

Company No.

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KONSORTIUM LOGISTIK BERHAD
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE QUARTER AND THREE MONTHS ENDED 31 MARCH 2013

KONSORTIUM LOGISTIK BERHAD
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2013

The figures have not been audited.

	As at 31/3/2013 RM'000	As at 31/12/2012 RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	165,456	168,194
Prepaid lease payments for land	25,586	25,748
Goodwill	10,907	10,907
Investments in associates	11,552	11,552
Long term investments	1,377	1,560
Deferred tax assets	612	612
	<u>215,490</u>	<u>218,573</u>
Current Assets		
Consumable stores, at cost	288	165
Trade receivables	81,170	72,394
Other receivables	16,670	16,091
Current tax assets	6,244	5,002
Deposits, bank and cash balances	14,050	31,616
	<u>118,422</u>	<u>125,268</u>
Non-current assets classified as held for sale	324	324
TOTAL ASSETS	<u>334,236</u>	<u>344,165</u>
EQUITY		
Capital and reserves attributable to the Company's equity holders		
Share Capital	252,319	252,319
Reserves attributable to capital	53,192	53,192
Capital redemption reserves	4,828	4,828
Exchange translation reserve	(139)	(139)
Share options reserve	330	330
Retained profits	(114,739)	(114,919)
Total equity	<u>195,791</u>	<u>195,611</u>
LIABILITIES		
Non-current liabilities		
Borrowings	11,765	15,268
Provision for retirement benefits	2,082	2,121
Deferred tax liabilities	3,325	3,304
	<u>17,172</u>	<u>20,693</u>
Current Liabilities		
Trade payables	36,527	31,817
Other payables	27,522	28,505
Dividend payables	-	25,232
Borrowings	57,128	42,194
Provision for taxation	96	113
	<u>121,273</u>	<u>127,861</u>
Total Liabilities	<u>138,445</u>	<u>148,554</u>
TOTAL EQUITY AND LIABILITIES	<u>334,236</u>	<u>344,165</u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	0.78	0.78

This Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report for the year ended 31 December 2012.

KONSORTIUM LOGISTIK BERHAD
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER AND THREE MONTHS ENDED 31 MARCH 2013

The figures have not been audited.

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT PERIOD QUARTER 31 March 2013 RM'000	PRECEDING PERIOD CORRESPONDING QUARTER 31 March 2012 RM'000	CURRENT PERIOD ENDED 31 March 2013 RM'000	PRECEDING PERIOD CORRESPONDING ENDED 31 March 2012 RM'000
Revenue	70,051	64,309	70,051	64,309
Operating Expenses	(55,486)	(48,571)	(55,486)	(48,571)
Other income	411	1,188	411	1,188
Profit from operations	14,976	16,926	14,976	16,926
Other non operating expenses	(13,656)	(9,791)	(13,656)	(9,791)
Finance cost	(990)	(1,057)	(990)	(1,057)
Profit before taxation	330	6,078	330	6,078
Taxation	(150)	(1,510)	(150)	(1,510)
Profit/ other comprehensive income for the period	180	4,568	180	4,568
Total profit/ other comprehensive income attributable to :				
Equity holders of the parent	180	4,568	180	4,568
Minority Interest	-	-	-	-
	180	4,568	180	4,568
Earnings per share for profit attributable to equity holders of the company	sen	sen	sen	sen
- Basic	0.07	1.81	0.07	1.81
- Diluted	0.07	1.81	0.07	1.81

This Condensed Consolidated Statement of Comprehensive income should be read in conjunction with the Annual Financial Report for the year ended 31 December 2012.

KONSORTIUM LOGISTIK BERHAD
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED 31 MARCH 2013
The figures have not been audited.

	Attributable to equity holders of the Company									Non-controlling Interest	Total Equity
	Share Capital	Share Premium	Treasury Shares	Exchange translation reserves	Available for sales reserves	Capital redemption reserves	Share options reserve	Retained earnings	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
As at 1 January 2013	252,319	53,192	-	(139)	-	4,828	330	(114,919)	195,611	-	195,611
Total comprehensive income	-	-	-	-	-	-	-	180	180	-	180
As at 31 March 2013	252,319	53,192	-	(139)	-	4,828	330	(114,739)	195,791	-	195,791
As at 1 January 2012	252,293	53,189	4,828	-	-	-	314	(106,285)	204,339	-	204,339
Total comprehensive income	-	-	-	-	-	-	-	4,568	4,568	-	4,568
Transactions with owners											
Share options granted under ESOS	4	-	-	-	-	-	2	-	6	-	6
Forfeited of ESOS	-	-	-	-	-	-	(8)	8	-	-	-
Total transactions with owners	4	-	-	-	-	-	(6)	8	6	-	6
As at 31 March 2012	252,297	53,189	4,828	-	-	-	308	(101,709)	208,913	-	208,913

This Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 December 2012.

