



**SWIFT HAULAGE BERHAD**

**200001030627 (533234-V)**

**INTERIM FINANCIAL REPORT**

**31 DECEMBER 2022**

**27 FEBRUARY 2023**



**SWIFT HAULAGE BERHAD (Registration No. 200001030627 (533234-V))**

Interim report on unaudited consolidated results for the financial period ended 31 December 2022

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER/YEAR ENDED 31 DECEMBER 2022 <sup>(a)</sup>**

	Quarter ended		Year to date	
	31.12.2022 Unaudited RM'000	31.12.2021 Unaudited RM'000	31.12.2022 Unaudited RM'000	31.12.2021 Audited RM'000
Revenue	165,166	157,469	644,838	588,332
Cost of sales and services	(113,602)	(106,882)	(443,762)	(401,012)
Gross profit	51,564	50,587	201,076	187,320
Other income	1,097	5,750	8,148	19,319
Net gain on impairment of financial instruments	57	(1,967)	390	(4,774)
Administrative and operating expenses	(30,041)	(36,131)	(118,198)	(117,039)
Finance costs	(7,578)	(6,862)	(26,832)	(26,778)
	15,099	11,377	64,584	58,048
Share of results of associates	(323)	(28)	(978)	(1,371)
Share of results of a joint venture	132	218	393	404
Profit before tax	14,908	11,567	63,999	57,081
Tax expense	(3,142)	1,214	(12,627)	(8,910)
<b>Profit for the financial period</b>	<b>11,766</b>	<b>12,781</b>	<b>51,372</b>	<b>48,171</b>
<b>Other comprehensive income:</b>				
<b>Item that may be reclassified subsequently to profit or loss</b>				
Foreign currency translations	(3)	281	18	671
<b>Total comprehensive income for the financial period</b>	<b>11,763</b>	<b>13,062</b>	<b>51,390</b>	<b>48,842</b>
<b>Profit attributable to:</b>				
Owners of the Company	11,244	13,479	50,461	47,119
Non-controlling interests	522	(698)	911	1,052
	11,766	12,781	51,372	48,171
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	11,241	13,760	50,479	47,790
Non-controlling interests	522	(698)	911	1,052
	11,763	13,062	51,390	48,842
<b>Earnings per share attributable to owners of the Company (Sen)</b>				
Basic	1.27	2.13	5.69	7.43
Diluted	1.27	2.13	5.69	7.43

**Notes:**

- (a) The basis of preparation of the Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income is disclosed in Note 1 of the notes to this interim financial report and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2021.



**SWIFT HAULAGE BERHAD (Registration No. 200001030627 (533234-V))**

Interim report on unaudited consolidated results for the financial period ended 31 December 2022

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022 <sup>(a)</sup>**

	<b>As at 31.12.2022</b>	<b>As at 31.12.2021</b>
	<b>Unaudited</b>	<b>Audited</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	604,246	471,606
Investment properties	77,761	78,719
Right-of-use assets	371,603	436,764
Other investments	1,125	1,341
Investments in associates	29,945	24,450
Investment in a joint venture	11,347	10,954
Goodwill	69,337	68,813
Intangible assets	826	576
Deferred tax assets	9,394	10,033
	1,175,584	1,103,256
<b>Current assets</b>		
Inventories	10,394	15,808
Trade and other receivables	217,433	248,210
Current tax assets	5,395	8,010
Derivative financial asset	2,915	1,284
Short term fund	50,202	-
Cash and bank balances	51,436	64,731
	337,775	338,043
Non-current assets held for sale	43,716	17,194
<b>TOTAL ASSETS</b>	<b>1,557,075</b>	<b>1,458,493</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the company</b>		
Share capital	384,714	384,714
Treasury shares	(3,242)	-
Retained earnings	275,629	250,039
Exchange translation reserve	124	106
	657,225	634,859
Non-controlling interests	1,325	414
<b>TOTAL EQUITY</b>	<b>658,550</b>	<b>635,273</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Borrowings	446,124	396,771
Lease liabilities	56,340	56,589
Deferred tax liabilities	49,756	55,446
	552,220	508,806



**SWIFT HAULAGE BERHAD (Registration No. 200001030627 (533234-V))**

Interim report on unaudited consolidated results for the financial period ended 31 December 2022

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022  
(CONT'D)<sup>(a)</sup>**

	<u>As at</u> <u>31.12.2022</u> <u>Unaudited</u> <u>RM'000</u>	<u>As at</u> <u>31.12.2021</u> <u>Audited</u> <u>RM'000</u>
<b>LIABILITIES (continued)</b>		
<b>Current liabilities</b>		
Trade and other payables	116,636	102,059
Borrowings	201,393	178,976
Lease liabilities	21,145	32,090
Current tax liabilities	7,131	1,289
	346,305	314,414
<b>TOTAL LIABILITIES</b>	<u>898,525</u>	<u>823,220</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>1,557,075</u>	<u>1,458,493</u>
<b>NET ASSET PER SHARE (Sen)<sup>(b)</sup></b>	<u>74.26</u>	<u>71.39</u>

**Notes:**

- (a) The basis of preparation of the Unaudited Condensed Consolidated Statement of Financial Position is disclosed in Note 1 of the notes to this interim financial report and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2021.
- (b) The net asset per share attributable to owners of the Company is calculated based on net asset divided by the number of shares as of 31 December 2022 of 886,874,214 (31 December 2021: 889,804,502 shares).



