



**SWIFT HAULAGE BERHAD**  
**200001030627 (533234-V)**

**INTERIM FINANCIAL REPORT**

**30 SEPTEMBER 2023**

**8 NOVEMBER 2023**



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

Interim report on unaudited consolidated results for the financial period ended 30 September 2023

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER/PERIOD ENDED 30 SEPTEMBER 2023 <sup>(a)</sup>**

	Quarter ended		Period to date	
	30.9.2023 Unaudited RM'000	30.9.2022 Unaudited RM'000	30.9.2023 Unaudited RM'000	30.9.2022 Unaudited RM'000
Revenue	168,041	159,254	497,895	479,672
Cost of sales and services	<u>(119,618)</u>	<u>(110,599)</u>	<u>(350,800)</u>	<u>(330,160)</u>
Gross profit	48,423	48,655	147,095	149,512
Other income	26,177	2,444	32,175	8,501
Net gain on impairment of financial instruments	527	(34)	684	333
Administrative and operating expenses	<u>(35,493)</u>	<u>(28,762)</u>	<u>(99,556)</u>	<u>(89,607)</u>
Profit from operations	39,634	22,303	80,398	68,739
Finance costs	(9,101)	(6,686)	(24,968)	(19,254)
Share of results of associates	(161)	(282)	(506)	(655)
Share of results of a joint venture	<u>88</u>	<u>(16)</u>	<u>347</u>	<u>261</u>
Profit before tax	30,460	15,319	55,271	49,091
Tax expense	<u>(1,671)</u>	<u>(3,307)</u>	<u>(6,176)</u>	<u>(9,485)</u>
<b>Profit for the financial period</b>	<b>28,789</b>	<b>12,012</b>	<b>49,095</b>	<b>39,606</b>
<b>Other comprehensive income:</b>				
<b>Item that may be reclassified subsequently to profit or loss</b>				
Foreign currency translations	<u>26</u>	<u>37</u>	<u>174</u>	<u>21</u>
<b>Total comprehensive income for the financial period</b>	<b><u>28,815</u></b>	<b><u>12,049</u></b>	<b><u>49,269</u></b>	<b><u>39,627</u></b>
<b>Profit attributable to:</b>				
Owners of the Company	28,392	11,716	48,246	39,217
Non-controlling interests	<u>397</u>	<u>296</u>	<u>849</u>	<u>389</u>
	<b><u>28,789</u></b>	<b><u>12,012</u></b>	<b><u>49,095</u></b>	<b><u>39,606</u></b>
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	28,418	11,753	48,420	39,238
Non-controlling interests	<u>397</u>	<u>296</u>	<u>849</u>	<u>389</u>
	<b><u>28,815</u></b>	<b><u>12,049</u></b>	<b><u>49,269</u></b>	<b><u>39,627</u></b>
<b>Earnings per share attributable to owners of the Company (Cents)</b>				
Basic	3.22	1.32	5.48	4.42
Diluted	<u>3.22</u>	<u>1.32</u>	<u>5.48</u>	<u>4.42</u>

**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 2022.



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

Interim report on unaudited consolidated results for the financial period ended 30 September 2023

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2023 <sup>(a)</sup>**

	As at <b>30.9.2023</b>	As at <b>31.12.2022</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	600,041	615,360
Investment properties	77,044	77,761
Right-of-use assets	359,609	361,990
Other investments	2,487	1,125
Investments in associates	107,911	30,000
Investment in a joint venture	11,679	11,332
Goodwill	71,222	69,291
Intangible assets	899	827
Deferred tax assets	8,049	7,772
	1,238,941	1,175,458
<b>Current assets</b>		
Inventories	12,959	10,299
Trade and other receivables	248,530	214,040
Current tax assets	7,910	8,083
Derivative financial asset	-	2,915
Short term fund	61,656	50,202
Cash and bank balances	35,508	51,188
	366,563	336,727
Non-current assets held for sale	-	43,716
<b>TOTAL ASSETS</b>	<b>1,605,504</b>	<b>1,555,901</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the company</b>		
Share capital	384,719	384,714
Treasury shares	(4,332)	(3,242)
Share option reserve	1,256	-
Retained earnings	313,093	273,660
Exchange translation reserve	262	88
	694,998	655,220
Non-controlling interests	1,989	1,140
<b>TOTAL EQUITY</b>	<b>696,987</b>	<b>656,360</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Borrowings	447,107	445,350
Lease liabilities	49,941	56,345
Deferred tax liabilities	47,437	54,406
	544,485	556,101