KONSORTIUM LOGISTIK BERHAD
CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE THREE MONTHS ENDED 31 MARCH 2013

The figures have not been audited.

	3 months ended 31 March 2013 RM'000	3 months ended 31 March 2012 RM'000
Profit before tax	330	6,078
Adjustment Non Cash Item:		
Interest Income	(99)	(176)
Finance cost	990	1,057
(Gain)/loss on disposal of property, plant & Equipment	(31)	(13)
Written off of property, plant & Equipment	61	-
Depreciation	4,529	4,569
(Gain)/loss on disposal of associate	-	(890)
Staff cost - ESOS	-	2
Provision doubtful debt/(Reversal)	(488)	44
Other investment write off	182	-
Cash Flow before Working Capital	<u>5,473</u>	<u>10,671</u>
Change in inventories	(122)	(165)
Change in receivables, deposits and prepayments	(8,866)	867
Change in payables and accruals	3,687	(2,228)
Cash generated from Operations	<u>172</u>	<u>9,145</u>
Interest received	99	176
Interest paid	(990)	(1,057)
Tax paid	(1,388)	(953)
Net cash (used in)/from operating activities	<u>(2,106)</u>	<u>7,311</u>
Acquisition of Fixed Assets	(1,699)	(3,321)
Proceeds from Sale of Fixed Assets	40	225
Proceeds from the disposal of Associate	-	988
Cash Flow used in Investing	<u>(1,659)</u>	<u>(2,107)</u>
Dividends Paid	(25,232)	(99,182)
Term Loan Repayment		
Term loan	(1,899)	(1,908)
Hire Purchase	(1,978)	(2,018)
Proceeds From Financing		
Bank loan	15,309	12,000
Hire Purchase	-	12,230
Restricted cash	(64)	-
Increase in share capital	-	5
Cash Flow used in Financing	<u>(13,864)</u>	<u>(78,874)</u>
Net (decrease)/increase in cash & cash equivalents	(17,629)	(73,670)
Cash and cash equivalent at Beginning	<u>30,661</u>	<u>109,379</u>
Cash and cash equivalent at Ending	<u>13,032</u>	<u>35,709</u>
Cash and bank balances	13,013	35,709
Deposit with license banks	1,037	1,456
	14,050	37,165
Less: Restricted cash	(1,018)	(1,456)
Cash and cash equivalent	<u>13,032</u>	<u>35,709</u>

This Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Annual Financial Report for the year ended 31 December 2012.

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KONSORTIUM LOGISTIK BERHAD

(Incorporated in Malaysia)

A. NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2013

A1. BASIS OF PREPARATION

The unaudited interim financial statements have been prepared in accordance with the requirement of MFRS 134 Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia") and should be read in conjunction with the Group's annual audited financial statements for the year ended 31 December 2012.

A2. REPORT OF THE AUDITORS TO THE MEMBERS OF KONSORTIUM

The reports of the auditors to the members of Konsortium and its subsidiary companies on the financial statements for the financial year ended 31 December 2012 were not subject to any qualification and did not include any adverse comments made under subsection (3) of Section 174 of the Companies Act, 1965.

A3. SEASONALITY OR CYCLICALITY OF INTERIM OPERATIONS

The Group's core businesses of automotive logistics, project cargo, haulage, freight forwarding and warehousing are generally affected by the festive months which normally record higher volume of activities in the months prior to that. During the festive months these core businesses usually slow down.

A4. EXCEPTIONAL AND/OR EXTRAORDINARY ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASH FLOWS

There were no other exceptional and/or extraordinary items affecting assets, liabilities, equity, net income or cash flows for the current quarter ended 31 March 2013.

A5. MATERIAL EFFECT OF CHANGES IN ESTIMATES

There were no changes in estimates used for accounting estimates which may have a material effect for the current quarter under review.

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A. NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2013
(continued)

A6. DEBT AND EQUITY SECURITIES

There were no other issuance and repayment of debts and equity securities, share buy-backs, share cancellation, shares held as treasury shares, repurchase and resale of treasury shares for the current financial year under review except for the following:

(a) *Employees' Share Option Scheme ("ESOS")*

The ESOS has been in force from 16 August 2011 and the tenure shall end by 6 April 2013.

