



**CENTURY LOGISTICS HOLDINGS BERHAD (424341-A)**

Interim report on unaudited consolidated results for the financial period ended 31 December 2012

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED 31 DECEMBER 2012**

	-----Individual quarter-----		-----Cumulative quarter-----	
	Current year quarter 31.12.2012 RM'000	Preceding year corresponding quarter 31.12.2011 RM'000	Current year to date 31.12.2012 RM'000	Preceding year corresponding period 31.12.2011 RM'000
Revenue	64,104	61,147	256,853	281,627
Direct operating expenses	<u>(45,027)</u>	<u>(42,282)</u>	<u>(184,747)</u>	<u>(196,897)</u>
Gross profit	19,077	18,865	72,106	84,730
Net other operating expenses	<u>(10,179)</u>	<u>(11,998)</u>	<u>(43,990)</u>	<u>(45,400)</u>
Results from operating activities	8,898	6,867	28,116	39,330
Net finance costs	<u>(934)</u>	<u>(747)</u>	<u>(3,255)</u>	<u>(3,093)</u>
Profit before taxation	7,964	6,120	24,861	36,237
Taxation	<u>(2,225)</u>	<u>(365)</u>	<u>(8,475)</u>	<u>(6,812)</u>
Profit for the period	<u>5,739</u>	<u>5,755</u>	<u>16,386</u>	<u>29,425</u>
Other comprehensive income				
Foreign currency translation differences for foreign operations	(48)	(7)	(128)	119
Fair value of available-for sale financial assets	<u>-</u>	<u>1,250</u>	<u>-</u>	<u>1,250</u>
Other comprehensive income for the period	<u>(48)</u>	<u>1,243</u>	<u>(128)</u>	<u>1,369</u>
Total comprehensive income for the period	<u><u>5,691</u></u>	<u><u>6,998</u></u>	<u><u>16,258</u></u>	<u><u>30,794</u></u>
Profit attributable to:				
Equity holders of the Company	5,910	5,942	17,614	30,061
Non-controlling interests	<u>(171)</u>	<u>(187)</u>	<u>(1,228)</u>	<u>(636)</u>
Profit for the period	<u><u>5,739</u></u>	<u><u>5,755</u></u>	<u><u>16,386</u></u>	<u><u>29,425</u></u>
Total comprehensive income attributable to:				
Equity holders of the Company	5,862	7,185	17,486	31,430
Non-controlling interests	<u>(171)</u>	<u>(187)</u>	<u>(1,228)</u>	<u>(636)</u>
Total comprehensive income for the period	<u><u>5,691</u></u>	<u><u>6,998</u></u>	<u><u>16,258</u></u>	<u><u>30,794</u></u>
Earnings per share attributable to equity holders of the Company:				
Basic (sen)	<u>6.58</u>	<u>7.38</u>	<u>20.39</u>	<u>37.79</u>
Diluted (sen)	<u>5.92</u>	<u>6.33</u>	<u>18.59</u>	<u>32.14</u>

**The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2011.**

**CENTURY LOGISTICS HOLDINGS BERHAD (424341-A)**

Interim report on unaudited consolidated results for the financial period ended 31 December 2012

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2012**

	As at end of current quarter 31.12.2012 RM'000	As at preceding financial year end 31.12.2011 RM'000
<b>ASSETS</b>		
<b>Non-current Assets</b>		
Property, plant and equipment	244,001	166,781
Investment property	-	30,000
Deferred tax asset	122	-
Other investments	381	1,801
Goodwill on consolidation	3,730	3,730
	<u>248,234</u>	<u>202,312</u>
<b>Current Assets</b>		
Inventories	-	495
Receivables	100,683	119,671
Cash and bank balances	20,949	22,615
	<u>121,632</u>	<u>142,781</u>
<b>TOTAL ASSETS</b>	<u><u>369,866</u></u>	<u><u>345,093</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	95,820	84,136
Treasury shares	(7,280)	(5,910)
Reserves	130,245	122,489
	<u>218,785</u>	<u>200,715</u>
<b>Non-controlling Interests</b>	<u>2,172</u>	<u>1,689</u>
<b>Total Equity</b>	<u>220,957</u>	<u>202,404</u>
<b>Non-current Liabilities</b>		
Borrowings	54,777	45,502
Deferred taxation	9,803	9,017
	<u>64,580</u>	<u>54,519</u>
<b>Current Liabilities</b>		
Borrowings	26,736	20,571
Payables	57,593	67,599
	<u>84,329</u>	<u>88,170</u>
<b>Total Liabilities</b>	<u>148,909</u>	<u>142,689</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>369,866</u></u>	<u><u>345,093</u></u>
Net assets per share attributable to ordinary equity holders of the Company (RM)	2.39	2.49

