

Unaudited Financial Statements And Dividend Announcement For The Fourth Quarter And Full Year Ended 31 December 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			Group		
	3 months ended		Change	12 months ended		Change
	31.12.15	31.12.14		31.12.15	31.12.14	
	\$'000	\$'000	%	\$'000	\$'000	%
Revenue	33,308	30,557	9%	129,233	118,469	9%
Other operating income	535	6,680	-92%	2,020	8,309	-76%
Operating expenses						
- Employee benefits expense	(6,704)	(6,757)	-1%	(26,537)	(23,776)	12%
- Depreciation	(2,274)	(2,233)	2%	(9,470)	(7,769)	22%
- Rentals on leased premises	(7,125)	(6,892)	3%	(28,065)	(30,641)	-8%
- Amortisation of deferred income arising from sale and leaseback	250	250	0%	1,000	1,000	0%
- Contract services	(2,514)	(2,679)	-6%	(10,257)	(10,123)	1%
- Fuel and utilities	(1,744)	(2,264)	-23%	(7,248)	(8,897)	-19%
- Storage and handling charges	(754)	(1,197)	-37%	(3,536)	(4,612)	-23%
- Repair and maintenance	(987)	(1,022)	-3%	(3,909)	(4,293)	-9%
- Hire of vehicle and equipment	(196)	(264)	-26%	(1,129)	(1,002)	13%
- Others	(1,984)	(1,533)	29%	(8,386)	(6,964)	20%
	(24,032)	(24,591)	-2%	(97,537)	(97,077)	0%
	9,811	12,646	-22%	33,716	29,701	14%
Finance costs	(882)	(482)	83%	(3,118)	(988)	216%
Share of loss of joint ventures	-	-	n/m	-	(69)	n/m
Profit before tax	8,929	12,164	-27%	30,598	28,644	7%
Income tax expense	(1,598)	(1,293)	24%	(5,132)	(3,986)	29%
Profit for the period/year, net of tax	7,331	10,871	-33%	25,466	24,658	3%
Other comprehensive income/(loss):						
<i>Items that may be reclassified subsequently to profit or loss</i>						
Exchange difference on translation of subsidiaries, representing other comprehensive income/(loss) for the period/year, net of tax	108	(5)	n/m	(463)	(5)	9160%
Profit attributable to the owners of the company	7,331	10,871	-33%	25,466	24,658	3%
Total comprehensive income attributable to the owners of the company	7,439	10,866	-32%	25,003	24,653	1%

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

	Group			Group		
	3 months ended		Change	12 months ended		Change
	31.12.15	31.12.14		31.12.15	31.12.14	
	\$'000	\$'000	%	\$'000	\$'000	%
Gain from disposal of property, plant and equipment, net of tax	134	6,166	-98%	514	6,852	-92%
Bargain purchase gain	-	-	n/m	-	29	n/m
Government grant	121	43	181%	743	498	49%
Interest income	64	68	-6%	225	113	99%
(Allowance for)/Writeback of doubtful trade receivables	(5)	(9)	-44%	2	(22)	n/m
Interest on borrowings	(882)	(482)	83%	(3,118)	(988)	216%
Gain from foreign exchange	19	25	-24%	37	29	28%
Adjustment for over-provision of tax in respect of prior years	131	92	42%	125	167	-25%

n/m: not meaningful

Unaudited Financial Statements And Dividend Announcement For The Fourth Quarter And Full Year Ended 31 December 2015

