

Unaudited Financial Statements For The First Quarter Ended 31 March 2015

- 1(a)(i) **An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

Consolidated statement of profit or loss and other comprehensive income

	Group		
	3 months ended 31.03.15 \$'000	3 months ended 31.03.14 \$'000	Change %
Revenue	31,026	27,329	14%
Other operating income	756	543	39%
Operating expenses			
- Employee benefits expenses	(6,438)	(5,359)	20%
- Depreciation	(2,304)	(1,753)	31%
- Rentals on leased premises	(7,099)	(8,113)	-12%
- Amortisation of deferred income arising from sale and leaseback	250	250	0%
- Contract services	(2,452)	(2,325)	5%
- Fuel and utilities	(1,089)	(2,196)	-50%
- Storage and handling charges	(1,856)	(1,054)	76%
- Repair and maintenance	(1,019)	(991)	3%
- Hire of vehicle and equipment	(318)	(287)	11%
- Others	(2,416)	(2,281)	6%
	(24,741)	(24,109)	3%
	7,041	3,763	87%
Finance costs	(728)	(32)	2175%
Share of loss of joint ventures	-	(4)	n/m
Profit before tax	6,313	3,727	69%
Income tax expense	(965)	(634)	52%
Profit for the period, net of tax	5,348	3,093	73%
Other comprehensive loss:			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Exchange difference on translation of subsidiary, representing other comprehensive loss for the period, net of tax	(7)	-	n/m
Profit attributable to the owners of the company	5,348	3,093	73%
Total comprehensive income attributable to the owners of the company	5,341	3,093	73%

- 1(a) (ii) **The following items (with appropriate breakdowns and explanations), if significant, must either be included in the income statement or in the notes to the income statement for the current financial period reported on and the corresponding period of the immediately preceding financial year**

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

	Group		
	3 months ended 31.03.15 \$'000	3 months ended 31.03.14 \$'000	Change %
Government grant	538	357	51%
Interest income	49	11	345%
Allowance for doubtful debts and bad debts written off, net	-	(9)	n/m
Interest on borrowings	(728)	(32)	2175%
Adjustment for under-provision of tax in respect of prior year	(6)	-	n/m

n/m: not meaningful

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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

Statements of financial position

	Group		Company	
	31.03.15 \$'000	31.12.14 \$'000	31.03.15 \$'000	31.12.14 \$'000
ASSETS				
Current assets				
Cash and bank balances	52,469	53,442	16,373	4,859
Trade receivables	16,610	16,809	11,166	9,723
Other receivables	3,757	3,173	2,431	18,159
Held-for-trading investments	26	25	-	-
Total current assets	72,862	73,449	29,970	32,741
Non-current assets				
Property, plant and equipment	187,424	187,876	511	699
Investment in subsidiaries	-	-	36,084	34,984
Other investment	36	36	-	-
Other receivables	4,170	1,903	-	-
Total non-current assets	191,630	189,815	36,595	35,683
Total assets	264,492	263,264	66,565	68,424
LIABILITIES AND EQUITY				
Current liabilities				
Current portion of bank loans	7,912	7,601	-	-
Current portion of deferred income	1,010	1,022	-	-
Current portion of finance leases	3,122	3,198	-	-
Trade payables	5,530	5,725	121	108
Other payables	22,744	29,770	1,373	3,101
Provision for reinstatement costs	350	350	-	-
Income tax payable	5,136	3,971	6	-
Total current liabilities	45,804	51,637	1,500	3,209
Non-current liabilities				
Bank loans	108,293	105,907	-	-
Deferred income	750	1,000	-	-
Finance leases	6,285	6,593	-	-
Provision for reinstatement costs	700	700	-	-
Deferred tax liabilities	754	862	-	-
Total non-current liabilities	116,782	115,062	-	-
Capital and reserves				
Share capital	45,092	45,092	45,092	45,092
Capital reserve	506	506	506	506
Merger deficit	(16,033)	(16,033)	-	-
Foreign currency translation reserve	(12)	(5)	-	-
Accumulated profits	72,353	67,005	19,467	19,617
Total equity	101,906	96,565	65,065	65,215
Total liabilities and equity	264,492	263,264	66,565	68,424

