

Company No.

89243	A
-------	---

KONSORTIUM LOGISTIK BERHAD
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE QUARTER AND SIX MONTHS ENDED 30 JUNE 2013

KONSORTIUM LOGISTIK BERHAD
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2013

The figures have not been audited.

	As at 30/6/2013 RM'000	As at 31/12/2012 RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	158,637	168,194
Prepaid lease payments for land	25,442	25,748
Goodwill	10,907	10,907
Investments in associates	11,552	11,552
Long term investments	1,377	1,560
Deferred tax assets	682	612
	<u>208,597</u>	<u>218,573</u>
Current Assets		
Consumable stores, at cost	214	165
Trade receivables	78,360	72,394
Other receivables	16,159	16,091
Current tax assets	5,870	5,002
Deposits, bank and cash balances	18,137	31,616
	<u>118,740</u>	<u>125,268</u>
Non-current assets classified as held for sale	324	324
TOTAL ASSETS	<u>327,661</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	(109,702)	(114,919)
Total equity	<u>200,828</u>	<u>195,611</u>
LIABILITIES		
Non-current liabilities		
Borrowings	8,996	15,268
Provision for retirement benefits	2,065	2,121
Deferred tax liabilities	3,304	3,304
	<u>14,365</u>	<u>20,693</u>
Current Liabilities		
Trade payables	36,625	31,817
Other payables	25,066	28,505
Dividend payables	-	25,232
Borrowings	50,688	42,194
Provision for taxation	88	113
	<u>112,467</u>	<u>127,861</u>
Total Liabilities	<u>126,832</u>	<u>148,554</u>
TOTAL EQUITY AND LIABILITIES	<u>327,660</u>	<u>344,165</u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	0.80	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 SIX MONTHS ENDED 30 JUNE 2013

The figures have not been audited.

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT PERIOD QUARTER 30 June 2013 RM'000	PRECEDING PERIOD CORRESPONDING QUARTER 30 June 2012 RM'000	CURRENT PERIOD ENDED 30 June 2013 RM'000	PRECEDING PERIOD CORRESPONDING ENDED 30 June 2012 RM'000
Revenue	87,029	66,777	157,080	131,086
Operating Expenses	(68,557)	(50,385)	(124,043)	(98,956)
Other income	628	8,290	1,039	9,478
Profit from operations	19,100	24,682	34,076	41,608
Other non operating expenses	(10,954)	(12,251)	(24,610)	(22,042)
Finance cost	(890)	(938)	(1,880)	(1,995)
Share of loss of associates	-	-	-	-
Profit before taxation	7,256	11,493	7,586	17,571
Taxation	(2,219)	(1,146)	(2,369)	(2,656)
Profit/ other comprehensive income for the period	5,037	10,347	5,217	14,915
Total profit/ other comprehensive income attributable to :				
Equity holders of the parent	5,037	10,347	5,217	14,915
Minority Interest	-	-	-	-
	5,037	10,347	5,217	14,915
Earnings per share for profit attributable to equity holders of the company	sen	sen	sen	sen
- Basic	2.00	4.10	2.07	5.91

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 SIX MONTHS ENDED 30 JUNE 2013

The figures have not been audited.

	Attributable to equity holders of the Company							Non-controlling Interest	Total Equity	
	Share Capital RM'000	Share Premium RM'000	Treasury Shares RM'000	Exchange translation reserves RM'000	Capital redemption reserves RM'000	Share options reserve RM'000	Retained earnings RM'000			Total RM'000
As at 1 January 2013	252,319	53,192	-	(139)	4,828	330	(114,919)	195,611	-	195,611
Total comprehensive income	-	-	-	-	-	-	5,217	5,217	-	5,217
As at 30 June 2013	<u>252,319</u>	<u>53,192</u>	<u>-</u>	<u>(139)</u>	<u>4,828</u>	<u>330</u>	<u>(109,702)</u>	<u>200,828</u>	<u>-</u>	<u>200,828</u>
As at 1 January 2012	252,293	53,189	4,828	-	-	314	(106,285)	204,339	-	204,339
Total comprehensive income	-	-	-	-	-	-	14,915	14,915	-	14,915
Transactions with owners										
Share options granted under ESOS	4	-	-	-	-	2	-	6	-	6
Forfeited of ESOS	-	-	-	-	-	(20)	20	-	-	-
Total transactions with owners	4	-	-	-	-	(18)	20	6	-	6
As at 30 June 2012	<u>252,297</u>	<u>53,189</u>	<u>4,828</u>	<u>-</u>	<u>-</u>	<u>296</u>	<u>(91,350)</u>	<u>219,260</u>	<u>-</u>	<u>219,260</u>

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 SIX MONTHS ENDED 30 JUNE 2013

The figures have not been audited.