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	
	31.12.15 \$'000	31.12.14 \$'000	31.12.15 \$'000	31.12.14 \$'000
ASSETS				
Current assets				
Cash and bank balances	45,255	53,442	2,900	4,859
Trade receivables	17,135	16,809	11,789	9,723
Other receivables	3,618	3,173	11,934	18,159
Held-for-trading investments	24	25	-	-
Total current assets	66,032	73,449	26,623	32,741
Non-current assets				
Property, plant and equipment	199,455	187,876	472	699
Investment in subsidiaries	-	-	36,084	34,984
Other investment	36	36	-	-
Trade receivables	323	-	-	-
Other receivables	3,294	1,903	-	-
Total non-current assets	203,108	189,815	36,556	35,683
Total assets	269,140	263,264	63,179	68,424
LIABILITIES AND EQUITY				
Current liabilities				
Current portion of bank loans	11,886	7,601	-	-
Current portion of deferred income	1,000	1,022	-	-
Current portion of finance leases	1,467	3,198	-	-
Trade payables	6,242	5,725	166	108
Other payables	30,878	29,770	4,934	3,101
Provision for reinstatement costs	1,380	350	-	-
Income tax payable	5,162	3,971	11	-
Total current liabilities	58,015	51,637	5,111	3,209
Non-current liabilities				
Bank loans	102,407	105,907	-	-
Deferred income	-	1,000	-	-
Finance leases	2,403	6,593	-	-
Other payables	221	-	-	-
Provision for reinstatement costs	1,180	700	-	-
Deferred tax liabilities	1,338	862	-	-
Total non-current liabilities	107,549	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	(468)	(5)	-	-
Accumulated profits	74,479	67,005	12,470	19,617
Total equity	103,576	96,565	58,068	65,215
Total liabilities and equity	269,140	263,264	63,179	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

	31.12.15		31.12.14	
	Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
Amount repayable in one year or less, or on demand	13,353	-	10,799	-
Amount repayable after one year	104,810	-	112,500	-

Details of any collateral:

Total bank borrowings are secured by the following:-

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

Unaudited Financial Statements And Dividend Announcement For The Fourth Quarter And Full Year Ended 31 December 2015

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		Group	
	3 months ended		12 months ended	
	31.12.15	31.12.14	31.12.15	31.12.14
	\$'000	\$'000	\$'000	\$'000
Operating activities				
Profit before tax	8,929	12,164	30,598	28,644
Adjustments for:				
Depreciation	2,274	2,233	9,470	7,769
Interest expense	882	482	3,118	988
Interest income	(64)	(68)	(225)	(113)
Dividend income from held-for-trading investments	(2)	(1)	(3)	(1)
Allowance for/(Writeback of) doubtful trade receivables	5	9	(2)	22
Deferred income recognised	(253)	(293)	(1,022)	(1,043)
Share of loss of joint ventures	-	-	-	69
Bargain purchase gain	-	-	-	(29)
Gain from disposal of property, plant and equipment	(248)	(6,380)	(628)	(7,066)
Fair value loss/(gain) on held-for-trading investment	3	2	1	(1)
Operating cash flows before movements in working capital	11,526	8,148	41,307	29,239
Trade receivables	(868)	1,540	(647)	(386)
Other receivables	314	955	(250)	62
Trade payables	(1,380)	768	(822)	(1,255)
Other payables	3,363	(1,459)	5,280	(3,960)
Cash generated from operations	12,955	9,952	44,868	23,700
Income tax refund/(paid)	255	10	(3,465)	(2,913)
Net cash from operating activities	13,210	9,962	41,403	20,787
Investing activities				
Interest received	81	49	210	94
Dividend income from held-for-trading investments	1	1	2	1
Net cash inflow from acquisition of subsidiaries	-	-	-	24
Purchase of property, plant and equipment	(14,413)	(3,798)	(20,919)	(13,051)
Prepayment for land lease rights	-	-	(1,787)	-
Proceeds from disposal of property, plant and equipment	424	9,847	1,163	10,663
Net cash (used in)/generated from investing activities	(13,907)	6,099	(21,331)	(2,269)
Financing activities				
Interest paid	(882)	(691)	(3,171)	(2,277)
Dividends paid	-	-	(17,992)	(6,029)
Repayment of obligation under finance leases	(612)	(817)	(3,214)	(2,092)
Repayment of bank loans	(1,971)	(511)	(7,876)	(1,956)
Proceeds from bank loans	4,000	-	4,000	-
Pledged deposits	(10)	(18)	(10)	385
Net cash generated from/(used in) financing activities	525	(2,037)	(28,263)	(11,969)
Net (decrease)/increase in cash and cash equivalents	(172)	14,024	(8,191)	6,549
Effect of currency translation on cash and cash equivalents	(2)	-	(6)	-
Cash and cash equivalents at beginning of period/year	44,627	38,626	52,650	46,101
Cash and cash equivalents at end of period/year (Note A)	44,453	52,650	44,453	52,650

Note A

Cash and cash equivalents consist of the following:-

	Group		Group	
	31.12.15	31.12.14	31.12.15	31.12.14
	\$'000	\$'000	\$'000	\$'000
Cash and bank balances	45,255	53,442	45,255	53,442
Less: Pledged deposits	(802)	(792)	(802)	(792)
Cash and cash equivalents	44,453	52,650	44,453	52,650

Unaudited Financial Statements And Dividend Announcement For The Fourth Quarter And Full Year Ended 31 December 2015

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.