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2011.

**CENTURY LOGISTICS HOLDINGS BERHAD (424341-A)**

Interim report on unaudited consolidated results for the financial period ended 31 December 2012

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 DECEMBER 2012**

	Current year to date 31.12.2012 RM'000	Preceding year corresponding period 31.12.2011 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit for the year	16,386	29,425
Adjustments:		
Non-Cash Items	23,831	21,850
Non-Operating Items	(188)	1,674
Operating profit before working capital changes	40,029	52,949
Movement in working capital:		
Net change in current assets	19,367	(33,999)
Net change in current liabilities	(9,835)	17,198
Cash generated from operations	49,561	36,148
Tax Paid	(7,767)	(8,013)
Net cash generated from operating activities	41,794	28,135
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Dividend received	270	-
Acquisition of investment	(4)	(452)
Interest received	625	422
Disposal of property, plant and equipment	1,002	2,401
Subscription of shares in existing subsidiary company by non-controlling interests	1,715	925
Disposal of investment	1,623	2,365
Adjustment to equity due to increase of stake in subsidiary	-	(10)
Purchase of property, plant and equipment	(60,750)	(24,478)
Net cash used in investing activities	(55,519)	(18,827)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net proceeds from issuance of shares	11,684	2,131
Dividend paid to equity holders	(9,730)	(7,193)
Proceeds from borrowings	30,281	18,000
Repayment of borrowings	(14,926)	(32,324)
Purchase of own shares	(1,370)	(287)
Interest paid	(3,880)	(3,515)
Net cash generated from/(used in) financing activities	12,059	(23,188)
Net decrease in cash and cash equivalents	(1,666)	(13,880)
Cash and cash equivalents at beginning of the period	22,615	36,495
Cash and cash equivalents at end of the period	20,949	22,615
Cash and cash equivalents at the end of the financial period comprise the following :		
Cash on hand and at banks	10,016	5,529
Deposits with licensed banks	10,933	17,086
	20,949	22,615

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2011.

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2012

	Attributable to Equity Holders of the Company				Non-controlling 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			
<b>As at end of current quarter</b>							
As at 1 January 2012	84,136	217	(4,608)	120,970	200,715	1,689	202,404
Issuance of shares	11,684	-	-	-	11,684	-	11,684
Subscription of shares in existing subsidiary company by non-controlling interests	-	-	-	-	-	1,715	1,715
Purchase of treasury shares	-	-	(1,370)	-	(1,370)	-	(1,370)
Acquisition of non-controlling interests in a subsidiary company	-	-	-	-	-	(4)	(4)
Exercise of warrants	-	584	(584)	-	-	-	-
Total comprehensive income for the period	-	-	(128)	17,614	17,486	(1,228)	16,258
Dividends paid	-	-	-	(9,730)	(9,730)	-	(9,730)
As at 31 December 2012	95,820	801	(6,690)	128,854	218,785	2,172	220,957
<b>As at preceding year corresponding quarter</b>							
As at 1 January 2011	82,005	94	(5,567)	98,102	174,634	1,410	176,044
Issuance of shares	2,131	-	-	-	2,131	-	2,131
Subscription of shares in existing subsidiary company by non-controlling interests	-	-	-	-	-	925	925
Purchase of treasury shares	-	-	(287)	-	(287)	-	(287)
Exercise of warrants	-	123	(123)	-	-	-	-
Acquisition of non-controlling interests in a subsidiary company	-	-	-	-	-	(10)	(10)
Total comprehensive income for the period	-	-	1,369	30,061	31,430	(636)	30,794
Dividends paid	-	-	-	(7,193)	(7,193)	-	(7,193)
As at 31 December 2011	84,136	217	(4,608)	120,970	200,715	1,689	202,404

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2011.