	6 months ended 30 June 2013 RM'000	6 months ended 30 June 2012 RM'000
Profit before tax	7,586	17,571
Adjustment Non Cash Item:		
Interest Income	(138)	(253)
Finance cost	1,880	1,995
Reversal of impairment loss on investment in associate		(7,923)
Impairment loss on other investment	-	135
(Gain)/loss on disposal of property, plant & Equipment	(570)	(29)
Written off of property, plant & Equipment	160	-
Impairment loss of investment in associate	-	-
Depreciation	9,082	8,746
(Gain)/loss on disposal of associate	-	(890)
Provision doubtful debt/(Reversal)	(788)	95
Other investment write off	182	-
Cash Flow before Working Capital	<u>17,395</u>	<u>19,449</u>
Change in inventories	(48)	(121)
Change in receivables, deposits and prepayments	(5,246)	2,405
Change in payables and accruals	1,326	1,647
Cash generated from Operations	<u>13,427</u>	<u>23,380</u>
Interest received	138	253
Interest paid	(1,880)	(1,995)
Tax paid	(3,333)	(2,872)
Net cash (used in)/from operating activities	<u>8,353</u>	<u>18,766</u>
Acquisition of Fixed Assets	(2,893)	(6,136)
Investment in associate	-	(817)
Proceeds from Sale of Fixed Assets	4,071	488
Proceeds from the disposal of Associate	-	988
Cash Flow used in Investing	<u>1,178</u>	<u>(5,477)</u>
Dividends Paid	(25,232)	(99,182)
Term Loan Repayment		
Term loan	(3,798)	(3,798)
Hire Purchase	(3,979)	(5,994)
Proceeds From Financing		
Bank loan	10,000	7,000
Hire Purchase	-	12,230
Restricted cash	(64)	501
Increase in share capital	-	5
Cash Flow used in Financing	<u>(23,073)</u>	<u>(89,239)</u>
Net (decrease)/increase in cash & cash equivalents	(13,542)	(75,949)
Cash and cash equivalent at Beginning	30,661	109,379
Cash and cash equivalent at Ending	<u>17,119</u>	<u>33,430</u>
Cash and bank balances	15,600	33,430
Deposit with license banks	2,537	955
	<u>18,137</u>	<u>34,385</u>
Less: Restricted cash	(1,018)	(955)
Cash and cash equivalent	<u>17,119</u>	<u>33,430</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.

Company No.

89243	A
-------	---

KONSORTIUM LOGISTIK BERHAD

(Incorporated in Malaysia)

A. NOTES TO THE INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER AND FINANCIAL PERIOD ENDED 30 JUNE 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 30 June 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.

Company No.

89243	A
-------	---

A. NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE SECOND QUARTER AND FINANCIAL PERIOD ENDED 30 JUNE 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 30.6.13
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.

Company No.

89243	A
-------	---

A. NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE SECOND QUARTER AND FINANCIAL PERIOD ENDED 30 JUNE 2013
(continued)

A8. SEGMENT REPORTING

Analysis of the Group's revenue and results as at 30 June 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
<u>Revenue</u>					
External sales	91,231	65,850	-	-	157,081
Inter-segment sales	299	5,313	-	(5,612)	-
Total revenue	<u>91,530</u>	<u>71,163</u>	<u>-</u>	<u>(5,612)</u>	<u>157,081</u>
<u>Profit</u>					
Segment results	13,655	1,806	(6,133)	-	9,328
Interest income	-	-	138	-	138
Finance costs	-	(802)	(1,078)	-	(1,880)
Profit from ordinary activities before taxation					7,586
Taxation					(2,369)
Net profit for the year					<u>5,217</u>

Analysis of the Group's revenue and results as at 30 June 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
<u>Revenue</u>					
External sales	62,826	68,260	-	-	131,086
Inter-segment sales	-	5,579	-	(5,579)	-
Total revenue	<u>62,826</u>	<u>73,839</u>	<u>-</u>	<u>(5,579)</u>	<u>131,086</u>
<u>Profit</u>					
Segment results	7,742	7,108	4,462	-	19,312
Interest income	-	-	254	-	254
Finance costs	-	(1,311)	(684)	-	(1,995)
Profit from ordinary activities before taxation					17,571
Taxation					(2,656)
Net profit for the year					<u>14,915</u>

Company No.