For the 3 months ended 31 December

4QFY14 - Group

At October 1, 2014
Profit for the period
Other comprehensive loss for the period
At December 31, 2014

	Attributable to shareholders of the Group					Total
	Share capital	Merger deficit	Capital reserve	Foreign currency translation reserve	Accumulated profits	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At October 1, 2014	45,092	(16,033)	506	-	56,134	85,699
Profit for the period	-	-	-	-	10,871	10,871
Other comprehensive loss for the period	-	-	-	(5)	-	(5)
At December 31, 2014	45,092	(16,033)	506	(5)	67,005	96,565

4QFY15 - Group

At October 1, 2015
Profit for the period
Other comprehensive income for the period
At December 31, 2015

At October 1, 2015	45,092	(16,033)	506	(576)	67,148	96,137
Profit for the period	-	-	-	-	7,331	7,331
Other comprehensive income for the period	-	-	-	108	-	108
At December 31, 2015	45,092	(16,033)	506	(468)	74,479	103,576

4QFY14 - Company

At October 1, 2014
Profit for the period, representing total comprehensive profit for the period
At December 31, 2014

	Attributable to shareholders of the Company			Total
	Share capital	Capital reserve	Accumulated profits	
	\$'000	\$'000	\$'000	\$'000
At October 1, 2014	45,092	506	1,819	47,417
Profit for the period, representing total comprehensive profit for the period	-	-	17,798	17,798
At December 31, 2014	45,092	506	19,617	65,215

4QFY15 - Company

At October 1, 2015
Profit for the period, representing total comprehensive profit for the period
At December 31, 2015

At October 1, 2015	45,092	506	1,058	46,656
Profit for the period, representing total comprehensive profit for the period	-	-	11,412	11,412
At December 31, 2015	45,092	506	12,470	58,068

For the 12 months ended 31 December

FY14 - Group

At January 1, 2014
Profit for the year
Other comprehensive loss for the year
Dividends, representing total transactions with owners, recognised directly in equity
At December 31, 2014

	Attributable to shareholders of the Group					Total
	Share capital	Merger deficit	Capital reserve	Foreign currency translation reserve	Accumulated profits	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At January 1, 2014	45,092	(16,033)	506	-	48,376	77,941
Profit for the year	-	-	-	-	24,658	24,658
Other comprehensive loss for the year	-	-	-	(5)	-	(5)
Dividends, representing total transactions with owners, recognised directly in equity	-	-	-	-	(6,029)	(6,029)
At December 31, 2014	45,092	(16,033)	506	(5)	67,005	96,565

FY15 - Group

At January 1, 2015
Profit for the year
Other comprehensive loss for the year
Dividends, representing total transactions with owners, recognised directly in equity
At December 31, 2015

At January 1, 2015	45,092	(16,033)	506	(5)	67,005	96,565
Profit for the year	-	-	-	-	25,466	25,466
Other comprehensive loss for the year	-	-	-	(463)	-	(463)
Dividends, representing total transactions with owners, recognised directly in equity	-	-	-	-	(17,992)	(17,992)
At December 31, 2015	45,092	(16,033)	506	(468)	74,479	103,576

FY14 - Company

At January 1, 2014
Profit for the year representing total comprehensive profit for the year
Dividends, representing total transactions with owners, recognised directly in equity
At December 31, 2014

	Attributable to shareholders of the Company			Total
	Share capital	Capital reserve	Accumulated profits	
	\$'000	\$'000	\$'000	\$'000
At January 1, 2014	45,092	506	8,220	53,818
Profit for the year representing total comprehensive profit for the year	-	-	17,426	17,426
Dividends, representing total transactions with owners, recognised directly in equity	-	-	(6,029)	(6,029)
At December 31, 2014	45,092	506	19,617	65,215

FY15 - Company

At January 1, 2015
Profit for the year representing total comprehensive profit for the year
Dividends, representing total transactions with owners, recognised directly in equity
At December 31, 2015

At January 1, 2015	45,092	506	19,617	65,215
Profit for the year representing total comprehensive profit for the year	-	-	10,845	10,845
Dividends, representing total transactions with owners, recognised directly in equity	-	-	(17,992)	(17,992)
At December 31, 2015	45,092	506	12,470	58,068

Unaudited Financial Statements And Dividend Announcement For The Fourth Quarter And Full Year Ended 31 December 2015

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.