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

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**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2023  
(CONT'D)<sup>(a)</sup>**

	<u>As at 30.9.2023</u> <u>Unaudited</u> <u>RM'000</u>	<u>As at 31.12.2022</u> <u>Audited</u> <u>RM'000</u>
<b>LIABILITIES (continued)</b>		
<b>Current liabilities</b>		
Trade and other payables	92,446	116,367
Borrowings	257,421	202,192
Lease liabilities	8,973	21,140
Current tax liabilities	5,192	3,741
	364,032	343,440
<b>TOTAL LIABILITIES</b>	<u>908,517</u>	<u>899,541</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>1,605,504</u>	<u>1,555,901</u>
<b>NET ASSET PER SHARE (Cents)<sup>(b)</sup></b>	<u>79.10</u>	<u>74.01</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 2022.
- (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 30 September 2023 of 881,157,258 (31 December 2022: 886,874,214 shares).



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

Interim report on unaudited consolidated results for the financial period ended 30 September 2023

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2023 <sup>(a)</sup>**

	<i>(-----Non-distributable-----)</i>			<i>Distributable</i>		<b>Total</b>	<b>Non-</b>	<b>Total</b>
	<b>Ordinary</b>	<b>Share</b>	<b>Exchange</b>	<b>Treasury</b>	<b>Retained</b>	<b>attributable</b>	<b>controlling</b>	<b>Total</b>
	<b>Share</b>	<b>option</b>	<b>translation</b>	<b>shares</b>	<b>earnings</b>	<b>owners of</b>	<b>interests</b>	<b>equity</b>
	<b>capital</b>	<b>reserve</b>	<b>reserve</b>	<b>reserves</b>	<b>reserves</b>	<b>company</b>	<b>reserves</b>	<b>reserves</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Balance as at 1 January 2023</b>	384,714	-	88	(3,242)	273,660	655,220	1,140	656,360
Profit for the financial period	-	-	-	-	48,246	48,246	849	49,095
Other comprehensive income, net of tax	-	-	174	-	-	174	-	174
<b>Total comprehensive income</b>	-	-	174	-	48,246	48,420	849	49,269
<b>Transactions with owners</b>								
Repurchase of treasury shares of the Company	-	-	-	(1,090)	-	(1,090)	-	(1,090)
Dividend paid	-	-	-	-	(8,813)	(8,813)	-	(8,813)
Share issuance arising from ESOS	5	-	-	-	-	5	-	5
Employee share options granted	-	1,256	-	-	-	1,256	-	1,256
<b>Total transactions with owners</b>	<b>5</b>	<b>1,256</b>	<b>-</b>	<b>(1,090)</b>	<b>(8,813)</b>	<b>(8,642)</b>	<b>-</b>	<b>(8,642)</b>
<b>Balance as at 30 September 2023</b>	<b>384,719</b>	<b>1,256</b>	<b>262</b>	<b>(4,332)</b>	<b>313,093</b>	<b>694,998</b>	<b>1,989</b>	<b>696,987</b>

**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 2022.



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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2022 <sup>(a)</sup>**

	<i>(-----Non-distributable-----)</i>			<i>Distributable</i>			
	Ordinary Share capital RM'000	Exchange translation reserve RM'000	Treasury shares RM'000	Retained earnings RM'000	Total attributable owners of company RM'000	Non- controlling interests RM'000	Total equity 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	-	-	-	39,217	39,217	389	39,606
Other comprehensive income, net of tax	-	21	-	-	21	-	21
<b>Total comprehensive income</b>	-	21	-	39,217	39,238	389	39,627
<b>Transactions with owners</b>							
Repurchase of treasury shares of the Company	-	-	(2,069)	-	(2,069)	-	(2,069)
Dividend paid	-	-	-	(16,016)	(16,016)	-	(16,016)
Total transactions with owners	-	-	(2,069)	(16,016)	(18,085)	-	(18,085)
<b>Balance as at 30 September 2022</b>	<b>384,714</b>	<b>127</b>	<b>(2,069)</b>	<b>273,240</b>	<b>656,012</b>	<b>803</b>	<b>656,815</b>