**SWIFT HAULAGE BERHAD (Registration No. 200001030627 (533234-V))**

Interim report on unaudited consolidated results for the financial period ended 31 December 2022

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022 <sup>(a)</sup>**

	-----Non-distributable-----				Distributable		Total attributable owners of company RM'000	Non- controlling interests RM'000	Total equity RM'000
	Ordinary Share capital RM'000	Convertible redeemable loan stock RM'000	Preference shares RM'000	Exchange translation reserve RM'000	Treasury shares RM'000	Retained earnings RM'000			
<b>Balance as at 1 January 2022</b>	384,714	-	-	106	-	250,039	634,859	414	635,273
Profit for the financial period	-	-	-	-	-	50,461	50,461	911	51,372
Other comprehensive income, net of tax	-	-	-	18	-	-	18	-	18
<b>Total comprehensive income</b>	-	-	-	18	-	50,461	50,479	911	51,390
<b>Transactions with owners</b>									
Repurchase of treasury shares of the Company	-	-	-	-	(3,242)	-	(3,242)	-	(3,242)
Dividend paid	-	-	-	-	-	(24,871)	(24,871)	-	(24,871)
<b>Total transactions with owners</b>	-	-	-	-	(3,242)	(24,871)	(28,113)	-	(28,113)
<b>Balance as at 31 December 2022</b>	<u>384,714</u>	-	-	<u>124</u>	<u>(3,242)</u>	<u>275,629</u>	<u>657,225</u>	<u>1,325</u>	<u>658,550</u>

**Notes:**

(a) The basis of preparation of the Unaudited Condensed Consolidated Statement of Changes in Equity is disclosed in Note 1 of the notes to this interim financial report and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2021.



**SWIFT HAULAGE BERHAD (Registration No. 200001030627 (533234-V))**

Interim report on unaudited consolidated results for the financial period ended 31 December 2022

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2021 <sup>(a)</sup>**

	(-----Non-distributable-----)				<i>Distributable</i>		Total	Non-	Total
	Ordinary	Convertible	Preference	Exchange	Treasury	Retained	attributable	controlling	Total
	Share	redeemable	shares	translation	shares	earnings	owners of	interests	equity
	capital	loan stock	RM'000	reserve	RM'000	RM'000	company	RM'000	RM'000
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Balance as at 1 January 2021</b>	102,785	106,863	18,395	(565)	-	202,920	430,398	(349)	430,049
Profit for the financial period	-	-	-	-	-	47,119	47,119	1,052	48,171
Other comprehensive income, net of tax	-	-	-	671	-	-	671	-	671
<b>Total comprehensive income</b>	-	-	-	671	-	47,119	47,790	1,052	48,842
<b>Transactions with owners</b>									
Dividend paid to non-controlling interest of a subsidiary	-	-	-	-	-	-	-	(289)	(289)
Issuance of shares	161,857	-	-	-	-	-	161,857	-	161,857
Conversion of shares	125,257	(106,863)	(18,394)	-	-	-	-	-	-
Share issuance expenses	(5,185)	-	-	-	-	-	(5,185)	-	(5,185)
Redemption of shares	-	-	(1)	-	-	-	(1)	-	(1)
<b>Total transactions with owners</b>	281,929	(106,863)	(18,395)	-	-	-	156,671	(289)	156,382
<b>Balance as at 31 December 2021</b>	384,714	-	-	106	-	250,039	634,859	414	635,273

**Notes:**

(a) The basis of preparation of the Unaudited Condensed Consolidated Statement of Changes in Equity is disclosed in Note 1 of the notes to this interim financial report and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2021.



**SWIFT HAULAGE BERHAD (Registration No. 200001030627 (533234-V))**

Interim report on unaudited consolidated results for the financial period ended 31 December 2022