1(b)(ii) In relation to the aggregate amount of the group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year

	31.03.15		31.12.14	
	Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
Amount repayable in one year or less, or on demand	11,034	-	10,799	-
Amount repayable after one year	114,578	-	112,500	-

Details of any collateral:

Total bank borrowings are secured by the following:-

- A first mortgage over certain properties of a subsidiary;
- Fixed and floating charge over all assets of a subsidiary;
- An assignment of the rights, interests and benefits arising under the construction contract and performance bonds relating to the construction of a property ("Property");
- An assignment of the rights, interests and benefits arising under the insurance policies relating to the construction of the Property;
- Corporate guarantee

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

Consolidated statement of cash flows

	Group	
	3 months ended 31.03.15 \$'000	3 months ended 31.03.14 \$'000
Operating activities		
Profit before tax	6,313	3,727
Adjustments for:		
Depreciation	2,304	1,753
Interest expense	728	32
Interest income	(49)	(11)
Dividend income from held-for-trading investments	(1)	-
Allowance for doubtful debts and bad debts written off, net	-	9
Deferred income	(262)	(250)
Share of loss of joint ventures	-	4
Loss/(Gain) from disposal of property, plant and equipment	35	(130)
Fair value gain on held-for-trading investment	(1)	-
Operating cash flows before movements in working capital	9,067	5,134
Trade receivables	199	(852)
Other receivables	(1,054)	(531)
Trade payables	(1,077)	(1,850)
Other payables	(2,369)	(2,110)
Cash generated from/(used in) operations	4,766	(209)
Income tax refund	92	266
Net cash from operating activities	4,858	57
Investing activities		
Interest received	24	11
Dividend income from held-for-trading investments	1	-
Purchase of property, plant and equipment (Note B)	(616)	(927)
Purchase of land lease rights	(1,787)	-
Proceeds from disposal of property, plant and equipment	138	136
Net cash used in investing activities	(2,240)	(780)
Financing activities		
Interest paid	(728)	(431)
Repayment of obligation under finance leases	(899)	(412)
Repayment of bank loans	(1,964)	(82)
Pledged deposits	-	216
Net cash used in financing activities	(3,591)	(709)
Net decrease in cash and cash equivalents	(973)	(1,432)
Cash and cash equivalents at beginning of period	52,650	46,101
Cash and cash equivalents at end of period (Note A)	51,677	44,669

Note A

Cash and cash equivalents consist of the following:-

	Group	
	31.03.15 \$'000	31.03.14 \$'000
Cash and bank balances	52,469	45,630
Less: Pledged deposits	(792)	(961)
Cash and cash equivalents	51,677	44,669

Note B

During 1QFY2015, the Group acquired property, plant and equipment at an aggregate cost of \$2,025,000 (1QFY2014:\$34,448,000) of which \$515,000 (1QFY2014:\$226,000) were acquired under finance lease and nil (1QFY2014:\$23,189,000) were acquired using proceeds from a term loan. Cash payment of \$616,000 (1QFY2014:\$927,000) was made to purchase property, plant and equipment during 1QFY2015.

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- 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					Total
	Share capital	Merger deficit	Capital reserve	Foreign currency translation reserve	Accumulated profits	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 January 2014	45,092	(16,033)	506	-	48,376	77,941
Profit for the period, representing total comprehensive income for the period	-	-	-	-	3,093	3,093
At 31 March 2014	45,092	(16,033)	506	-	51,469	81,034
At 1 January 2015	45,092	(16,033)	506	(5)	67,005	96,565
Profit for the period	-	-	-	-	5,348	5,348
Other comprehensive loss for the period	-	-	-	(7)	-	(7)
At 31 March 2015	45,092	(16,033)	506	(12)	72,353	101,906