**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 2022.



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

Interim report on unaudited consolidated results for the financial period ended 30 September 2023

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 SEPTEMBER 2023<sup>(a)</sup>**

	Period to date	
	30.9.2023	30.9.2022
	Unaudited	Unaudited
	RM'000	RM'000
<b>Cash flows from operating activities</b>		
Profit before tax	55,271	49,091
Adjustments for:		
Depreciation of:		
- property, plant and equipment	35,756	28,176
- right-of-use assets	15,048	16,104
- investment properties	718	717
Amortisation of intangible assets	387	-
Dividend from other investment	(37)	(41)
Fair value (gain)/loss on:		
- derivative	-	(3,081)
- short term fund	(1,226)	(62)
- other investments	14	345
Gain on disposal of property, plant and equipment	(1,153)	(1,395)
Gain on disposal of other investments	-	(69)
Gain on disposal of non-current assets held for sale	(1,740)	(680)
Income distribution from short term fund	(227)	(7)
Interest expense	24,968	19,254
Interest income	(420)	(269)
Inventories written off	8	13
Impairment loss on:		
- trade receivables	100	1,134
- goodwill	386	-
- inventories	-	3
Reversal of impairment loss on trade receivables	(784)	(1,467)
Gain from bargain purchase	(25,474)	-
Employee share options granted	1,256	-
Net unrealised (gain)/loss on foreign exchange	(43)	2,453
Property, plant and equipment written off	-	1
Share of results of associates	506	655
Share of results of a joint venture	(347)	(261)
<b>Operating profit before changes in working capital</b>	<u>102,967</u>	<u>110,614</u>
<b>Changes in working capital:</b>		
Inventories	(2,668)	1,856
Trade and other receivables	9,449	34,421
Trade and other payables	(32,845)	11,219
<b>Net cash generated from operations</b>	<u>76,903</u>	<u>158,110</u>
Net of tax paid	(10,345)	(8,890)
<b>Net cash flows from operating activities</b>	<u>66,558</u>	<u>149,220</u>



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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 SEPTEMBER 2023 <sup>(a)</sup> (CONT'D)**

	Period to date	
	30.9.2023	30.9.2022
	Unaudited	Unaudited
	RM'000	RM'000
<b>Cash flows from investing activities</b>		
Acquisition of subsidiaries	(2,919)	-
Acquisition of other investment	(1,339)	-
Purchase of property, plant and equipment and right-of-use assets	(26,900)	(107,020)
Deposit on purchase of property, plant and equipment	(26,294)	-
Purchase of other investments	-	(387)
Purchase of intangible assets	(460)	-
(Placement)/Withdrawal of deposits with licensed bank and restricted cash	(830)	628
(Placement)/Withdrawal of short-term fund	(10,001)	69
Repurchase of treasury shares of the Company	(1,090)	(2,069)
Investment and advances to associates	(64,418)	(4,866)
Proceeds from:		
- disposal of property, plant and equipment	2,117	2,445
- disposal of non-current assets held for sale	45,456	18,200
- disposal of other investments	-	449
Interest received	420	269
<b>Net cash flows used in investing activities</b>	<u>(86,258)</u>	<u>(92,282)</u>
<b>Cash flows from financing activities</b>		
Dividend paid	(8,813)	(16,016)
Net drawdown of trade financing	78,197	(38,908)
Net repayment of term loans	(13,378)	(14,036)
Net repayment of lease liabilities	(23,108)	(9,021)
Proceeds from share issuance	5	-
Interest paid	(24,968)	(19,254)
<b>Net cash flows (used in)/ from financing activities</b>	<u>7,935</u>	<u>(97,235)</u>
<b>Net (decrease)/ increase in cash and cash equivalents</b>	(11,765)	(40,297)
Effect of exchange rate changes on cash and cash equivalents	174	21
Cash and cash equivalents at the beginning of the financial period	<u>34,627</u>	<u>61,302</u>
Cash and cash equivalents at the end of the financial period	<u>23,036</u>	<u>21,026</u>
<b>Cash and cash equivalents at the end of the financial period comprises:</b>		
Cash and bank balances	26,720	23,771
Deposits with licensed banks with maturity of over 3 months	(3,634)	(2,695)
Restricted cash	(50)	(50)
Cash and cash equivalents included in the condensed consolidated statement of cash flows	<u>23,036</u>	<u>21,026</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 2022.