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2022<sup>(a)</sup>**

	Year to date	
	31.12.2022	31.12.2021
	<u>Unaudited</u> RM'000	<u>Audited</u> RM'000
<b>Cash flows from operating activities</b>		
Profit before tax	63,999	57,081
Adjustments for:		
Bad debts written off:		
- trade receivables	-	95
- other receivables	-	5
Depreciation of:		
- property, plant and equipment	38,810	31,134
- right-of-use assets	21,120	24,842
- investment properties	957	1,498
Dividend from other investment	(45)	(21)
Fair value (gain)/loss on :		
- derivative	(1,631)	(2,018)
- short term fund	(243)	1
- other investments	282	330
Gain on disposal of property, plant and equipment	(1,825)	(3,775)
Gain on disposal of other investments	(69)	(377)
Gain on disposal of non-current assets held for sale	(680)	(2,414)
Income distribution from short term fund	(20)	(18)
Interest expense	26,832	26,778
Interest income	(509)	(361)
Inventories written off	8	-
Impairment losses on :		
- amount owing by a related party	-	63
- other receivables	-	105
- trade receivables	3,876	8,306
- investment in an associate	-	190
- inventories	8	-
Net unrealised loss on foreign exchange	809	876
Property, plant and equipment written off	1	95
Reversal of impairment losses on:		
- trade receivables	(4,266)	(3,099)
- other receivables	-	(304)
- amounts owing by associates	-	(487)
Share of results of associates	978	1,371
Share of results of a joint venture	(393)	(404)
<b>Operating profit before changes in working capital</b>	<u>147,999</u>	<u>139,492</u>
<b>Changes in working capital:</b>		
Inventories	5,472	(4,849)
Trade and other receivables	37,549	(79,632)
Trade and other payables	(14,410)	(14,527)
<b>Net cash generated from operations</b>	<u>176,610</u>	<u>40,484</u>
Net of (tax paid)/tax refunded	(12,442)	(16,841)
<b>Net cash flows from operating activities</b>	<u>164,168</u>	<u>23,643</u>



**SWIFT HAULAGE BERHAD (Registration No. 200001030627 (533234-V))**

Interim report on unaudited consolidated results for the financial period ended 31 December 2022

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2022 <sup>(a)</sup> (CONT'D)**

	Year to date	
	31.12.2022	31.12.2021
	<u>Unaudited</u> RM'000	<u>Audited</u> RM'000
<b>Cash flows from investing activities</b>		
Acquisition of subsidiaries, net of cash acquired	(1,281)	(9,962)
Acquisition of other investment	-	(3,141)
Dividend received from other investments	-	21
Investment in a joint venture		(10,550)
Repayments (to)/from related parties		(57)
Purchase of property, plant and equipment	(118,127)	(19,538)
Purchase of right-of-use assets	(26,568)	(6,072)
Purchase of intangible asset	-	(576)
Purchase of other investments	(401)	-
Purchase of investment property	-	(60,415)
(Placement)/withdrawal of deposits with restricted cash	(12,618)	988
(Placement)/withdrawal of deposits with licensed banks	(254)	1,997
(Placement)/withdrawal of short term fund	(49,938)	2,027
Repurchase of treasury shares of the Company	(3,242)	-
Advances to associates	(6,473)	(1,711)
Proceeds from:		
- disposal of property, plant and equipment	2,905	5,063
- disposal of non-current assets held for sale	18,200	12,414
- disposal of other investments	449	2,156
Interest received	509	361
<b>Net cash flows used in investing activities</b>	<u>(196,839)</u>	<u>(86,995)</u>
<b>Cash flows from financing activities</b>		
Dividend paid	(24,871)	-
Dividend paid to non-controlling interest of a subsidiary	-	(289)
Net drawdown of revolving credits	4,214	17,334
Net (repayment)/drawdown of trade financing	(31,818)	75,693
Net drawdown of unrated Islamic medium term notes	50,700	57,000
Net drawdown/(repayment) of term loans	34,043	(109,085)
Net repayment of lease liabilities	(12,601)	(65,147)
Proceeds from issuance of shares	-	161,857
Payments of share issuance expenses	-	(5,185)
Redemption of redeemable preference shares	-	(1)
Interest paid	(26,832)	(25,929)
<b>Net cash flows (used in)/ from financing activities</b>	<u>(7,165)</u>	<u>106,248</u>
<b>Net (decrease)/ increase in cash and cash equivalents</b>	(39,836)	42,896
Effect of exchange rate changes on cash and cash equivalents	18	54
Cash and cash equivalents at the beginning of the financial period	<u>61,302</u>	<u>18,352</u>
Cash and cash equivalents at the end of the financial period	<u>21,484</u>	<u>61,302</u>





**SWIFT HAULAGE BERHAD (Registration No. 200001030627 (533234-V))**

Interim report on unaudited consolidated results for the financial period ended 31 December 2022

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2022 <sup>(a)</sup> (CONT'D)**

	Year to date	
	31.12.2022	31.12.2021
	Unaudited	Audited
	RM'000	RM'000
<b>Cash and cash equivalents at the end of the financial period comprises:</b>		
Cash and bank balances	51,436	64,731
Bank overdrafts	(13,707)	(56)
Deposits with licensed banks with maturity of over 3 months	(2,874)	(2,620)
Restricted cash	(13,371)	(753)
Cash and cash equivalents included in the condensed consolidated statement of cash flows	<u>21,484</u>	<u>61,302</u>

**Notes:**

The basis of preparation of the Unaudited Condensed Consolidated Statement of Cash Flows is disclosed in Note 1 of the notes to this interim financial report and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2021.



**SWIFT HAULAGE BERHAD (Registration No. 200001030627 (533234-V))**

Interim report on unaudited consolidated results for the financial period ended 31 December 2022

**Notes to the Interim Financial Report**

**1. Basis of Preparation**

The interim financial report of Swift Haulage Berhad (“the Company”) and its subsidiaries (collectively, the “Group”) is unaudited and has been prepared in accordance with the requirements of MFRS 134: *Interim Financial Reporting* and paragraph 9.22 as well as Appendix 9B of the Main Market Listing Requirements of Bursa Securities.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2021.