## **CENTURY LOGISTICS HOLDINGS BERHAD (424341-A)**

Interim report on unaudited consolidated results for the financial period 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 FRS 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 2011.

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 2011.

#### **2. Significant Accounting Policies**

The Group has adopted the Malaysian Financial Reporting Standards issued by the Malaysian Accounting Standards Board for accounting period beginning 1 January 2012.

#### **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 2011 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 for the issuance of 3,540,800 new ordinary shares of RM1.00 each at par for cash through the exercise of 3,540,800 3-year warrants 2010/2013 that entitled the warrant holders to subscribe for one new ordinary share of RM1.00 each at an exercise price of RM1.00 for each warrant held.

#### **8. Dividend Paid**

On 29 October 2012, the Company paid a single tier interim dividend of 4.0 sen per share in respect of the financial year ending 31 December 2012, amounting to RM3.58 million.

**CENTURY LOGISTICS HOLDINGS BERHAD (424341-A)**

Interim report on unaudited consolidated results for the financial period ended 31 December 2012

**9. Segmental Reporting**

Analysis of the Group's revenue and results for period ended 31 December 2012 is as follows:

	Total Logistics Services RM'000	Procurement Logistics Services RM'000	Consolidation Adjustment RM'000	Group Results RM'000
<b>Revenue</b>				
External sales	223,526	33,327	-	256,853
Inter-segment sales	<u>3,820</u>	<u>-</u>	<u>(3,820)</u>	<u>-</u>
Total revenue	<u><u>227,346</u></u>	<u><u>33,327</u></u>	<u><u>(3,820)</u></u>	<u><u>256,853</u></u>
<b>Profit</b>				
Segment results	29,312	8,861	(10,057)	28,116
Net finance costs				<u>(3,255)</u>
Profit from ordinary activities before taxation				24,861
Taxation				<u>(8,475)</u>
Profit from ordinary activities after taxation				16,386
Non-controlling interests				<u>1,228</u>
Net profit for the period				<u><u>17,614</u></u>

Analysis of the Group's revenue and results for period ended 31 December 2011 is as follows:

	Total Logistics Services RM'000	Procurement Logistics Services RM'000	Consolidation Adjustment RM'000	Group Results RM'000
<b>Revenue</b>				
External sales	243,324	38,303	-	281,627
Inter-segment sales	<u>7,907</u>	<u>-</u>	<u>(7,907)</u>	<u>-</u>
Total revenue	<u><u>251,231</u></u>	<u><u>38,303</u></u>	<u><u>(7,907)</u></u>	<u><u>281,627</u></u>
<b>Profit</b>				
Segment results	37,845	9,253	(7,768)	39,330
Net finance costs				<u>(3,093)</u>
Profit from ordinary activities before taxation				36,237
Taxation				<u>(6,812)</u>
Profit from ordinary activities after taxation				29,425
Non-controlling interests				<u>636</u>
Net profit for the period				<u><u>30,061</u></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**

There were no material events subsequent to the end of the interim period.

**CENTURY LOGISTICS HOLDINGS BERHAD (424341-A)**

Interim report on unaudited consolidated results for the financial period ended 31 December 2012

**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 RM88.5 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 2011.

**15. Review of Performance**

For the financial quarter ended 31 December 2012, the Group's revenue and pre-tax profit were RM64.104 million and RM7.964 million respectively, compared to revenue and pre-tax profit of RM61.147 million and RM6.120 million respectively for the corresponding period in the previous financial year. The increase in revenue and pre-tax profit by 4.8% and 30.1% respectively were due to the improved overall performance from the total logistics services segment, particularly from the stabilization of income of Thailand operation.

**16. Comparison with Immediate Preceding Quarter's Results**

For the financial quarter ended 31 December 2012, the Group reported revenue and pre-tax profit of RM64.104 million and RM7.964 million respectively, compared to revenue and pre-tax profit of RM61.101 million and RM6.733 million respectively for the preceding quarter. The increase in revenue and pre-tax profit by 4.9% and 18.3% respectively were due to the improved overall performance from the total logistics services segment, particularly due to increased contract logistics activities.

