



Unaudited Half-Year Financial Statements and Dividend Announcement for the Period Ended 30 June 2011

1(a)(i) **An income statement (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year.**

**Consolidated statement of comprehensive income**

	Group		Change %
	6 months ended 30.06.11 \$'000	6 months ended 30.06.10 \$'000	
Revenue	30,387	26,687	14%
Other operating income	54	5,055	-99%
Cost of services	(18,999)	(16,269)	17%
Employee benefits expense	(6,146)	(5,915)	4%
Depreciation	(2,608)	(2,418)	8%
Other operating expenses	(1,883)	(2,512)	-25%
Finance costs	(142)	(348)	-59%
Share of loss of joint venture	(112)	-	n/m
Profit before tax	551	4,280	-87%
Income tax expense	(102)	(427)	-76%
Profit for the period, representing total comprehensive income for the period	<b>449</b>	<b>3,853</b>	<b>-88%</b>

1(a)(ii) **Notes to the consolidated statement of comprehensive income**

Profit for the year is arrived at after charging (crediting) the following:

	Group		Change %
	6 months ended 30.06.11 \$'000	6 months ended 30.06.10 \$'000	
Gain from disposal of property, plant and equipment	(7)	(194)	-96%
Gain from disposal of leasehold property held-for-sale ^	-	(4,626)	n/m
Government grant - job credits	-	(105)	n/m
Interest income	(21)	(5)	319%
Allowance for doubtful receivables	29	185	-85%
Bad debts written off	-	4	n/m
Interest expenses	142	348	-59%

^ This represents a one-time net gain from the sale of leasehold property at 19 Tuas Avenue 20. The Group believes that the gain is capital in nature.

n/m: not meaningful

1HFY2011: For the 6 months ended 30 June 2011

1HFY2010: For the 6 months ended 30 June 2010



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

Statements of financial position

	Group		Company	
	30.06.11 \$'000	31.12.10 \$'000	30.06.11 \$'000	31.12.10 \$'000
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and bank balances	22,277	28,360	8,705	11,858
Trade receivables	11,981	9,774	1,517	416
Other receivables	3,379	2,591	737	8
Held-for-trading investments	11	11	-	-
<b>Total current assets</b>	<b>37,648</b>	<b>40,736</b>	<b>10,959</b>	<b>12,282</b>
<b>Non-current assets</b>				
Property, plant and equipment	24,113	23,697	12	2
Investment in subsidiaries	-	-	18,284	18,284
Investment in joint ventures	591	24	-	-
Other investment	36	36	-	-
<b>Total non-current assets</b>	<b>24,740</b>	<b>23,757</b>	<b>18,296</b>	<b>18,286</b>
<b>Total assets</b>	<b>62,388</b>	<b>64,493</b>	<b>29,255</b>	<b>30,568</b>
<b>LIABILITIES AND EQUITY</b>				
<b>Current liabilities</b>				
Bank overdrafts and loans	1,603	1,573	-	-
Current portion of loan from related party	2,000	2,000	-	-
Current portion of deferred income	1,000	1,000	-	-
Current portion of finance leases	708	765	-	-
Trade payables	3,641	3,811	49	64
Other payables	5,299	4,365	395	559
Income tax payable	942	1,958	-	-
<b>Total current liabilities</b>	<b>15,193</b>	<b>15,472</b>	<b>444</b>	<b>623</b>
<b>Non-current liabilities</b>				
Bank loans	3,287	4,127	-	-
Loan from related party	2,000	2,000	-	-
Deferred income	4,500	5,000	-	-
Finance leases	729	684	-	-
Deferred tax liabilities	693	780	-	-
<b>Total non-current liabilities</b>	<b>11,209</b>	<b>12,590</b>	<b>-</b>	<b>-</b>
<b>Capital and reserves</b>				
Share capital	27,871	27,871	27,871	27,871
Capital reserve	506	506	506	506
Merger reserve	(16,033)	(16,033)	-	-
Accumulated profits	23,642	24,086	434	1,568
<b>Total equity</b>	<b>35,986</b>	<b>36,430</b>	<b>28,811</b>	<b>29,945</b>
<b>Total liabilities and equity</b>	<b>62,388</b>	<b>64,493</b>	<b>29,255</b>	<b>30,568</b>