**2. Significant Accounting Policies**

The significant accounting policies and presentations adopted by the Group in this interim financial report are consistent with those adopted in the most recent audited financial statements of the Group for the financial year ended 31 December 2021 except for the newly-issued Malaysian Financial Reporting Standards (“MFRS”) and amendments to the standards to be applied by all Entities Other Than Private Entities for the financial period beginning on or after 1 January 2022:

<b>Amendments to MFRSs</b>	<b>Effective Date</b>
Annual improvements to MFRS Standards 2018 -2020	1 January 2022
Amendments to MFRS 3 <i>Reference to the Conceptual Framework</i>	1 January 2022
Amendments to MFRS 116 <i>Property, Plant and Equipment – Proceeds before Intended Use</i>	1 January 2022
Amendments to MFRS 137 <i>Onerous Contracts – Cost of Fulfilling a Contract</i>	1 January 2022
Amendments to MFRS 101 <i>Classification of Liabilities as Current or Non-current</i>	1 January 2022

The adoption of the above amendments to MFRSs did not have any significant effect on the financial statements of the Group and did not result in significant changes to the Group’s existing accounting policies.

At the date of authorization of these interim financial statements, the following MFRS were issued but not yet effective and have not been applied by the Group:

MFRS 17 <i>Insurance Contracts</i>	1 January 2023
<i>Initial Application of MFRS 17 and MFRS 9 – Comparative Information (Amendment to MFRS 17 Insurance Contracts)</i>	1 January 2023
Amendments to MFRS 17 <i>Insurance Contracts</i>	1 January 2023
<i>Disclosure of Accounting Policies (Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors)</i>	1 January 2023
<i>Definition of Accounting Estimates (Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors)</i>	1 January 2023
Amendments to MFRS 112 <i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and Its Associate or Joint Venture</i>	Deferred

**3. Auditors' Report**

There was no qualification on the audited financial statements of the Group for the financial year ended 31 December 2021.



**SWIFT HAULAGE BERHAD (Registration No. 200001030627 (533234-V))**

Interim report on unaudited consolidated results for the financial period ended 31 December 2022

**Notes to the Interim Financial Report (Cont'd)**

**4. Seasonal or Cyclical Factors**

The business operations of the Group during the current quarter under review have not been materially affected by any seasonal or cyclical factors.

**5. Material Unusual Items**

There were no unusual items or incidence which may or has substantially affect the value of assets, liabilities, equity, net income or cash flows of the Group for the current quarter under review.

**6. Material Changes in Estimates**

There were no material changes in estimates that may have material effect in the current quarter under review.

**7. Debt and Equity Securities**

Save as disclosed below, there were no issuance, cancellations, repurchases, resale and repayment of debt or equity securities during the financial period.

During the financial period, the Company repurchased 6,710,900 of its issued ordinary shares from open market at an average price of RM0.49. The total transaction paid for the repurchase including transaction costs was RM3,242,193. Of the total 889,804,502 issued ordinary shares, 6,710,900 shares are held as treasury shares by the Company.

**8. Dividend Paid**

- a) A first single tier dividend of 1.8 sen per ordinary shares amounting to RM16.02 million in respect of the financial year ended 31 December 2021 was paid on 24 March 2022.
- b) A first interim single tier dividend of 1.0 sen per ordinary share amounting to RM8.85 million, in respect of the six months financial period ending 30 June 2022 was paid on 21 October 2022.



**SWIFT HAULAGE BERHAD (Registration No. 200001030627 (533234-V))**

Interim report on unaudited consolidated results for the financial period ended 31 December 2022

**Notes to the Interim Financial Report (Cont'd)**

**9. Segmental Information**

The Group is mainly involved in provision of integrated logistics services comprising container haulage, land transportation, warehousing and container depot, and freight forwarding.

Analysis of the Group's revenue and results for the 12 months financial year ended 31 December 2022 is as follows:

	<b>Container haulage RM'000</b>	<b>Land transportation RM'000</b>	<b>Warehousing and container depot RM'000</b>	<b>Freight forwarding RM'000</b>	<b>Others RM'000</b>	<b>Elimination RM'000</b>	<b>Group Results RM'000</b>
<b><u>Revenue</u></b>							
External sales	277,271	213,958	84,484	68,050	1,075	-	644,838
Inter-segment sales	74,180	38,502	6,393	-	26,012	(145,087)	-
<b>Total revenue</b>	<b>351,451</b>	<b>252,460</b>	<b>90,877</b>	<b>68,050</b>	<b>27,087</b>	<b>(145,087)</b>	<b>644,838</b>
Interest income	42	25	16	86	339		508
Depreciation of property, plant and equipment	(20,769)	(11,302)	(5,057)	(1,031)	(651)		(38,810)
Depreciation of right-of-use assets	(5,322)	(3,199)	(11,226)	(512)	(861)		(21,120)
Depreciation of investment properties			(923)		(34)		(957)
Finance costs	(3,697)	(3,142)	(5,946)	(922)	(13,125)		(26,832)
Share of loss of associates					(978)		(978)
Share of profit of a joint venture					393		393
<b>Profit /(loss) before tax</b>	<b>25,715</b>	<b>15,742</b>	<b>9,559</b>	<b>36,151</b>	<b>(22,348)</b>	<b>(820)</b>	<b>63,999</b>