Not applicable

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.

	31.12.15	31.12.14
Number of ordinary shares ('000)	<u>478,500</u>	<u>478,500</u>

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.

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 became effective and relevant from 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		Group	
	3 months ended		12 months ended	
	31.12.15	31.12.14	31.12.15	31.12.14
Profit attributable to shareholders of the Company (\$'000)	7,331	10,871	25,466	24,658
Weighted average number of ordinary shares in issue during the period ('000)	478,500	478,500	478,500	478,500
Basic and diluted earnings per ordinary share (cents)	<u>1.53</u>	<u>2.27</u>	<u>5.32</u>	<u>5.15</u>

The basic and diluted earnings per ordinary share for the period/year ended 31 December 2015 are calculated based on profit attributable to shareholders divided by the weighted average number of ordinary shares 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	
	31.12.15 (cents)	31.12.14 (cents)	31.12.15 (cents)	31.12.14 (cents)
Net asset ^A value per ordinary share ^B	<u>21.65</u>	<u>20.18</u>	<u>12.14</u>	<u>13.63</u>

^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 – Fourth Quarter 2015 ("4QFY15") vs Fourth Quarter 2014 ("4QFY14")

Group revenue for 4QFY15 increased by \$2.8 million, or 9%, from \$30.6 million to \$33.3 million. The increase was driven by increased revenue from the warehousing operations at the integrated logistics hub, automotive logistics management services and container depot management services.

Other operating income decreased by \$6.1 million, or 92%, from \$6.7 million to \$0.5 million. The decrease was largely attributable to a one-off gain from disposal of property at 1 Chia Ping Road amounting to \$5.9 million in 4QFY14.

Employee benefits expenses decreased by \$0.1 million, or 1%, from \$6.8 million to \$6.7 million. The decrease resulted mainly from the decrease in driver's trip incentives (in line with the decrease in revenue for transportation management services) offset by the increase in directors' remuneration.

Depreciation was closely similar between 4QFY15 and 4QFY14.

Rentals on leased premises increased by \$0.2 million, or 3%, from \$6.9 million to \$7.1 million. The increase was mainly due to hike in rental rates.

Contract services decreased by \$0.2 million, or 6%, from \$2.7 million to \$2.5 million. The decrease was largely attributable to the decrease in transportation and handling costs, as well as decrease in commission expenses.

Fuel and utilities decreased by \$0.5 million, or 23%, from \$2.3 million to \$1.7 million. The decrease was mainly attributed to the decline in fuel prices and utility rates.

Storage and handling charges decreased by \$0.4 million, or 37%, from \$1.2 million to \$0.8 million. The decrease was largely attributable to the decrease in cargo handling requirement.

Hire of vehicle and equipment decreased by \$0.1 million, or 26% from \$0.3 million to \$0.2 million. The decrease was mainly due to lower requirement for hiring of crane for transportation management services.

Other operating expenses increased by \$0.5 million, or 29% from \$1.5 million to \$2.0 million. The increase was mainly due to the increase in property tax and legal advisory fees incurred.

Finance costs increased by \$0.4 million, or 83% from \$0.5 million to \$0.9 million. The increase was due to expensing off of borrowing costs upon the completion of the integrated logistics hub construction.

Review of the Group's performance – Twelve Months 2015 ("FY2015") vs Twelve Months 2014 ("FY2014")