**COGENT HOLDINGS LIMITED**  
(Incorporated in the Republic of Singapore)  
(Company Registration Number 200710813D)

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

	30.06.11		31.12.10	
	Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
Amount repayable in one year or less	2,311	2,000	2,338	2,000
Amount repayable after one year	4,016	2,000	4,811	2,000

**Details of any collateral:**

Total bank borrowings are secured by the following:-

- fixed charge over certain property, plant and equipment purchased with the bank borrowings; and
- Corporate guarantee and personal guarantees provided by certain directors.

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

**Consolidated statement of cash flows**

	Group	
	6 months ended 30.06.11 \$'000	6 months ended 30.06.10 \$'000
<b>Cash flows from operating activities:</b>		
Profit before tax	551	4,280
Add/(less):		
Depreciation of property, plant and equipment	2,608	2,418
Interest expense	142	348
Interest income	(21)	(5)
Shares issuance expense	-	401
Allowance for doubtful trade receivables, net	29	185
Bad debts written off	-	4
Deferred income recognised	(500)	(500)
Share of loss of joint ventures	112	-
Gain from disposal of property, plant and equipment	(7)	(194)
Gain from disposal of leasehold property held-for-sale	-	(4,626)
<b>Operating profit before working capital changes</b>	<b>2,914</b>	<b>2,311</b>
Trade receivables	(2,236)	1,688
Other receivables	(788)	197
Trade payables	(170)	286
Other payables	934	(337)
<b>Cash generated from operations</b>	<b>654</b>	<b>4,145</b>
Income taxes paid	(1,206)	(713)
<b>Net cash (used in)/generated from operating activities</b>	<b>(552)</b>	<b>3,432</b>
<b>Cash flows from investing activities:</b>		
Interest received	21	5
Investment in joint ventures	(679)	-
Purchase of property, plant and equipment (Note A)	(2,590)	(1,421)
Proceeds from disposal of property, plant and equipment	8	411
Proceeds from disposal of investment property held-for-sale	-	6,223
<b>Net cash (used in)/generated from investing activities</b>	<b>(3,240)</b>	<b>5,218</b>
<b>Cash flows from financing activities:</b>		
Interest paid	(142)	(348)
Dividends paid	(893)	(4,434)
Obligations under finance leases	(447)	(910)
Amount due to directors	-	(3)
Amount due to related parties	-	448
Payment of shares issuance expense	-	(728)
Capital contribution from shareholders	-	506
Proceeds from issue of shares	-	10,120
Repayment of bank loans	(810)	(5,532)
Pledged deposits	(7)	(131)
<b>Net cash used in financing activities</b>	<b>(2,299)</b>	<b>(1,012)</b>



**Unaudited Half-Year Financial Statements and Dividend Announcement for the Period Ended 30 June 2011**

**Consolidated statement of cash flows (... cont'd)**

	Group	
	6 months ended	6 months ended
	30.06.11 \$'000	30.06.10 \$'000
Net (decrease)/increase in cash and cash equivalents	(6,091)	7,638
Cash and cash equivalents at beginning of financial period	24,888	22,938
<b>Cash and cash equivalents at end of financial period (Note B)</b>	<b>18,798</b>	<b>30,576</b>

**Note A**

During 1HFY2011, the Group acquired property, plant and equipment at an aggregate cost of S\$3,024,000 of which S\$435,000 were acquired under finance lease. Cash payment of S\$2,590,000 were made to purchase property, plant and equipment.