**SWIFT HAULAGE BERHAD (Registration No. 200001030627 (533234-V))**

Interim report on unaudited consolidated results for the financial period ended 31 December 2022

**Notes to the Interim Financial Report (Cont'd)**

**9. Segmental Information (Cont'd)**

The Group is mainly involved in provision of integrated logistics services comprising container haulage, land transportation, warehousing and container depot and freight forwarding.

Analysis of the Group's revenue and results for the 12 months financial year ended 31 December 2021 is as follows:

	<b>Container haulage RM'000</b>	<b>Land transportation RM'000</b>	<b>Warehousing and container depot RM'000</b>	<b>Freight forwarding RM'000</b>	<b>Others RM'000</b>	<b>Elimination RM'000</b>	<b>Group Results RM'000</b>
<b><u>Revenue</u></b>							
External sales	271,127	176,586	77,290	62,725	604	-	588,332
Inter-segment sales	49,560	28,358	7,721	-	15,872	(101,511)	-
<b>Total revenue</b>	<b>320,687</b>	<b>204,944</b>	<b>85,011</b>	<b>62,725</b>	<b>16,476</b>	<b>(101,511)</b>	<b>588,332</b>
Interest income	71	21	16	88	165		361
Depreciation of property, plant and equipment	(16,593)	(8,511)	(4,312)	(976)	(742)		(31,134)
Depreciation of right-of-use assets	(8,344)	(5,173)	(9,285)	(551)	(1,489)		(24,842)
Depreciation of investment properties	-	-	(1,473)	-	(25)		(1,498)
Finance costs	(4,498)	(3,646)	(3,365)	(1,931)	(13,338)		(26,778)
Share of loss of associates					(1,371)		(1,371)
Share of profit of joint ventures					404		404
<b>Profit /(loss) before tax</b>	<b>32,001</b>	<b>11,865</b>	<b>10,978</b>	<b>24,157</b>	<b>(21,676)</b>	<b>(244)</b>	<b>57,081</b>



**SWIFT HAULAGE BERHAD (Registration No. 200001030627 (533234-V))**

Interim report on unaudited consolidated results for the financial period ended 31 December 2022

**Notes to the Interim Financial Report (Cont'd)**

**10. Significant Events Subsequent to the End of the Interim Financial Period**

There were no material events subsequent to the end of current quarter that have not been reflected in the interim financial report.

**11. Changes in the Composition of the Group**

There were no changes in the composition of the Group that have not been reflected in the interim financial report.

**12. Contingent liabilities**

	<b>As at 31.12.2022 RM'000</b>
<b>Secured Guarantees</b>	
Bank guarantees utilised <sup>(a)</sup>	<u>14,000</u>

**Note:**

(a) Arrangement between our Group and our customers and suppliers (inclusive of port authorities and Customs).

As part of the contractual obligation with our customers mainly from oil, gas and petrochemical industry and government agencies, we are required to provide performance guarantee to our customers to ensure that we fulfil the contractual obligation.

Bank guarantee is provided to our suppliers to ensure that our Group will fulfil the obligation of paying for services rendered by our suppliers.

**13. Capital Commitments**

Capital commitments for the purchase of property, plant and equipment not provided for at the end of the reporting period are as follows: -

	<b>As at 31.12.2022 RM'000</b>	<b>As at 31.12.2021 RM'000</b>
Approved but not contracted for	-	4,155
Contracted but not provided for	<u>17,143</u>	<u>41,276</u>
	<u>17,143</u>	<u>45,431</u>



**SWIFT HAULAGE BERHAD (Registration No. 200001030627 (533234-V))**

Interim report on unaudited consolidated results for the financial period ended 31 December 2022

**Notes to the Interim Financial Report (Cont'd)**

**14. Significant related party transactions**

	Quarter ended		Year to date	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
	RM'000	RM'000	RM'000	RM'000
With holding company, Persada Bina Sdn. Bhd.				
Management fee paid/payable	-	-	-	175
With related party, Kaypi Technologies Sdn. Bhd.				
Purchase of office equipment	-	-	-	80
Rental of office equipment	-	-	5	1
With related party, Pelikan Asia Sdn. Bhd.				
Purchase of stationery	144	174	339	499
Forwarding income	-	6	5	61
Warehouse income	46	48	182	196
Transport income	1	-	10	-
With related party, SM Security (M) Sdn. Bhd.				
Security services	57	57	229	229
With associate, BLG Swift Logistics Sdn. Bhd.				
Rental income	19	18	73	72
Warehouse income	279	275	1,117	1,199
Transport income	-	-	-	1
With associate, Swift Mega Carriers Sdn. Bhd.				
Rental income	15	15	60	60
Repair and maintenance	18	34	46	110
Truck management fee	1	1	5	1