89243	A
-------	---

A. NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE SECOND QUARTER AND FINANCIAL PERIOD ENDED 30 JUNE 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 AFTER THE INTERIM PERIOD

On 24th July 2013, the Group entered into a Share Sale Agreement with Dato' Chong Fui to dispose off its 35% equity interest in an associate, Chong Fui Shipping & Forwarding Sdn Bhd for a cash consideration of RM5,000,000.

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.

Company No.

89243	A
-------	---

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 RM87Mil for the quarter ended 30 June 2013, an increase of 30.3% against the revenue achieved in the previous corresponding quarter. The expansion of new business in the oil & gas upstream sector and the new contracts secured in the 2nd half of 2012 under the Sea Chartering division have largely contributed to the growth in revenue.

Operational profit before tax for the quarter ending June 2013 of RM6.6Mil grew by 86.3% over the previous corresponding quarter as a result of stringent cost monitoring throughout the Group and higher margins contributed largely from the Automotive logistic division. However, the profit before tax of RM7.3Mil recorded for the quarter declined 36.9% against last year's record due to one-off reversal of impairment loss in investment of associate amounting to RM7.9mil.

Analysis of Quarter 2 results

	Q2 2013 (RM'000)	Q2 2012 (RM'000)	Variance (%)
Revenue	87,029	66,777	30.3%
Operational profit before tax	6,649	3,570	86.3%
One-off non-recurring items	607	7,923	-
PBT after exceptional items	7,256	11,493	-

B2. QUARTERLY RESULTS COMPARISON

Quarter 2 revenue of RM87Mil was 24.3% higher in comparison to revenue achieved in Quarter 1, 2013 due to successful business expansion into the oil & gas upstream sector. Operational profit for the quarter also grew significantly from RM0.18Mil recorded in Q1 2013 to RM6.6Mil due to higher revenue and lower cost from stringent cost control.

B3. PROSPECT

The outlook of the global and domestic economy remains increasingly challenging and the implementation of minimum wages and other costs increase have further affected overall margins. Nevertheless, the Group remains cautiously optimistic of the prospects in the 2nd half of 2013 driven by cost savings initiatives and increasing expansion into the fast moving consumer goods and oil & gas upstream sectors.

B4. VARIANCE ON PROFIT FORECAST/SHORTFALL IN PROFIT GUARANTEE

Not applicable.

Company No.

89243	A
-------	---

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

B5. TAXATION

	<u>Current Quarter</u> <u>30/06/2013</u> RM'000	<u>Cumulative Quarter</u> <u>30/06/2013</u> RM'000
Taxation		
- income tax	2,309	2,438
- deferred taxation	(90)	(69)
	<u>2,219</u>	<u>2,369</u>

B6. BANK BORROWINGS

Details of the Group's borrowings as at 30 June 2013 are as follows:

	30 June 2013		
	<u>Secured</u> RM'000	<u>Unsecured</u> RM'000	<u>Total</u> RM'000
<u>Current</u>			
Term loans	7,008	-	7,008
Revolving credit	-	37,000	37,000
Hire purchase and finance lease liabilities	6,860	-	6,860
	<u>13,868</u>	<u>37,000</u>	<u>50,868</u>
<u>Non Current</u>			
Term loans	433	-	433
Hire purchase and finance lease liabilities	8,563	-	8,563
	<u>8,996</u>	<u>-</u>	<u>8,996</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.

Company No.

89243	A
-------	---

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

	6 months ended 30 June 13	6 months ended 30 June 12
Net profit for the year (RM'000)	5,217	14,915
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)	2.07	5.91

Company No.

89243	A
-------	---

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

B10. Notes to The Statement of Comprehensive Income

	Individual Quarter Ended 30.06.2013	Year to Date Ended 30.06.2013
After Charging:-		
Finance cost	890	1,880
Depreciation and amortization	4,553	9,082
After Crediting:-		
Finance income	(39)	(138)
Gain on disposal of property, plant and equipment	(539)	(570)
Reversal of impairment loss in receivables	(294)	(782)

B11. DISCLOSURE ON REALISED AND UNREALISED PROFIT/LOSS

The retained earnings as at 30 June 2013 is analysed as follows:-

	30.06.2013 RM'000
Total retained earnings of the Company and its subsidiaries:-	
- Realised	22,948
- Unrealised	(2,514)
	<u>20,434</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>(109,701)</u>