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

Interim report on unaudited consolidated results for the financial period ended 30 September 2023

**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 2022.

**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 2022 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 2023:

<b>Amendments to MFRSs</b>	<b>Effective Date</b>
<i>Amendments to MFRS 17 Insurance Contracts</i>	
<i>Initial Application of MFRS 17 and MFRS 9 – Comparative Information</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
<i>Amendments to MFRS 112 Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023

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:

<i>Amendments to MFRS 16 Lease Liability in a Sale and Leaseback</i>	1 January 2024
<i>Amendments to MFRS 101 Non-current Liabilities with Covenants</i>	1 January 2024
<i>Amendments to MFRS 10 and MFRS 128 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 2022.



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Interim report on unaudited consolidated results for the financial period ended 30 September 2023

**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**

During the financial period, the Company repurchased 2,340,000 of its issued ordinary shares from open market at an average price of RM0.47. The total transaction paid for the repurchase was RM1,100,692. Of the total 889,812,502 issued ordinary shares, 9,050,900 shares are held as treasury shares by the Company.

There were no issuance, cancellations, resale and repayment of debt or equity securities during the financial period.

**8. Dividend Paid**

- a) A single-tier dividend of 1.0 cent per ordinary shares amounting to RM8.81 million in respect of the financial year ended 31 December 2022 was paid on 6 April 2023.
- b) A single-tier dividend of 0.8 cent per ordinary shares amounting to RM7.05 million in respect of the 6 months financial period ended 30 June 2023 was paid on 10 October 2023.



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Interim report on unaudited consolidated results for the financial period ended 30 September 2023

**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 9 months financial period ended 30 September 2023 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>Revenue</b>							
External sales	200,422	179,432	73,941	43,944	156	-	497,895
Inter-segment sales	49,730	34,533	7,832	-	5,952	(98,047)	-
Total revenue	<u>250,152</u>	<u>213,965</u>	<u>81,773</u>	<u>43,944</u>	<u>6,108</u>	<u>(98,047)</u>	<u>497,895</u>
Interest income	38	23	11	74	274	-	420
Depreciation of property, plant and equipment	(17,435)	(12,403)	(4,653)	(736)	(529)	-	(35,756)
Depreciation of right-of-use assets	(2,237)	(4,114)	(7,672)	(439)	(586)	-	(15,048)
Depreciation of investment properties	-	-	(693)	-	(25)	-	(718)
Amortisation of intangible assets	(18)	(298)	(71)	-	-	-	(387)
Finance costs	(2,932)	(4,172)	(6,081)	(1,125)	(10,658)	-	(24,968)
Share of loss of associates	-	-	-	-	(506)	-	(506)
Share of profit of a joint venture	-	-	-	-	347	-	347
<b>Profit /(loss) before tax</b>	<b>16,719</b>	<b>9,826</b>	<b>10,112</b>	<b>18,146</b>	<b>666</b>	<b>(198)</b>	<b>55,271</b>



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Interim report on unaudited consolidated results for the financial period ended 30 September 2023