**SWIFT HAULAGE BERHAD (Registration No. 200001030627 (533234-V))**

Interim report on unaudited consolidated results for the financial period ended 31 December 2022

**Notes to the Interim Financial Report (Cont'd)**

**15. Group Performance Review**

The Group recorded revenue of RM165.2 million, gross profit of RM51.6 million and profit before tax of RM14.9 million for the current financial quarter ended 31 December 2022 (“4Q2022”). The 4Q2022 revenue is primarily contributed by container haulage of RM67.2 million and land transportation of RM56.6 million which represents 74.9% of our Group’s revenue for 4Q2022. Other business segments namely warehousing and container depot, and freight forwarding business contributed RM23.9 million and RM17.5 million respectively for 4Q2022.

The Group’s revenue for the financial year ended 31 December 2022 (“FYE2022”) of RM644.8 million, gross profit of RM201.1 million and profit before tax of RM64.0 million is mainly contributed by container haulage of RM277.3 million and land transportation of RM214.0 million which represents 76.2% of our Group’s total revenue. Our warehousing and container depot, and freight forwarding business contributed RM84.5 million and RM68.0 million respectively to the total Group’s revenue for FYE2022.

In comparison to the preceding year corresponding financial year ended i.e 31 December 2021 (“FYE2021”), the Group’s revenue increased by RM56.5 million from RM588.3 million in FYE2021 to RM644.8 million in FYE2022. The improved revenue was mainly driven by recovery of business activities from the easing of Covid-19 restrictions, our expansion of fleet of prime movers for the land transportation division as well as the increased capacity of our warehouse footprint.

The Group’s profit before tax after adjusting the one-off effects has improved as compared to the results of the previous year as shown below:

	Year to date	
	31.12.2022 RM’000	31.12.2021 RM’000
Profit before tax	63,999	57,081
Add/(Less):		
Gain on disposal of property	(680)	(2,414)
Settlement of claim received	-	(5,137)
IPO listing expenses	-	4,285
	(680)	(3,266)
Adjusted operating profit before tax	63,319	53,815

Excluding the one-off effects, the Group recorded a profit before tax of RM63.3 million in FYE2022 as compared to RM53.8 million in the previous year which shows a growth of 17.6%, which is in line with the higher revenue recorded during the year as compared to the corresponding period-to-date.

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

	Current quarter 31.12.2022 ("4Q2022") RM’000	Immediate preceding quarter 30.9.2022 ("3Q2022") RM’000	Variance	
			RM’000	%
Revenue	165,166	159,254	5,912	3.7
Profit before tax	14,908	15,319	(411)	(2.7)

The Group’s revenue for the current quarter (“4Q2022”) recorded at RM165.2 million in comparison to 3Q2022 revenue is higher by RM5.9 million or 3.7% from the immediate preceding quarter 30 September 2022 (“3Q2022”). The increase in revenue is mainly contributed by land transportation, warehousing and container depot and freight forwarding segment and offset with lower container haulage revenue.

The Group’s recorded profit before tax of RM14.9 million in the 4Q2022 which shown a slight decrease of RM0.4 million or 2.7% from RM15.3 million in 3Q2022. The slight decrease in profit before tax mainly due to higher interest expenses and depreciation incurred coupled with lower revenue from container haulage segment.





**SWIFT HAULAGE BERHAD (Registration No. 200001030627 (533234-V))**

Interim report on unaudited consolidated results for the financial period ended 31 December 2022

## **Notes to the Interim Financial Report (Cont'd)**

### **17. Prospects for the Group for the next financial year**

Logistics play a crucial role in Malaysia's trade and economic growth. It supports the nation's trade-dependent and export-oriented economy. Hence, the growth of the logistics sector in Malaysia is correlated with the growth in Malaysia economic activities as well as international trade. The Group will continue to focus on expanding its customer base domestically and regionally, despite the disruptions caused by the global supply chain.

Notwithstanding with the dropped in international ocean freight and shipping charges, our current focus in the domestic shipping between East and West Malaysia has more favorable freight rates with more consistent cargo volume. As the domestic market activities have restored to normal from the pandemic, all sectors are increasing their production capacities which are benefiting our business.

A total of three new warehouses finally in operation in FY2022. Which have increased our warehouse capacity by approximately 46% and have shown positive take up rate. The positive outlook on warehousing segment, the Group plans to expand further the warehouse capacity in FY2023 by constructing two more warehouses in our existing land in Mak Mandin, Penang (150,000 sq ft) and Pulau Indah, Selangor (250,000 sq ft) increasing our total warehouse footprint by 30.7%. We will continue to maintain our strategy to focus on servicing our customers with innovative logistics solutions and expand our logistics capacity through mergers and acquisitions to enhance shareholders' value.

In this regard, barring any unforeseen surprises, we are cautiously confident of our financial performance for the next financial year. Despite the foreseeable hurdles, we aim to continue seizing all possible opportunities to achieve another year of solid and resilient results, whilst making meaningful progress in our ESG agenda to contribute to Malaysia's sustainable progress.

