in the document entitled Annual Improvements 2009-2011 cycle

3. Auditors' Report on Preceding Annual Financial Statements

The auditors' report of the Group's annual financial statements for the financial year ended 31 December 2012 was not qualified.

4. Seasonal or Cyclical Factors

The business operations of the Group are not significantly affected by any seasonal or cyclical factors.

5. Unusual Items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows in the financial quarter under review.

6. Changes in Estimates

There was no change in estimates of amounts reported in prior interim periods that had a material effect in the current reporting quarter.

7. Changes in Debt and Equity Securities

There was no issuance or repayment of debt or equity securities, share cancellations and resale of treasury shares for the financial quarter under review, except that the Company bought back 488,400 ordinary shares of RM1.00 each from the open market at an average price of RM1.78 per share. The shares purchased are being held as treasury shares in accordance with Section 67A of the Companies Act, 1965.

8. Dividend Paid

No dividend was paid in the financial quarter under review. However, on 3 October 2013, the Company paid a single tier interim dividend of 4.0 sen per share in respect of the financial year ending 31 December 2013, amounting to RM4.67 million.

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9. Segmental Reporting

Analysis of the Group's revenue and results for period ended 30 September 2013 is as follows:

	Total Logistics Services RM'000	Procurement Logistics Services RM'000	Consolidation Adjustment RM'000	Group Results RM'000
Revenue				
External sales	157,648	24,164	-	181,812
Inter-segment sales	<u>2,908</u>	<u>-</u>	<u>(2,908)</u>	<u>-</u>
Total revenue	<u>160,556</u>	<u>24,164</u>	<u>(2,908)</u>	<u>181,812</u>
Profit				
Segment results	22,800	7,126	(10,066)	19,860
Net finance costs				<u>(2,589)</u>
Profit from ordinary activities before taxation				17,271
Taxation				<u>(5,533)</u>
Profit from ordinary activities after taxation				11,738
Non-controlling interests				<u>939</u>
Net profit for the period				<u>12,677</u>

Analysis of the Group's revenue and results for period ended 30 September 2012 is as follows:

	Total Logistics Services RM'000	Procurement Logistics Services RM'000	Consolidation Adjustment RM'000	Group Results RM'000
Revenue				
External sales	166,374	26,375	-	192,749
Inter-segment sales	<u>2,921</u>	<u>-</u>	<u>(2,921)</u>	<u>-</u>
Total revenue	<u>169,295</u>	<u>26,375</u>	<u>(2,921)</u>	<u>192,749</u>
Profit				
Segment results	12,264	7,110	(156)	19,218
Net finance costs				<u>(2,321)</u>
Profit from ordinary activities before taxation				16,897
Taxation				<u>(6,250)</u>
Profit from ordinary activities after taxation				10,647
Non-controlling interests				<u>1,057</u>
Net profit for the period				<u>11,704</u>

10. Valuation of Property, Plant and Equipment

The Group's property, plant and equipment are stated at cost. There is no policy of regular revaluation of its property, plant and equipment as at the end of the financial period under review.

11. Material Events Subsequent to the End of the Interim Period

On 3 October 2013, the Company distributed one (1) treasury share for every twenty-five (25) ordinary shares held in the Company, fraction of a treasury share to be disregarded.

12. Changes in Composition of the Group

There were no major changes in the composition of the Group during the current financial period under review.

13. Capital Commitments

As at the end of the reporting quarter, the Group has approved and contracted for capital commitments of RM32.8 million in respect of property, plant and equipment.

14. Changes in Contingent Liabilities

There were no changes in contingent liabilities since the last annual balance sheet as at 31 December 2012.

15. Review of Performance

For the financial quarter ended 30 September 2013, the Group's revenue and pre-tax profit were RM70.753 million and RM7.815 million respectively, compared to revenue and pre-tax profit of RM61.101 million and RM6.733 million respectively for the corresponding period in the previous financial year. The increase in revenue and pre-tax profit by 15.8% and 16.1% respectively were mainly due to the increased activities of the total logistics services segment.

16. Comparison with Immediate Preceding Quarter's Results

For the financial quarter ended 30 September 2013, the Group reported revenue and pre-tax profit of RM70.753 million and RM7.815 million respectively, compared to revenue and pre-tax profit of RM56.458 million and RM3.929 million respectively for the preceding quarter. The increase in revenue and pre-tax profit by 25.3% and 98.9% respectively were due to the reason mentioned in Note 15 above.

17. Prospects for the Current Financial Year

The Group remains confident of its business model and expects to perform satisfactorily in the current financial year.