The Group reported revenue of \$129.2 million for FY2015, an increase of \$10.8 million, or 9%, over \$118.5 million recorded in FY2014. The increase in revenue was largely driven by increase in contribution from the warehousing operations at the integrated logistics hub, container depot management services and automotive logistics management services. The largest increase came from the Warehousing and Property Management Services ("WPM") segment which generated revenue of \$54.7 million for FY2015, an increase of \$8.4 million, or 18% over \$46.3 million recorded in FY2014. The improvement was largely led by income from warehousing units of the newly constructed integrated logistics hub at 1 Buroh Crescent. The Group's Automotive Logistics Management Services ("ALM") segment registered an increase in revenue of \$4.0 million, or 17%, from \$23.4 million to \$27.5 million. In FY2015, ALM benefitted from increased demand for vehicle storage services and handled larger volume of vehicle transportation amidst increasing number of vehicles imported. As for Container Depot Management Services ("CDM"), revenue for FY2015 increased by \$2.8 million, or 14%, from \$19.8 million to \$22.6 million, largely as a result of increased in volume for container repairs and storage. The Transportation Management ("TM") Services segment generated revenue of \$28.2 million for FY2015, a decrease of \$2.7 million, or 9% over \$30.9 million recorded in FY2014. The drop was mainly due to decrease in the number of trucking jobs performed, notably for customers in the oil & gas sector.

Other operating income decreased by \$6.3 million, or 76%, from \$8.3 million to \$2.0 million. The decrease was largely attributable to a one-off gain from disposal of property at 1 Chia Ping Road amounting to \$5.9 million in 4QFY14.

Employee benefits expenses increased by \$2.8 million, or 12%, from \$23.8 million to \$26.5 million. The increase resulted mainly from the increase in provision for directors' bonus.

Depreciation increased by \$1.7 million, or 22%, from \$7.8 million to \$9.5 million. The increase was chiefly due to depreciation of the integrated logistics hub at 1 Buroh Crescent for 12 months in FY2015.

Rentals on leased premises decreased by \$2.6 million, or 8%, from \$30.6 million to \$28.1 million. The decrease was mainly due to cessation of two warehouse leases during FY2014.

Contract services were closely similar between FY2015 and FY2014.

Fuel and utilities decreased by \$1.6 million, or 19%, from \$8.9 million to \$7.2 million. The decrease was mainly attributed to the decline in fuel prices and utility rates.

Storage and handling charges decreased by \$1.1 million, or 23%, from \$4.6 million to \$3.5 million. The decrease was largely attributable to the decrease in cargo handling requirement.

Repair and maintenance decreased by \$0.4 million, or 9%, from \$4.3 million to \$3.9 million. The decrease was mainly due to the improved cost savings achieved in the maintenance of buildings and equipment.

Other operating expenses increased by \$1.4 million, or 20% from \$7.0 million to \$8.4 million. The increase was mainly due to the increase in property tax.

Finance costs increased by \$2.1 million, or 216%, from \$1.0 million to \$3.1 million, due to expensing off of borrowing costs upon the completion of the integrated logistics hub construction.

Income tax expense increased by \$1.1 million, or 29%, from \$4.0 million to \$5.1 million. The increase is disproportionately higher compared to the increase in profit before tax mainly because FY2014 profit includes a substantial gain on disposal of property which is not taxable.

Assets and liabilities

Current assets decreased by \$7.4 million, or 10%, from \$73.4 million as at 31 December 2014 to \$66.0 million as at 31 December 2015. The decrease was largely due to a decrease of \$8.2 million in the cash and bank balances.

Unaudited Financial Statements And Dividend Announcement For The Fourth Quarter And Full Year Ended 31 December 2015

Non-current assets increased by \$13.3 million, or 7%, from \$189.8 million as at 31 December 2014 to \$203.1 million as at 31 December 2015. The increase resulted mainly from an increase of \$11.6 million in property, plant and equipment, relating largely to the additional cost of constructing the integrated logistics hub and purchase of new prime movers, offset by depreciation charges and return of certain equipment to a vendor.

Current liabilities increased by \$6.4 million, or 12%, from \$51.6 million as at 31 December 2014 to \$58.0 million as at 31 December 2015. The increase resulted mainly from the drawdown of working capital loan of \$4.0 million in 4QFY15, additional provision of reinstatement costs and higher income tax provision which is in line with higher profit achieved in FY2015.

Non-current liabilities decreased by \$7.5 million, or 7%, from \$115.1 million as at 31 December 2014 to \$107.5 million as at 31 December 2015. The decrease was mainly due to the decrease of \$4.2 million in financ leases (non-current) as repayments were made.

Cash flows

During FY2015, the Group's cash and cash equivalents decreased by \$8.2 million from \$52.7 million as at 31 December 2014 to \$44.5 million as at 31 December 2015.