### **18. Profit Forecast**

The Group has not issued any profit forecast or profit guarantee in any form of public documentation and announcement in relation to the financial quarter under review and the financial period to date.



**SWIFT HAULAGE BERHAD (Registration No. 200001030627 (533234-V))**

Interim report on unaudited consolidated results for the financial period ended 31 December 2022

**Notes to the Interim Financial Report (Cont'd)**

**19. Note to the Profit Before Tax**

Profit before tax is arrived after charging/(crediting):

	Quarter ended		Year to date	
	31.12.2022 RM'000	31.12.2021 RM'000	31.12.2022 RM'000	31.12.2021 RM'000
Depreciation of:				
- property, plant and equipment	10,634	6,367	38,810	31,134
- right-of-use assets	5,016	9,467	21,120	24,842
- investment properties	240	814	957	1,498
Bad debts written off:				
- trade receivables	-	14	-	95
- other receivables	-	-	-	5
Fair value loss on other investment	(63)	262	282	330
Fair value loss on short term fund	-	1	-	1
(Gain)/Loss on disposal of property, plant and equipment	-	(17)	-	19
(Gain)/Loss on foreign exchange:				
- realised	(29)	821	183	949
- unrealised	(1,644)	(406)	809	896
Interest expense	7,578	6,862	26,832	26,778
Property, plant and equipment written off	-	76	1	95
Impairment losses on:				
- trade receivables	2,742	3,617	3,876	8,306
- other receivables	-	42	-	105
- amount owing by a related party	-	63	-	63
- inventories	5	-	8	-
Inventories written off	(5)	-	8	-
Dividend from other investment	(4)	(10)	(45)	(21)
Gain on foreign exchange :				
- realised	-	(49)	-	(59)
- unrealised	-	(1)	-	(20)
Gain on disposal of property, plant and equipment	(430)	(631)	(1,825)	(3,794)
Gain on disposal of non-current assets held for sale	-	22	(680)	(2,414)
Gain on disposal of other investments	-	(99)	(69)	(377)
Fair value gain on short term fund	(181)	-	(243)	-
Fair value gain on derivative	1,450	44	(1,631)	(2,018)
Interest income	(240)	(135)	(509)	(361)
Income distribution from short term fund	(13)	-	(20)	(18)
Reversal of impairment losses on:				
- trade receivables	(2,799)	(1,480)	(4,266)	(3,099)
- other receivables	-	22	-	(304)
- amount owing by associates	-	(487)	-	(487)



**SWIFT HAULAGE BERHAD (Registration No. 200001030627 (533234-V))**

Interim report on unaudited consolidated results for the financial period ended 31 December 2022

**Notes to the Interim Financial Report (Cont'd)**

**20. Taxation**

	Quarter ended		Year to date	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
	RM'000	RM'000	RM'000	RM'000
Income tax current period	2,147	6,248	9,216	12,802
Deferred taxation	995	(5,409)	2,453	(1,839)
Real property gains tax	-	739	958	739
	<u>3,142</u>	<u>1,578</u>	<u>12,627</u>	<u>11,702</u>
(Over)/Under-provision in prior year:				
Income tax	-	151	-	151
Deferred tax	-	(2,943)	-	(2,943)
Total income tax expense	<u>3,142</u>	<u>(1,214)</u>	<u>12,627</u>	<u>8,910</u>

Income tax is calculated at the Malaysian statutory tax rate of 24% of the estimated assessable profit for the financial period. The effective tax rate of the Group for the current and previous corresponding periods were lower than the statutory tax rate of the respective periods mainly due to the qualifying capital expenditure claimed under the Investment Tax Allowance claimed during the financial period and reversal of deferred tax liability due to disposal of property.

**21. Status of Corporate Proposals**

There were no corporate proposals announced but not completed in the interval from the date of last report and the date of this announcement.

**22. Utilisation of proceeds from the Public Issue**

As at the date of this interim report, the utilisation of proceeds from IPO is as follows:

	Proposed utilisation	Actual utilisation	Balance unutilised	Estimated time frame for utilisation upon Listing
	RM'000	RM'000	RM'000	
Capital expenditure:				
- Construction of a new warehouse	28,565	28,565	-	Within 18 months
- Purchase of land	41,560	41,560	-	Within 18 months
- Purchase of prime movers	12,000	12,000	-	Within 18 months
Repayment of bank borrowings	69,732	69,732	-	Within 6 months
Estimated listing expenses	<u>10,000</u>	<u>10,000</u>	-	Within 3 months
	<u>161,857</u>	<u>161,857</u>	-	

The use of proceeds as disclosed above should be read in conjunction with the Company's Prospectus dated 30 November 2021.