**Note B**

**Cash and cash equivalents consist of the following:-**

	Group	
	30.06.11 \$'000	30.06.10 \$'000
	Cash and bank balances	22,277
Less: Pledged deposits	(3,479)	(3,239)
<b>Cash and cash equivalents</b>	<b>18,798</b>	<b>30,576</b>

1(d)(i) **A statement (for the issuer and Group) showing either (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.**

**Group**

	Attributable to shareholders of the Company				
	Share Capital	Merger reserve	Capital reserve	Accumulated profits	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>At 1 January 2010</b>	500	-	-	28,491	28,991
Adjustment arising from restructuring exercise	(500)	(16,033)	-	-	(16,533)
Increase in share capital arising from restructuring exercise <sup>7</sup>	18,284	-	-	-	18,284
Issuance of new shares	10,120	-	-	-	10,120
New shares issuance expense	(533)	-	506	-	(27)
Total comprehensive income for the period	-	-	-	3,853	3,853
Dividends	-	-	-	(4,434)	(4,434)
<b>At 30 June 2010</b>	<b>27,871</b>	<b>(16,033)</b>	<b>506</b>	<b>27,910</b>	<b>40,254</b>
<b>At 1 January 2011</b>	27,871	(16,033)	506	24,086	36,430
Total comprehensive income for the period	-	-	-	449	449
Dividends	-	-	-	(893)	(893)
<b>At 30 June 2011</b>	<b>27,871</b>	<b>(16,033)</b>	<b>506</b>	<b>23,642</b>	<b>35,986</b>

**Company**

	Attributable to shareholders of the Company			
	Share Capital	Capital reserve	Accumulated profits (losses)	Total
	\$'000	\$'000	\$'000	\$'000
<b>At 1 January 2010</b>	-	-	(661)	(661)
Increase in share capital arising from restructuring exercise <sup>7</sup>	18,284	-	-	18,284
Issuance of new shares	10,120	-	-	10,120
New shares issuance expense	(533)	506	-	(27)
Total comprehensive income for the period	-	-	11,332	11,332
Dividends	-	-	(4,434)	(4,434)
<b>At 30 June 2010</b>	<b>27,871</b>	<b>506</b>	<b>6,237</b>	<b>34,614</b>
<b>At 1 January 2011</b>	27,871	506	1,568	29,945
Total comprehensive income for the period	-	-	(241)	(241)
Dividends	-	-	(893)	(893)
<b>At 30 June 2011</b>	<b>27,871</b>	<b>506</b>	<b>434</b>	<b>28,811</b>



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<sup>7</sup> The Company underwent a restructuring exercise to rationalise the structure of the Group in preparation for the Company's listing on the Singapore Exchange Securities Trading Limited. Pursuant to the exercise, the Company acquired 100% interest in the shares of SH Cogent Logistics Pte Ltd, Soon Hock Transportation Pte Ltd, Cogent Investment Group Pte Ltd and Cogent Automotive Logistics Pte Ltd at the aggregate consideration of S\$18,284,765. The consideration was satisfied by the allotment and issue of 1,999,998 ordinary shares in the Company. The restructuring exercise was completed on 19 January 2010.

**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 well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, 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.**

There was no change in the Company's share capital for the 6 months ended 30 June 2011. There are no outstanding convertibles or shares held as treasury shares as at 30 June 2011.

**1(d)(iii) To show the total number of issued shares excluding treasury shares as at end of the current financial period and as at end of the immediately preceding year.**

	<b>30.06.11</b>	<b>31.12.10</b>
Number of ordinary shares	<u>319,000,000</u>	<u>319,000,000</u>

**1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at end of the current financial period report on.**

Not applicable.

**2 Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed.

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

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the audited combined financial statements as at 31 December 2010.

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

None.

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

Earnings per ordinary share for the period based on Profit attributable to shareholders after deducting any provision for preference dividends:-	Group	
	6 months ended 30.06.11 (cents)	6 months ended 30.06.10 (cents)
Basic earnings per ordinary share	0.1	1.2
Diluted earnings per ordinary share	0.1	1.2

Both the basic and diluted earnings per ordinary share is calculated based on the net profit attributable to shareholders of the Company set out in 1(a) above and the share capital of 319,000,000 shares.

**7 Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on, and (b) immediately preceding financial year:-**

	Group		Company	
	30.06.11 (cents)	31.12.10 (cents)	30.06.11 (cents)	31.12.10 (cents)
Net asset * value per ordinary share**	<u>11.3</u>	<u>11.4</u>	<u>9.0</u>	<u>9.4</u>

\* Net asset refers to shareholders' funds

\*\* Based on the share capital of 319,000,000 shares.