**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 9 months financial period ended 30 September 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>Revenue</b>							
External sales	210,086	157,358	60,606	50,557	1,065	-	479,672
Inter-segment sales	56,456	30,747	4,719	-	16,081	(108,003)	-
Total revenue	<u>266,542</u>	<u>188,105</u>	<u>65,325</u>	<u>50,557</u>	<u>17,146</u>	<u>(108,003)</u>	<u>479,672</u>
Interest income	34	18	12	67	138	-	269
Depreciation of property, plant and equipment	(15,145)	(8,102)	(3,661)	(781)	(487)	-	(28,176)
Depreciation of right-of-use assets	(4,171)	(2,503)	(8,391)	(371)	(668)	-	(16,104)
Depreciation of investment properties	-	-	(692)	-	(25)	-	(717)
Finance costs	(2,785)	(2,307)	(3,887)	(751)	(9,524)	-	(19,254)
Share of loss of associates	-	-	-	-	(655)	-	(655)
Share of profit of a joint venture	-	-	-	-	261	-	261
<b>Profit /(loss) before tax</b>	20,189	12,412	7,019	26,205	(16,325)	(409)	49,091



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Interim report on unaudited consolidated results for the financial period ended 30 September 2023

**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 30.9.2023 RM'000</b>
<b>Secured Guarantees</b>	
Bank guarantees utilised <sup>(a)</sup>	<u>14,815</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 30.9.2023 RM'000</b>	<b>As at 31.12.2022 RM'000</b>
Contracted but not provided for	<u>145,483</u>	<u>17,143</u>



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

**14. Significant related party transactions**

	Quarter ended		Period to date	
	30.9.2023	30.9.2022	30.9.2023	30.9.2022
	RM'000	RM'000	RM'000	RM'000
With related party,				
Kaypi Technologies Sdn. Bhd.				
Rental of office equipment	-	1	-	5
With related party,				
Pelikan Asia Sdn. Bhd.				
Purchase of stationery	28	39	128	195
Forwarding income	-	-	3	5
Warehouse income	36	44	109	136
Transport income	1	3	4	9
With related party,				
SM Security (M) Sdn. Bhd.				
Security services	75	57	226	172
With associate,				
Swift Autologistics Sdn. Bhd.				
Rental income	-	18	12	54
Warehouse income	-	280	186	838
With associate,				
Swift Mega Carriers Sdn. Bhd.				
Rental income	-	15	10	45
Repair and maintenance	-	5	16	28
Truck management fee	-	1	1	4



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

**15. Group Performance Review**

	Current quarter 30.9.2023 ("3Q2023") RM'000	Preceding year corresponding quarter 30.9.2022 ("3Q2022") RM'000	Variance	
			RM'000	%
Revenue	168,041	159,254	8,787	5.5
Gross profit	48,423	48,655	(232)	(0.5)
Profit before interest and tax	39,561	22,005	17,556	79.8
Profit before tax	30,460	15,319	15,141	98.8

The Group recorded revenue of RM168.0 million, gross profit of RM48.4 million, profit before interest and tax of RM39.6 million and profit before tax of RM30.5 million for the current financial quarter ended 30 September 2023 ("3Q2023"). The 3Q2023 revenue is primarily contributed by container haulage of RM67.1 million and land transportation of RM60.0 million which represents 75.6% of our Group's revenue for 3Q2023. Other business segments namely warehousing and container depot and freight forwarding business contributed RM26.7 million and RM14.2 million respectively for 3Q2023.

In comparison to the preceding year corresponding quarter i.e., 30 September 2022 ("3Q2022"), the Group's revenue has increased by RM8.8 million from RM159.3 million in 3Q2022 to RM168.0 million in 3Q2023, mainly contributed by additional revenue generated from increase in fleet capacity for Land Transportation and higher revenue from our warehousing business segment as three new warehouses were completed in FY2022. The Group's gross profit has dropped by RM0.2 million from RM48.7 million in 3Q2022 to RM48.4 million in 3Q2023. The decrease is mainly due to drop in forwarding segment gross profit by RM2.7mil in Q3 2023.

The Group recorded a profit before tax of RM30.5 million in 3Q2023 as compared to RM15.3 million in 3Q2022, which is RM15.1 million higher mainly due to higher other income earned from gain from bargain purchase through acquisition of 17.5% stake in Global Vision Logistics Sdn. Bhd ("GVL"), being offset by higher finance costs, ESOS employee benefit & overhead expenses from business expansion.