**SWIFT HAULAGE BERHAD (Registration No. 200001030627 (533234-V))**

Interim report on unaudited consolidated results for the financial period ended 31 December 2022

**Notes to the Interim Financial Report (Cont'd)**

**23. Group's Borrowings**

The tenure of Group's borrowings, classified as short and long term as well as secured and unsecured, are as follows:

	<b>As at 31.12.2022 RM'000</b>	<b>As at 31.12.2021 RM'000</b>
<b>Current</b>		
Term loan (secured)	55,795	26,820
Unrated Islamic medium term notes (secured)	47,520	40,125
Trade financing (secured)	62,823	94,641
Bank overdrafts (secured)	13,707	56
Revolving credits (secured)	21,548	17,334
	<u>201,393</u>	<u>178,976</u>
<b>Non-current</b>		
Term loan (secured)	85,944	79,896
Unrated Islamic medium term notes (secured)	360,180	316,875
	<u>446,124</u>	<u>396,771</u>
<b>Total borrowings</b>		
Term loan (secured)	141,739	106,716
Unrated Islamic medium term notes (secured)	407,700	357,000
Trade financing (secured)	62,823	94,641
Bank overdrafts (secured)	13,707	56
Revolving credits (secured)	21,548	17,334
	<u>647,517</u>	<u>575,747</u>

The Group's borrowings in Ringgit Malaysia ("RM") equivalent analysed by currency are as follows:

	<b>As at 31.12.2022 RM'000</b>	<b>As at 31.12.2021 RM'000</b>
Ringgit Malaysia	613,795	536,054
United States Dollar	26,815	33,335
Thai Baht	6,907	6,358
	<u>647,517</u>	<u>575,747</u>



**SWIFT HAULAGE BERHAD (Registration No. 200001030627 (533234-V))**

Interim report on unaudited consolidated results for the financial period ended 31 December 2022

**Notes to the Interim Financial Report (Cont'd)**

**24. Derivatives**

Outstanding derivatives as at the date of the consolidated statement of financial position are as follows:

	Notional/Contract Value		Fair value	
	As at 31 December 2022 RM'000	As at 31 December 2021 RM'000	As at 31 December 2022 RM'000	As at 31 December 2021 RM'000
Cross-currency interest rate swap contract				
- 1 year to 3 years	23,875	31,375	2,915	1,284

During the financial year ended 31 December 2018, the Group entered into cross-currency interest rate swap contract to manage exposure to foreign currency and interest rate risks of a term loan of USD15,000,000. There were no changes in the overall risks and policies relating to the outstanding derivatives as disclosed in the Accountants' Report as disclosed in the Prospectus.

**25. Fair value information**

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1 fair value measurement are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 fair value measurement are those derived from inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at the reporting date, the Group held the following financial assets and liabilities that are measured at fair value:

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
<b>As at 31 December 2022</b>				
<b>Financial assets</b>				
<b>Fair value through profit or loss</b>				
- Derivative financial assets	-	2,915	-	2,915
- Club memberships	-	43	-	43
- Equity securities	1,082	-	-	1,082



**SWIFT HAULAGE BERHAD (Registration No. 200001030627 (533234-V))**

Interim report on unaudited consolidated results for the financial period ended 31 December 2022

**Notes to the Interim Financial Report (Cont'd)**

**25. Fair value information (Cont'd)**

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
<b>As at 31 December 2021</b>				
<b>Financial assets</b>				
<b>Fair value through profit or loss</b>				
- Derivative financial asset	-	1,284	-	1,284
- Club memberships	-	43	-	43
- Equity securities	1,261	-	37	1,298

No transfers between any levels of the fair value hierarchy took place during the current period and the comparative period. There were also no changes in the purpose of any financial instruments that subsequently caused a change in classification of those instruments.

**26. Material litigations**

There are no material litigation or arbitration which have a material effect on the financial position of the Group. The Board of Directors is not aware of any pending proceedings or of any fact likely to give rise to any proceedings as at the date of this interim financial report.

**27. Dividend**

The Board of Directors has declared a second interim single tier dividend of 1.0 sen per ordinary share, in respect of the financial year ending 31 December 2022. The dividend will be paid on 6 April 2023 to the Depositors who are registered in the Record of Depositors of the Company on 23 March 2023.

**28. Earnings Per Share <sup>(a)</sup>**

	Quarter ended		Year to date	
	31.12.2022 RM'000	31.12.2021 RM'000	31.12.2022 RM'000	31.12.2021 RM'000
Profit attributable to owners of the Company (RM'000)	11,244	13,479	50,461	47,119
Weighted average number of ordinary shares in issue ('000)	886,875	633,801	886,875	633,801
Basic earnings per ordinary share (Sen)	<u>1.27</u>	<u>2.13</u>	<u>5.69</u>	<u>7.43</u>

The Company does not have any dilutive potential ordinary shares outstanding as at 31 December 2022. Accordingly, no diluted earnings per share is presented.

**Notes:**

- (a) The basic earnings per share ("EPS") is computed based on the profit attributable to owners of the Company for the period divided by the weighted average number of ordinary shares in issue during the financial period under review.



**SWIFT HAULAGE BERHAD (Registration No. 200001030627 (533234-V))**

Interim report on unaudited consolidated results for the financial period ended 31 December 2022

By Order of the Board of Directors  
Company Secretary  
27 February 2023