**17. Prospects for the Next Financial Year**

The Group remains confident of its business model and expects to perform satisfactorily for the financial year ending 31 December 2013.

**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 31.12.2012 RM'000	Preceding year corresponding quarter 31.12.2011 RM'000	Current year to date 31.12.2012 RM'000	Preceding year corresponding period 31.12.2011 RM'000
Provision for taxation	1,584	721	7,811	7,152
Deferred taxation	641	(356)	664	(340)
	<u>2,225</u>	<u>365</u>	<u>8,475</u>	<u>6,812</u>

**CENTURY LOGISTICS HOLDINGS BERHAD (424341-A)**

Interim report on unaudited consolidated results for the financial period ended 31 December 2012

**20. Note to the Statement of Comprehensive Income**

	-----Individual quarter-----		-----Cumulative quarter-----	
	Current year quarter 31.12.2012 RM'000	Preceding year corresponding quarter 31.12.2011 RM'000	Current year to date 31.12.2012 RM'000	Preceding year corresponding period 31.12.2011 RM'000
Interest income	128	90	625	422
Interest expenses	(1,062)	(837)	(3,880)	(3,515)
Depreciation and amortisation	(3,243)	(2,919)	(12,270)	(11,029)
Provision for and write off of inventories	(120)	(143)	(120)	(143)
Provision for and write off of receivables	402	(622)	253	(865)
Foreign exchange gain/(loss)	174	(737)	24	(574)
Gain/(loss) on disposal of quoted or unquoted investments or properties	830	187	793	637
Reversal / (Impairment) of assets	(6)	249	171	(324)
Other income including investment income (excluding items disclosed above)	2,119	(103)	2,571	(1,167)

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 31.12.2012 RM'000	As at 31.12.2011 RM'000
Short Term - Unsecured		
- Revolving Credit	10,000	8,000
Short Term - Secured		
- Term Loans	9,291	6,984
- Foreign Term Loan	5,077	3,188
- Hire Purchase	2,368	2,399
	<u>26,736</u>	<u>20,571</u>
Long Term - Secured		
- Term Loans	33,864	25,951
- Foreign Term Loan	18,230	14,953
- Hire Purchase	2,683	4,598
	<u>54,777</u>	<u>45,502</u>
	<u>81,513</u>	<u>66,073</u>
Borrowings denominated in foreign currency:		
Term loan - Thai Baht 153,171,606	14,855	18,141
Term loan - USD 2,826,250	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.



**CENTURY LOGISTICS HOLDINGS BERHAD (424341-A)**

Interim report on unaudited consolidated results for the financial period ended 31 December 2012

**25. Realised and unrealised earnings or losses disclosure**

	As at 31.12.2012 RM'000	As at 31.12.2011 RM'000
Total retained earnings of the Company and its subsidiaries		
- Realised	131,956	123,618
- Unrealised	(9,250)	(7,601)
Add: Consolidation adjustments	<u>6,148</u>	<u>4,953</u>
Total group retained earnings as per consolidated accounts	<u><u>128,854</u></u>	<u><u>120,970</u></u>

**26. Dividend**

The Board of Directors recommend a single tier final dividend of 4.0 sen per share in respect of the financial year ended 31 December 2012, subject to the approval of the shareholders at the forthcoming Annual General Meeting. The dividend for the financial year ended 31 December 2012 totals 8.0 sen per share.