Net cash generated from operating activities was \$41.4 million in FY2015 as compared with \$20.8 million in FY2014. The increase was mainly due to changes in working capital and higher profit before tax achieved in FY2015.

Net cash used in investing activities was \$21.3 million in FY2015 as compared with \$2.3 million in FY2014. The increase was primarily due to higher cash payment made for acquisition of property, plant and equipment in FY2015 and prepayment for land lease rights in FY2015 for Malaysia Port Klang Free Zone at \$1.8 million (RM4.8 million). In FY2014, there was one-time proceeds of \$9.2 million received from disposal of property at 1 Chia Ping Road.

Net cash used in financing activities was \$28.3 million in FY2015 as compared with net cash used of \$12.0 million in FY2014. The increase was mainly due to higher dividends paid in FY2015 and increase in repayment of bank loans and finance leases during FY2015, offset by the proceeds from the drawdown of bank loans of \$4.0 million in 4QFY15.

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

No forecast nor 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.

The Group's patented integrated logistics hub, which officially opened on 22 February 2016, is expected to have its gantry crane system completed by 4Q2016 after the appointment of a new crane specialist, Konecranes Pte Ltd, to undertake construction works for Cogent 1. Logistics Hub's roof-top gantry crane system.

On 12 October 2015, the Group signed and accepted a letter of intent issued by Singapore Economic Development Board to develop, own and operate a multi-purpose logistics hub in Jurong Island – Jurong Island Chemical Logistics Facility - which will occupy up to 6 hectares of land on Jurong Island, and have a total built-up area of about 150,000 square metres. We look forward to working on this exciting project, and hope that this will help to further position us favourably in Singapore's logistics industry, especially with the strong logistics demand on Jurong Island.

The Group remains cautiously optimistic about our core business fundamentals in spite of the current economic uncertainty regionally and globally. We will continue to take the appropriate measures to mitigate any adverse headwinds that may threaten our businesses.

11. Dividend

(a) Current financial period reported on

Any dividend recommended for the current financial period reported on? Yes

Name of dividend	First and final
Dividend type	Cash
Dividend amount per share	1.88 cent per ordinary share
Tax rate	Tax-exempt (one-tier)

(b) Corresponding period of the immediately preceding financial year

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

Name of dividend	Final	Special
Dividend type	Cash	Cash
Dividend amount per share	2.58 cent per ordinary share	1.18 cent per ordinary share
Tax rate	Tax-exempt (one-tier)	Tax-exempt (one-tier)

(c) The date the dividend is payable.

The proposed final dividend, if approved by the shareholders at the forthcoming AGM to be held on 28 April 2016, will be paid at a date to be announced later.

(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

Notice will be given at a later date on the closure of the Share Transfer Books and Register of Members to determine the shareholders' entitlement to the proposed final dividend.

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

Not applicable

Unaudited Financial Statements And Dividend Announcement For The Fourth Quarter And Full Year Ended 31 December 2015

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.**

The Group does not have a general mandate from shareholders for interested person transactions pursuant to Rule 920 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST")

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
Construction of integrated logistics hub - SH Design & Build Pte Ltd	^8,636	N.A.
Purchase of renovation services - SH Design & Build Pte Ltd	110	N.A.
Income from transportation logistics services - SH Design & Build Pte Ltd	19	N.A.
- Asia Pacific Wine Hub Pte Ltd	132	N.A.
Income from office rental and utility recovery - SH Design & Build Pte Ltd	93	N.A.
- Soon Hock Investment Group Pte Ltd	51	N.A.
- Phoenix Wines Pte Ltd	181	N.A.
Sale of a motor vehicle - Mr Tan Yeow Khoon	138	N.A.

^ This relates to a contract awarded to SH Design & Build Pte Ltd for the design and construction of the integrated logistics hub at Tanjong Kling Road. The award of the contract was approved by shareholders in an Extraordinary General Meeting held on 27 June 2012.