18. Profit Forecast

There was no profit forecast announced in relation to the financial quarter under review.

19. Taxation

	-----Individual quarter-----		-----Cumulative quarter-----	
	Current year quarter 30.09.2013 RM'000	Preceding year corresponding quarter 30.09.2012 RM'000	Current year to date 30.09.2013 RM'000	Preceding year corresponding period 30.09.2012 RM'000
Provision for taxation	2,052	2,493	4,689	6,227
Deferred taxation	-	23	844	23
	<u>2,052</u>	<u>2,516</u>	<u>5,533</u>	<u>6,250</u>

20. Note to the Statement of Comprehensive Income

	-----Individual quarter-----		-----Cumulative quarter-----	
	Current year quarter 30.09.2013 RM'000	Preceding year corresponding quarter 30.09.2012 RM'000	Current year to date 30.09.2013 RM'000	Preceding year corresponding period 30.09.2012 RM'000
Interest income	206	168	418	497
Interest expenses	(1,132)	(930)	(3,006)	(2,818)
Depreciation and amortisation	(2,991)	(3,057)	(9,357)	(9,027)
Provision for and write off of receivables	(953)	(133)	(1,057)	(150)
Foreign exchange gain/(loss)	(5)	45	(82)	(149)
Gain/(loss) on disposal of quoted or unquoted investments or properties	(9)	(135)	291	(37)
Reversal / (Impairment) of assets	(22)	107	(27)	177
Other income including investment income (excluding items disclosed above)	199	30	248	452

There were no exceptional items or derivatives during the period under review.

21. Status of Corporate Proposal

There was no corporate proposal announced but not completed as at the date of this report.

22. Group's Borrowings and Debt Securities

	As at 30.09.2013 RM'000	As at 31.12.2012 RM'000
Short Term - Unsecured		
- Revolving Credit	-	10,000
Short Term - Secured		
- Term Loans	9,291	9,291
- Foreign Term Loan	10,678	5,077
- Hire Purchase	2,625	2,368
	<u>22,594</u>	<u>26,736</u>
Long Term - Secured		
- Term Loans	54,717	33,864
- Foreign Term Loan	10,058	18,230
- Hire Purchase	3,624	2,683
	<u>68,399</u>	<u>54,777</u>
	<u>90,993</u>	<u>81,513</u>
Borrowings denominated in foreign currency:		
Term loan - Thai Baht 130,676,810	13,299	14,855
Term loan - USD 2,327,500	7,437	8,452

23. Off Balance Sheet Financial Instruments

The Group does not have any financial instruments with off balance sheet risk, the latest practicable date which is not earlier than 7 days from the date of this quarterly report.

24. Material Litigation

The Group is not presently engaged in any material litigation, claim or arbitration, either as plaintiff or defendant and the Directors do not have any knowledge of any proceedings pending or threatened against the Group or any fact likely to give rise to any proceedings which may materially affect the financial position or business of the Group.

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25. Realised and unrealised earnings or losses disclosure

	As at 30.09.2013 RM'000	As at 31.12.2012 RM'000
Total retained earnings of the Company and its subsidiaries		
- Realised	143,634	131,956
- Unrealised	(13,777)	(9,250)
Add: Consolidation adjustments	<u>7,020</u>	<u>6,148</u>
Total group retained earnings as per consolidated accounts	<u><u>136,877</u></u>	<u><u>128,854</u></u>

26. Dividend

The Board of Directors declares a second single tier interim cash dividend of 3.0 sen per ordinary share in respect of the financial year ending 31 December 2013.

27. Earnings Per Share

	-----Individual quarter-----		-----Cumulative quarter-----	
	Current year quarter 30.09.2013 RM'000	Preceding year corresponding quarter 30.09.2012 RM'000	Current year to date 30.09.2013 RM'000	Preceding year corresponding period 30.09.2012 RM'000
Net profit attributable to equity holders of the Company	<u>5,601</u>	<u>3,967</u>	<u>12,677</u>	<u>11,704</u>
Weighted average number of ordinary shares in issue	116,700	88,014	114,758	85,240
Effect on dilution of warrants	-	9,835	-	9,835
Weighted average number of ordinary shares (diluted)	<u>116,700</u>	<u>97,849</u>	<u>114,758</u>	<u>95,075</u>
Basic earnings per share (sen)	4.80	4.51	11.05	13.73
Diluted earnings per share (sen)	4.80	4.05	11.05	12.31

By Order of the Board of Directors

Company Secretary

Kuala Lumpur
14 November 2013