**27. Earnings Per Share**

	-----Individual quarter-----		-----Cumulative quarter-----	
	Current year quarter 31.12.2012 RM'000	Preceding year corresponding quarter 31.12.2011 RM'000	Current year to date 31.12.2012 RM'000	Preceding year corresponding period 31.12.2011 RM'000
Net profit attributable to equity holders of the Company	5,910	5,942	17,614	30,061
Add : After tax effect of interest on warrants	<u>90</u>	<u>213</u>	<u>599</u>	<u>861</u>
	<u><u>6,000</u></u>	<u><u>6,155</u></u>	<u><u>18,213</u></u>	<u><u>30,922</u></u>
Weighted average number of ordinary shares in issue	89,778	80,516	86,375	79,555
Effect on dilution of warrants	<u>11,573</u>	<u>16,656</u>	<u>11,573</u>	<u>16,656</u>
Weighted average number of ordinary shares (diluted)	<u><u>101,351</u></u>	<u><u>97,172</u></u>	<u><u>97,948</u></u>	<u><u>96,211</u></u>
Basic earnings per share (sen)	6.58	7.38	20.39	37.79
Diluted earnings per share (sen)	5.92	6.33	18.59	32.14

**CENTURY LOGISTICS HOLDINGS BERHAD (424341-A)**

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**28. Disclosure pursuant to Malaysian Code on Take-overs And Mergers 2010 ("Code")**

Reference is made to the Company's announcement dated 17 July 2012 in relation to the Proposals.

The SC has approved the Proposed Exemption vide its letter dated 27 December 2012. The approval is subject to the Company complying with the requirements under Paragraph 16.13(b) of Practice Note 9 of the Code.

The following are the relevant disclosures made in compliance with Paragraph 16.13(b) of Practice Note 9 of the Code :

- (i) The validity period for the Exemption is from 27 December 2012 to 27 January 2013;
- (ii) The number and percentage of voting shares or voting rights and the conversion or subscription rights or options in the Company held by Datuk Phua Sin Mo ("DPSM") and the persons acting in concert ("PACs") as at 31 December 2012 and the latest practicable date ("LPD") are as follows :

	As at 31 December 2012				As at LPD			
	Number of Shares Held	% <sup>(1)</sup>	Number of Warrants Held	% <sup>(2)</sup>	Number of Shares Held	% <sup>(3)</sup>	Number of Warrants Held	% <sup>(4)</sup>
DPSM	20,103,478	21.98	9,029,551	33.94	29,133,029	24.83	-	-
Teow Choo Hing	8,501,680	9.30	4,313,800	16.21	12,815,480	10.92	-	-
Teow Choo Chuan	4,586,477	5.01	2,218,238	8.34	6,804,715	5.80	-	-
Datin Lee Lay Hun	1,374,500	1.50	-	-	1,374,500	1.17	-	-
Chai Mee Young	440,000	0.48	220,000	0.83	660,000	0.56	-	-
Cheah Bee Tin	409,200	0.45	207,600	0.78	616,800	0.52	-	-
Pamela Phua Jo Lyn	335,750	0.37	-	-	335,750	0.29	-	-
<b>Total</b>	<b>35,751,085</b>	<b>39.09</b>	<b>15,989,189</b>	<b>60.10</b>	<b>51,740,274</b>	<b>44.09</b>	-	-

*Notes :*

(1) Calculated based on issued and paid up share capital of the Company as at 31 December 2012 of 91,451,084 (excluding 4,369,320 Century Shares held as treasury shares)

(2) Calculated based on the total of 26,603,242 Century Warrants outstanding as at 31 December 2012

(3) Calculated based on issued and paid up share capital of the Company as at LPD of 117,343,777 (excluding 4,720,520 Century Shares held as treasury shares)

(4) As at LPD, the Century Warrants have expired

- (iii) The maximum potential voting shares or voting rights of DPSM and the PACs in the Company will increase from 39.09% to 48.16%, if only DPSM and the PACs (but not other holders) exercise the conversion or subscription rights or option in full as at 31 December 2012. However, the Warrants expired on 27 January 2013 i.e. before the LPD;
- (iv) There is no acquisition of voting shares or voting rights or acquisition of the conversion or subscription rights or options of the Company (excluding issuance of new Century Shares following the exercise of the conversion or subscription rights or options, or where all Century shareholders are entitled to new Century Shares, rights, conversion or subscription rights or option on a pro-rata basis) by DPSM and the PACs throughout the validity period of the Exemption; and
- (v) A mandatory offer obligation by DPSM and the PACs to acquire all the remaining Shares and Warrants of the Company not already owned by them will not arise following the full conversion as the Exemption has been granted.

By Order of the Board of Directors

Company Secretary

Kuala Lumpur  
26 February 2013