The details of the options granted and exercised are as below:

Offer date	Option Price (RM)	Option Granted	Balance as at 1.1.13	Granted	Exercised	Lapsed/ Forfeited	Balance as at 31.3.13
16.8.11	1.15	9,062,000	1,790,000	-	-	(29,000)	1,761,000
18.8.11	1.15	132,000	98,000	-	-	-	98,000
1.11.11	1.35	9,283,000	-	-	-	-	-
29.11.11	1.38	126,000	126,000	-	-	-	126,000
23.2.12	1.13	109,000	107,000	-	-	(4,000)	103,000
16.5.12	1.01	44,000	44,000	-	-	-	44,000
28.8.12	1.00	200,000	180,000	-	-	(61,000)	119,000
19.11.12	1.00	99,000	99,000	-	-	-	99,000
			<u>2,444,000</u>	<u>-</u>	<u>-</u>	<u>(94,000)</u>	<u>2,350,000</u>

A7. DIVIDEND PAID

In respect of the financial year ended 31 December 2012, the Company paid interim tax exempt dividend of 10 sen per ordinary share of RM1 each amounting to RM25,231,836 on 28 January 2013.

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A. NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2013
(continued)

A8. SEGMENT REPORTING

Analysis of the Group's revenue and results as at 31 March 2013 by operating segments are as follows:

	Logistics Service Organisation RM'000	Internal & External Affiliates RM'000	Shared Service Organisation RM'000	Consol Adjustment RM'000	Group Results RM'000
Revenue					
External sales	36,826	33,225	-	-	70,051
Inter-segment sales	61	2,496	-	(2,557)	-
Total revenue	36,887	35,721	-	(2,557)	70,051
Profit					
Segment results	4,694	1,274	(4,747)		1,221
Interest income	-	-	99		99
Finance costs	-	(424)	(566)		(990)
Profit from ordinary activities before taxation					330
Taxation					(150)
Net profit for the year					180

Analysis of the Group's revenue and results as at 31 March 2012 by operating segments are as follows:

	Logistics Service Organisation RM'000	Internal & External Affiliates RM'000	Shared Service Organisation RM'000	Consol Adjustment RM'000	Group Results RM'000
Revenue					
External sales	31,600	32,709	-	-	64,309
Inter-segment sales	-	2,843	-	(2,843)	-
Total revenue	31,600	35,552	-	(2,843)	64,309
Profit					
Segment results	4,122	3,458	(629)	-	6,951
Interest income	-	-	184	-	184
Finance costs	-	(668)	(389)	-	(1,057)
Profit from ordinary activities before taxation					6,078
Taxation					(1,510)
Net profit for the year					4,568

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A. NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2013
(continued)

A9. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

There were no valuations of property, plant and equipment during the financial quarter under review.

A10. EVENTS SUBSEQUENT TO BALANCE SHEET DATE

On 13 March 2013, the Group announced the resignation of its Chief Executive Officer and Executive Director, Datuk Che Azizuddin bin Che Ismail on account of his intention to pursue his personal business opportunities.

Pending the appointment of a new Chief Executive Officer, Syed Yasir Arafat bin Syed Abd Kadir, Managing Partner of Investment at Ekuiti Nasional Berhad will chair the Executive Committee of the Company comprising members of the Group's senior management, including Zulkifli bin Sarkam, who remain as the Executive Director of the Company and will oversee the day to day operations of the Company. On 30th May 2013, Dato' Syed Faisal Albar Bin Syed Ali Redza Albar was appointed as an Executive Director of the Company.

A11. CHANGES IN THE COMPOSITION OF THE GROUP

There were no material changes in the composition of the Group during the financial quarter under review.

A12. CONTINGENT LIABILITIES

There is no contingent liability for the Group.

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KONSORTIUM LOGISTIK BERHAD
(Incorporated in Malaysia)

B. ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS

B1. REVIEW OF PERFORMANCE

The Group posted Revenue of RM70.1Mil for the quarter ended 31 March 2013, an increase of 8.9% against revenue achieved in the first quarter last year. The higher revenue was attributable to expansion into new business streams in the oil & gas sector arising from the appointment of the Company as a panellist to Petronas Carigali. The revenue base of the Sea Logistic Chartering division has increased due to higher coal volumes transported for Tenaga Nasional Berhad under contracts of affreightment and time chartered shipping contracts secured since the second half of 2012.