Company

	Attributable to shareholders of the Company			Total
	Share capital	Capital reserve	Accumulated profits	
	\$'000	\$'000	\$'000	\$'000
At 1 January 2014	45,092	506	8,220	53,818
Loss for the period, representing total comprehensive loss for the period	-	-	(71)	(71)
At 31 March 2014	45,092	506	8,149	53,747
At 1 January 2015	45,092	506	19,617	65,215
Loss for the period, representing total comprehensive loss for the period	-	-	(150)	(150)
At 31 March 2015	45,092	506	19,467	65,065

- 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 3 months ended 31 March 2015. There are no outstanding convertibles or shares held as treasury shares as at 31 March 2015.

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

	31.03.15	31.12.14
Number of ordinary shares ('000)	478,500	478,500

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

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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 Group has applied the same accounting policies and methods of computation as in the audited financial statements for the financial year ended 31 December 2014. It has also applied applicable Financial Reporting Standards ("FRS") which become effective in the financial year beginning on or after 1 January 2015.

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:

- (a) based on the weighted average number of ordinary shares on issue; and
(b) on a fully diluted basis (detailing any adjustments made to the earnings).**

	Group	
	3 months ended 31.03.15	3 months ended 31.03.14
Profit attributable to shareholders of the Company (\$'000)	5,348	3,093
Weighted average number of ordinary shares in issue during the period ('000)	478,500	478,500
Basic and diluted earnings per ordinary share (cents)	1.12	0.65

The basic and diluted earnings per ordinary share for the 3 months ended 31 March 2015 has been calculated based on profit attributable to shareholders of approximately \$5,348,000 divided by the weighted average number of ordinary shares of approximately 478,500,000 in issue during the financial period.

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	
	31.03.15 (cents)	31.12.14 (cents)	31.03.15 (cents)	31.12.14 (cents)
Net asset ^A value per ordinary share ^B	21.30	20.18	13.60	13.63

^A Net asset refers to shareholders' funds

^B Based on the total number of issued shares of approximately 478,500,000.

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.**

Review of the Group's performance – First Quarter 2015 ("1QFY15") vs First Quarter 2014 ("1QFY14")

Group revenue for 1QFY15 increased by \$3.7 million, or 14%, from \$27.3 million to \$31.0 million. The increase was largely driven by 3 key factors: i) warehousing contribution from the newly constructed integrated logistics hub; ii) higher demand for automotive logistics management services; and iii) container depot service rate adjustment.

Other operating income increased by \$0.2 million, or 39%, from \$0.5 million to \$0.8 million. The increase was mainly due to increase in grant from the government, notably the Wage Credit Scheme.

Employee benefits expenses increased by \$1.1 million, or 20%, from \$5.4 million to \$6.4 million. The increase largely resulted from adjustments made to the directors' remuneration and employee salaries, increased headcount and higher driver trip incentives,

Depreciation increased by \$0.6 million, or 31%, from \$1.8 million to \$2.3 million. The increase was chiefly due to depreciation of the integrated logistics hub at 1 Buroh Crescent since mid-2014.

Rentals on leased premises decreased by \$1.0 million, or 12%, from \$8.1 million to \$7.1 million. The decrease was mainly due to cessation of 2 warehouse leases during second half of 2014.

Fuel and utilities decreased by \$1.1 million, or 50%, from \$2.2 million to \$1.1 million. The decrease was mainly attributed to the decline in fuel prices and utility contracted rate.

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Finance costs increased by \$0.7 million, or 2,175%, from \$0.0 million to \$0.7 million, due to expensing off of borrowing costs on the completion of the integrated logistics hub construction. In 1QFY14, such borrowing costs were capitalised under property, plant and equipment.

Consequently, the Group's profit after tax increased by \$2.2 million, or 73%, from \$3.1 million to \$5.3 million in 1QFY15.