8 **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**

**a) 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; and**

**b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

#### **Revenue**

For 1HFY2011, the Group registered a 14% increase in revenue to S\$30.4 million as compared to S\$26.7 million in 1HFY2010. The surge in revenue was mainly led by the improved volume in the Group's two business segments: i) transportation management services segment, and ii) the warehousing and container depot management services segment.

The Group's transportation management services segment generated revenue of S\$11.4 million for 1HFY2011, representing a 24% increase from that of 1HFY2010. The rise was mainly driven by the higher demand for specialised cargo transportation services.

The Group's revenue in the warehousing and container depot management services segment increased by 11% or S\$1.5 million from S\$13.7 million in 1HFY2010 to S\$15.2 million in 1HFY2011. The improvement was mainly was attributable to increased demand for warehousing services. The Group's business in the container depot management services experienced marginal improvement.

The Group's revenue in the automotive logistics management services segment inched higher marginally by 5% or S\$0.2 million from S\$3.6 million for 1HFY2010 to S\$3.8 million in 1HFY2011. The improvement was possible through more effective utilisation of vehicle storage space.

#### **Other operating income**

The Group's other operating income was 99% or S\$5.0 million lower in 1HFY2011 as compared to 1HFY2010. The decrease was mainly due to the following:

- i) Absence of the S\$4.6 million gain from disposal of leasehold property held-for-sale at 19 Tuas Avenue 20 occurred in 1HFY2010; and
- ii) Significantly lower gain from disposal of property, plant and equipment in 1HFY2011.

#### **Cost of services**

The Group's cost of services increased by S\$2.7 million or 17%, from S\$16.3 million in 1HFY2010 to S\$19.0 million in 1HFY2011. The higher cost of services was mainly due to the increase in fuel costs and land rental costs.

#### **Expenses**

Employee benefits expenses rose 4% or S\$0.2 million from S\$5.9 million in 1HFY2010 to S\$6.1 million in 1HFY2011. This increase was mainly driven by the higher wages incurred to generate higher revenue from transportation management services.

Depreciation expense increased by 8% or S\$0.2 million from S\$2.4 million to S\$2.6 million following the completion of the purchase of property at 11 Jalan Terusan and Jurong Port Road on 14 January 2011.

Other operating expenses decreased by 25% or S\$0.6 million from S\$2.5 million to S\$1.9 million. The decrease was mainly attributable to the IPO expenses of S\$0.4 million in 1HFY2010 (none in 1HFY2011) and the decrease in repair and maintenance expenses (by S\$0.2 million).

Finance costs decreased by 59% or S\$0.2 million from S\$0.3 million to S\$0.1 million mainly due to repayment of long term bank loan and hire purchase.

#### **Profitability**

Notwithstanding the stronger revenue chalked up for 1HFY2011, the Group's profit for the period decreased by 88% or S\$3.5 million from S\$3.9 million in 1HFY2010 to S\$0.4 million in 1HFY2011. The decrease in profit was mainly due to the absence of gain from disposal of leasehold property held-for-sale in 1HFY2011, offset by improved contributions from the Group's operations in the transportation management services and warehousing and container depot management services.

#### **Assets and liabilities**

Current assets decreased by S\$3.1 million or 8% from S\$40.7 million to S\$37.6 million as at 30 June 2011. The reduction was mainly due to the following:

- S\$6.1 million decrease in cash and bank balances;
- offset by:
- S\$2.2 million increase in trade receivables; and
- S\$0.8 million increase in other receivables.

Non-current assets increased by S\$0.9 million or 4% from S\$23.8 million to S\$24.7 million as at 30 June 2011 mainly due to the following:

- S\$0.4 million increase in net book value of property, plant and equipment arising from S\$2.6 million of depreciation charges, offset by S\$3.0 million of new property, plant and equipment purchased; and
- S\$0.6 million investment in joint ventures after deducting share of losses in the joint ventures.