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

	Current quarter 30.9.2023 ("3Q2023") RM'000	Immediate preceding quarter 30.6.2023 ("2Q2023") RM'000 (Restated)	Variance	
			RM'000	%
Revenue	168,041	165,102	2,939	1.8
Gross profit	48,423	48,791*	(368)	(0.8)
Profit before interest and tax	39,561	20,145	19,416	96.4
Profit before tax	30,460	12,018	18,442	153.5

The Group's revenue for the current quarter ("3Q2023") recorded at RM168.0 million is RM2.9 million higher than immediate preceding quarter 30 June 2023 ("2Q2023") revenue. This is mainly contributed from the increase in container haulage revenue by RM2.1 million and warehousing and container depot revenue by RM1.6 million, being offset by decrease in forwarding revenue by RM1.1million.

The Group's recorded profit before tax of RM30.5 million in the 3Q2023 has increased significantly by RM18.4 million or 153.5% from RM12.0 million in 2Q2023. This is mainly due to higher other income earned from gain from bargain purchase through acquisition of 17.5% stake in GVL in 3Q2023, being offset by higher finance costs, ESOS employee benefit & overhead expenses from business expansion.

*\*Restated 2Q2023 gross profit due to reclassification of certain overhead expenses to cost of sales.*



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

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

The growth of the logistics sector in Malaysia is correlated with the growth in Malaysia economic activities as well as international trade. Malaysia's trade performance for the first 9 months of 2023 experienced a decline, with exports registering a decrease of 8.4% and imports experiencing a drop of 8.9% as compared to first 9 months of 2022, according to data sourced from the Department of Statistics Malaysia.

The Group observes an increase in the demand for warehousing services and maintains a positive view of this sector's potential despite the slow down in trade activities. We are resolute in our intentions to expand warehouse capacity in both the Northern and Central regions, following the established plan. Our increase stake in GVL to 42.5%, an associate company which will establish ASEAN largest logistics hubs in Shah Alam with phase 1 operational in 4Q2025, further underpins our warehouse growth strategy.

In tandem with the National Energy Transition Roadmap ('NETR') launched by the Minister of Economy, the Group has taken initiatives to reduce carbon emissions by investing in environmentally friendly projects, such as the implementation of solar panels and LED lighting in specific warehouses and constructing green certified warehouses. To further demonstrate our commitment towards the NETR, we introduce first electric prime movers in Malaysia into our fleet in quarter 4 2023, intricately integrated into our strategic roadmap that extends until 2030.

Barring any unforeseen circumstances, 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 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.





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**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		Period to date	
	30.9.2023 RM'000	30.9.2022 RM'000	30.9.2023 RM'000	30.9.2022 RM'000
Depreciation of:				
- property, plant and equipment	11,799	9,928	35,756	28,176
- right-of-use assets	5,179	5,028	15,048	16,104
- investment properties	239	238	718	717
Amortisation of intangible assets	323	-	387	-
Fair value loss on other investments	(41)	92	14	345
Loss on disposal of property, plant and equipment	67	-	92	-
Loss on foreign exchange:				
- realised	112	(18)	245	212
- unrealised	-	1,138	1	2,453
Interest expense	9,101	6,686	24,968	19,254
Property, plant and equipment written off	-	-	-	1
Impairment loss on:				
- trade receivables	-	1,134	100	1,134
- goodwill	386	-	386	-
- inventories	-	3	-	3
Inventories written off	-	13	8	13
Employee share options granted	1,256	-	1,256	-
Dividend from other investment	(16)	(10)	(37)	(41)
Gain on bargain purchase	(25,474)	-	(25,474)	-
Gain on unrealised foreign exchange	(1)	-	(44)	-
Gain on disposal of property, plant and equipment	(285)	(721)	(1,245)	(1,395)
Gain on disposal of non-current assets held for sale	-	-	(1,740)	(680)
Gain on disposal of other investments	-	-	-	(69)
Fair value gain on derivative	-	(1,231)	-	(3,081)
Fair value gain on short term fund	(373)	-	(1,226)	(62)
Interest income	(17)	(84)	(420)	(269)
Income distribution from short term fund	(126)	-	(227)	(7)
Reversal of impairment loss on trade receivables	(527)	(1,100)	(784)	(1,467)