Assets and liabilities

Current assets decreased by \$0.5 million, or 1%, from \$73.4 million as at 31 December 2014 to \$72.9 million as at 31 March 2015. The decrease was largely due to a decrease of \$1.0 million in the cash and bank balances, offset by \$0.6 million increase in other receivables (mainly on prepayments).

Non-current assets increased by \$1.8 million, or 1%, from \$189.8 million as at 31 December 2014 to \$191.6 million as at 31 March 2015. The increase resulted mainly from an increase of \$2.3 million in other receivables, relating largely to the prepayment for land lease rights.

Current liabilities decreased by \$5.8 million, or 11%, from \$51.6 million as at 31 December 2014 to \$45.8 million as at 31 March 2015. The decrease was mainly due to the following:

- i) decrease of \$7.0 million in other payables (current portion) on payment of staff bonus and settlement of amount due in respect of construction costs;
- ii) increase of \$0.3 million in bank loans (current portion); and
- iii) increase of \$1.2 million in income tax payable.

Non-current liabilities increased by \$1.7 million, or 1%, from \$115.1 million as at 31 December 2014 to \$116.8 million as at 31 March 2015. The increase was mainly due to the following:

- i) increase of \$2.4 million in bank loans (non-current portion) as loan was further drawn down to finance the integrated logistics hub construction;
- ii) decrease of \$0.3 million in deferred income (non-current portion) due to amortisation of deferred income;
- iii) decrease of \$0.3 million in finance leases (non-current portion) to finance the purchase of prime movers; and
- iv) decrease of \$0.1 million in deferred tax liabilities.

Cash flows

During 1QFY15, the Group's cash and cash equivalents decreased by \$1.0 million from \$52.7 million as at 31 December 2014 to \$51.7 million as at 31 March 2015.

Net cash generated from operating activities was \$4.9 million in 1QFY15 as compared with \$0.1 million in 1QFY14. The increase was mainly due to higher profit achieved in 1QFY15 as compared to 1QFY14.

Net cash used in investing activities was \$2.2 million in 1QFY15 as compared with \$0.8 million in 1QFY14. The increase was largely due to the prepayment for land lease rights.

Net cash used in financing activities was \$3.6 million in 1QFY15 as compared with \$0.7 million in 1QFY14. The increase was mainly due to the increase in repayment of bank loan and interest.

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

No forecast or prospect statement has been previously disclosed to shareholders.

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.

With the Temporary Occupancy Permit obtained for Cogent.1 Logistics Hub (the "Hub") on 30 December 2014, the Group is looking forward to the following positive developments:

- i) The Hub's roof-top crane infrastructure is expected to be operationally ready in phases after 2Q2015, resulting in progressive savings in the container depot's operating overheads; and
- ii) The Hub's warehousing services will continue to contribute to the Group's earnings.

Notwithstanding the above, the Group continues to face challenges amidst the global economic and geo-political uncertainties. The Group will remain vigilant in monitoring the developments of its business environment and leverage on its core capabilities to weather uncertain economic headwinds.

11. If a decision regarding dividend has been made:

(a) Current financial period reported on

Any dividend recommended 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? No

(c) The date the dividend is payable.

Not applicable

(d) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined

Not applicable

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

Not applicable

13 If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

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)
	\$'000	\$'000
Income from office rental and utility recovery		
- SH Design & Build Pte Ltd	23	N.A.
- Soon Hock Investment Group Pte Ltd	13	N.A.
- Phoenix Wines Pte Ltd	175	N.A.
Sale of a motor vehicle		
- Mr Tan Yeow Khoon	138	N.A.

14 Negative confirmation pursuant to Rule 705(5)

To the best of our knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited interim financial statements of the Group and the Company (comprising the consolidated statement of profit or loss and other comprehensive income, statements of financial position, consolidated statement of cash flows and statement of changes in equity, together with their accompanying notes) as at 31 March 2015 and for the 3 months ended on that date, to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Tan Yeow Khoon
Executive Chairman

Tan Min Cheow, Benson
Executive Director & CEO

13 May 2015