Current liabilities decreased by S\$0.3 million or 2% from S\$15.5 million to S\$15.2 million as at 30 June 2011. This was mainly due to S\$1.0 million reduction in income tax payable offset by S\$0.8 million increase in trade and other payables.

Non-current liabilities decreased by S\$1.4 million or 11% from S\$12.6 million to S\$11.2 million as at 30 June 2011. This was mainly due to S\$0.8 million of repayment of long-term portion bank borrowings and S\$0.5 million of deferred income recognised which arose from the sale-and-leaseback of property at 7 Penjuru Close.



**Unaudited Half-Year Financial Statements and Dividend Announcement for the Period Ended 30 June 2011**

**Cash flows**

For 1HFY2011, the Group had net cash outflows of S\$6.1 million as compared to net cash inflows of S\$7.6 million for 1HFY2010.

Net cash used in operating activities was S\$0.6 million for 1HFY2011 as compared to S\$3.4 million of net cash generated for 1HFY2010. The change was largely due to the increase in trade and other receivables.

Net cash used in investing activities was S\$3.2 million for 1HFY2011 as compared to S\$5.2 million of net cash generated for 1HFY2010. This was mainly due to S\$6.2 million proceeds from the disposal of leasehold property at 19 Tuas Avenue 20 in 1HFY2010, and S\$1.2 million increase in purchase of property, plant and equipment.

Net cash used in financing activities amounted to S\$2.3 million for 1HFY2011, which was S\$1.3 million or 127% higher compared to 1HFY2010. The increase in cash used in financing activities was mainly due to the one-time S\$10.1 million of gross proceeds from IPO in 1HFY2010, offset by the following:

- S\$4.7 million decrease in repayment of bank loans;
- S\$0.5 million decrease in finance lease payments made;
- S\$3.5 million decrease in dividends paid to shareholders.

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

Not applicable.

**10 A commentary at the date of the announcement of the significant trends and 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.**

In view of the uncertainty of the global economic outlook in second half, the Group expects its logistics operations to continue operating under challenging conditions.

The Group will continue to exercise prudence in cost management, and explore opportunities that offer improved economy of scale in logistics operations.

**11. Dividend**

**(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on? No

**(b) Corresponding period of the immediately Preceding Financial Year**

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

<b>a.</b>	Name of Dividend	First interim
	Dividend Type	Cash
	Dividend Amount per Share (in Singapore cents)	1.39 cents per ordinary share
	Tax Rate	One-tier tax exempt
<b>b.</b>	Name of Dividend	Second interim
	Dividend Type	Cash
	Dividend Amount per Share (in cents)	1.39 cents per ordinary share
	Tax Rate	One-tier tax exempt

**(c) Date payable**

Not applicable

**(d) Books closure date**

Not applicable

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

No dividend has been declared/recommend by the Board for the 6 months ended 30 June 2011.



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**13 INTERESTED PERSON TRANSACTIONS**

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted during the financial year under review under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Soon Hock Property Development Pte Ltd ("SHPD")</b> - Purchase of vehicles, equipment and property (Pursuant to IPO prospectus)	(1,967)	-
<b>SH Design &amp; Build Pte Ltd</b> - Purchase of renovation works and repair & maintenance of building	(130)	-

**14 Use of IPO proceeds**

Intended Use	Amount	Amount	Balance as at
	S\$'million	Utilised S\$'million	30 June 2011 S\$'million
a) Expansion of container depot operations and warehousing space	6.1	(0.8)	5.3
b) Expansion of vehicle logistics operations	2.0	-	2.0
c) Working capital	1.0	-	1.0
	<u>9.1</u>	<u>(0.8)</u>	<u>8.3</u>

**15 CONFIRMATION BY THE BOARD PURSUANT TO RULE 705 (4) OF THE LISTING MANUAL**

The Board of Directors hereby confirms that, to the best of its knowledge, nothing has come to its attention which may render the unaudited financial results of the Group for the half year ended 30 June 2011 to be false or misleading in any material aspect.

**BY ORDER OF THE BOARD**

Tan Yeow Khoon  
Executive Chairman  
10 August 2011