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

**20. Taxation**

	Quarter ended		Period to date	
	30.9.2023 RM'000	30.9.2022 RM'000	30.9.2023 RM'000	30.9.2022 RM'000
Income tax current period	4,386	2,206	7,959	7,069
Deferred taxation	(2,715)	1,101	(3,004)	500
Real property gains tax	-	-	1,221	1,916
Total income tax expense	<u>1,671</u>	<u>3,307</u>	<u>6,176</u>	<u>9,485</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 quarter and period to date were lower than the statutory tax rate of the respective periods mainly due to the non-taxable other income, qualifying capital expenditure and reversal of deferred tax liability.

**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. Group's Borrowings**

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

	As at 30.9.2023 RM'000	As at 31.12.2022 RM'000
<b>Current</b>		
Term loan (secured)	30,570	55,694
Unrated Islamic medium term notes (secured)	58,410	48,420
Trade financing (secured)	114,487	62,823
Bank overdrafts (secured)	8,788	13,707
Revolving credits (secured)	45,166	21,548
	<u>257,421</u>	<u>202,192</u>
<b>Non-current</b>		
Term loan (secured)	94,165	86,070
Unrated Islamic medium term notes (secured)	352,942	359,280
	<u>447,107</u>	<u>445,350</u>



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

**22. Group's Borrowings (Cont'd)**

	<b>As at 30.9.2023 RM'000</b>	<b>As at 31.12.2022 RM'000</b>
<b>Total borrowings</b>		
Term loan (secured)	124,735	141,764
Unrated Islamic medium term notes (secured)	411,352	407,700
Trade financing (secured)	114,487	62,823
Bank overdrafts (secured)	8,788	13,707
Revolving credits (secured)	45,166	21,548
	<u>704,528</u>	<u>647,542</u>

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

	<b>As at 30.9.2023 RM'000</b>	<b>As at 31.12.2022 RM'000</b>
Ringgit Malaysia	678,574	582,398
United States Dollar	-	33,335
Singapore Dollar	23,105	26,192
Thai Baht	2,849	5,617
	<u>704,528</u>	<u>647,542</u>

**23. Derivatives**

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

	<b>Notional/Contract Value</b>		<b>Fair value</b>	
	<b>As at 30 September 2023 RM'000</b>	<b>As at 31 December 2022 RM'000</b>	<b>As at 30 September 2023 RM'000</b>	<b>As at 31 December 2022 RM'000</b>
Cross-currency interest rate swap contract				
- 1 year to 3 years	-	23,875	-	2,940

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.

The derivatives have been fully settled on April 2023.



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

**24. 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 30 September 2023</b>				
<b>Financial assets</b>				
<b>Fair value through profit or loss</b>				
- Short term fund	-	61,656	-	61,656
- Club memberships	-	43	-	43
- Unquoted investments	-	-	1,376	1,376
- Equity securities	1,068	-	-	1,068
	<u>1,068</u>	<u>-</u>	<u>-</u>	<u>1,068</u>

	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 asset	-	2,915	-	2,915
- Short term fund	-	50,202	-	50,202
- Club memberships	-	43	-	43
- Equity securities	1,082	-	-	1,082
	<u>1,082</u>	<u>-</u>	<u>-</u>	<u>1,082</u>

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.



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

**25. 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.

**26. Dividend**

No interim dividend has been recommended for current quarter under review.

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

	Quarter ended		Period to date	
	30.9.2023	30.9.2022	30.9.2023	30.9.2022
	RM'000	RM'000	RM'000	RM'000
Profit attributable to owners of the Company (RM'000)	28,392	11,716	48,246	39,217
Weighted average number of ordinary shares in issue ('000)	881,157	887,896	881,157	887,896
Basic earnings per ordinary share (Cents)	<u>3.22</u>	<u>1.32</u>	<u>5.48</u>	<u>4.42</u>

The Company does not have any dilutive potential ordinary shares outstanding as at 30 September 2023. 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.

By Order of the Board of Directors  
Company Secretary  
8 November 2023