However, the profit before tax declined to RM0.3Mil from RM6Mil against the corresponding period last year due to lower margins arising from higher repair and maintenance cost as well as increase human capital cost in relation to the implementation of the minimum wages policy and one-off non-recurring charges.

The Group is currently implementing several profit improvement plans to drive further efficiencies and to enhance productivity. The positive impact of these measures should be reflected in the coming quarters.

B2. QUARTERLY RESULTS COMPARISON

The revenue of RM70.1Mil recorded in Qtr 1, 2013 was 3.4% higher than the revenue recorded in Qtr 4, 2012 due to year-end holidays and festive seasons. However, the profit before tax was lower at RM0.3Mil as compared to RM0.6Mil profit recorded in previous quarter due to lower operating margins and higher overheads incurred.

B3. PROSPECT

Notwithstanding the global and domestic economic uncertainties that continue to cloud the prospects in the coming quarters, the Group has embarked on several key initiatives to maintain margins for the rest of the year such as cost containment and new business initiatives especially in the oil & gas sector which has seen improving revenue streams.

The Board remains continuously optimistic that the financial performance for the year will remain positive.

B4 VARIANCE ON PROFIT FORECAST/SHORTFALL IN PROFIT GUARANTEE

Not applicable.

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B. ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS (Continued)

B5. TAXATION

	<u>Current Quarter</u> 31/03/2013 RM'000	<u>Cumulative Quarter</u> 31/03/2013 RM'000
Taxation		
- income tax	129	129
- deferred taxation	21	21
	<u>150</u>	<u>150</u>

B6. BANK BORROWINGS

Details of the Group's borrowings as at 31 March 2013 are as follows:

	31 March 2013		
	<u>Secured</u> RM'000	<u>Unsecured</u> RM'000	<u>Total</u> RM'000
<u>Current</u>			
Term loans	7,581	-	7,581
Revolving credit	-	37,000	37,000
Banker's acceptance	5,309	-	5,309
Hire purchase and finance lease liabilities	7,238	-	7,238
	<u>20,128</u>	<u>37,000</u>	<u>57,128</u>
<u>Non Current</u>			
Term loans	1,758	-	1,758
Hire purchase and finance lease liabilities	10,007	-	10,007
	<u>11,765</u>	<u>-</u>	<u>11,765</u>

B7. MATERIAL LITIGATION

The Group is not involved in any claim or legal action that will have a material effect on the Group's financial position, results of operations or liquidity.

B8. DIVIDEND

The Board does not recommend any dividend in respect of the current financial year.

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B. ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS (Continued)

B9. EARNINGS PER SHARE

Earnings per share are calculated based on the following:-

a) Basis earnings per share

	3 months ended 31 Mar 13	3 months ended 31 Mar 12
Net profit for the year (RM'000)	181	4,568
Ordinary shares in issue	252,319	252,293
Exercised of ESOS	-	3
	<u>252,319</u>	<u>252,296</u>
Weighted average number of ordinary shares	252,319	252,296
Basic earnings per share (sen)	0.07	1.81

B) Diluted earnings per share –

	3 months ended 31 Mar 13	3 months ended 31 Mar 12
Net profit for the year (RM'000)	181	4,568
Weighted average number of ordinary shares	252,319	252,296
Adjustment for share option	-	(51)
	<u>252,319</u>	<u>252,245</u>
Diluted earnings per share (sen)	0.07	1.81

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C. ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS (Continued)

B10. Notes to The Statement of Comprehensive Income

	Individual Quarter Ended 31.03.2013	Year to Date Ended 31.03.2013
After Charging:-		
Finance cost	990	990
Depreciation and amortization	4,529	4,529
After Crediting:-		
Finance income	(99)	(99)
Gain on disposal of property, plant and equipment	(31)	(31)
Reversal of impairment loss in receivables	(488)	(488)

B11. DISCLOSURE ON REALISED AND UNREALISED PROFIT/LOSS

The retained earnings as at 31 March 2013 is analysed as follows:-

	31.03.2013 RM'000
Total retained earnings of the Company and its subsidiaries:-	
- Realised	17,931
- Unrealised	(2,535)
	<u>15,396</u>
Total retained earnings of the associates:-	
- Realised	59
- Unrealised	-
Less: Consolidation adjustments	(130,194)
Total group retained earnings as per consolidated financial statements	<u>(114,739)</u>