14 **Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

Business segmental information

BY OPERATING SEGMENTS	Transportation management services	Container depot management services	Automotive logistics management services	Warehousing and property management services	Inter-segment eliminations	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
FY2015						
Revenue						
External revenue	27,192	22,404	27,461	52,176	-	129,233
Inter-segment revenue	989	213	9	2,560	(3,771)	-
Total revenue	28,181	22,617	27,470	54,736	(3,771)	129,233
Segment profit	2,847	3,174	11,301	17,069	-	34,391
Finance costs						(3,118)
Corporate expenses						(675)
Profit before tax						30,598
Income tax expense						(5,132)
Profit for the year						25,466
FY2014						
Revenue						
External revenue	30,279	19,836	23,402	44,952	-	118,469
Inter-segment revenue	608	-	28	1,355	(1,991)	-
Total revenue	30,887	19,836	23,430	46,307	(1,991)	118,469
Segment profit	3,061	2,293	8,471	16,063	-	29,888
Finance costs						(988)
Share of loss of joint ventures						(69)
Corporate expenses						(187)
Profit before tax						28,644
Income tax expense						(3,986)
Profit for the year						24,658

Unaudited Financial Statements And Dividend Announcement For The Fourth Quarter And Full Year Ended 31 December 2015

Business segmental information (...cont'd)

BY OPERATING SEGMENTS	Transportation management services	Container depot management services	Automotive logistics management services	Warehousing and property management services	Inter-segment eliminations	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
FY2015						
Assets						
Segment assets	21,625	13,769	21,769	206,819	(698)	263,284
Unallocated assets						5,856
Total assets						269,140
Liabilities						
Segment liabilities	1,999	3,898	7,366	20,772	(698)	33,337
Loans and borrowings						118,163
Income tax payable						5,162
Deferred tax liabilities						1,338
Unallocated liabilities						7,564
Total liabilities						165,564
FY2014						
Assets						
Segment assets	25,420	13,313	19,438	201,512	(3,557)	256,126
Unallocated assets						7,138
Total assets						263,264
Liabilities						
Segment liabilities	3,285	3,147	7,289	21,843	(3,557)	32,007
Loans and borrowings						123,299
Income tax payable						3,971
Deferred tax liabilities						862
Unallocated liabilities						6,560
Total liabilities						166,699
FY2015						
Capital expenditure	4,131	2,953	306	14,146	-	21,536
Unallocated capital expenditure						394
						21,930
Depreciation	2,531	1,840	248	4,542	-	9,161
Unallocated depreciation						309
						9,470
FY2014						
Capital expenditure	2,664	1,504	132	69,422	-	73,722
Unallocated capital expenditure						1,099
						74,821
Depreciation	2,210	1,690	231	3,360	-	7,491
Unallocated depreciation						278
						7,769

15 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Please refer to paragraph 8.

16 A breakdown of sales as follows:—

	Group		
	FY2015 \$'000	FY2014 \$'000	Change %
(a) Sales reported for first half year	63,089	55,821	13%
(b) Operating profit after tax reported for first half year	11,209	7,455	50%
(c) Sales reported for second half year	66,144	62,648	6%
(d) Operating profit after tax reported for second half year	14,257	17,203	-17%

Unaudited Financial Statements And Dividend Announcement For The Fourth Quarter And Full Year Ended 31 December 2015

17 A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:

	Latest Full Year (Recommended) \$'000	Previous Full Year (Declared) \$'000
Dividend from ordinary shares	9,000	17,992
Dividend from preference shares	-	-
Total dividend	<u>9,000</u>	<u>17,992</u>

18 Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Tan Yeow Khoon	62	Brother of the Managing Director, Edwin Tan Yeow Lam; father of the Executive Director and CEO, Tan Min Cheow, Benson.	Executive Chairman of the Company since 2010	N.A.
Tan Min Cheow, Benson	33	Son of Tan Yeow Khoon and nephew of Managing Director, Edwin Tan Yeow Lam	Executive Director (since 2013) and CEO of the Company.	N.A.
Edwin Tan Yeow Lam	56	Brother of the Executive Chairman and Controlling Shareholder, Tan Yeow Khoon; uncle of Executive Director and CEO, Tan Min Cheow, Benson.	Managing Director of the Company since 2010	N.A.
Tan Kok Sian	62	Brother-in-law of Tan Yeow Khoon and Edwin Tan Yeow Lam	Director of Business Development - SH Cogent Logistics Pte Ltd (subsidiary of the Company) since 1993	N.A.

BY ORDER OF THE BOARD

Tan Yeow Khoon
Executive Chairman

Tan Min Cheow, Benson
Executive Director & CEO

26 February 2016