



YINSON HOLDINGS BERHAD

Company No: 259147-A
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED INCOME STATEMENT For the Six-Month Period Ended 31 July 2012

	Current quarter 3 months ended		Cumulative quarter 6 months ended	
	31.7.2012 Unaudited RM'000	31.7.2011 Unaudited RM'000	31.7.2012 Unaudited RM'000	31.7.2011 Unaudited RM'000
Revenue	235,768	158,630	499,920	355,434
Cost of trading goods sold	(179,733)	(118,370)	(386,145)	(274,408)
Direct expenses	(36,278)	(29,644)	(71,711)	(56,977)
Gross profit	19,757	10,616	42,064	24,049
Other operating income	2,033	1,041	2,243	2,752
Administrative expenses	(4,865)	(3,315)	(9,029)	(6,939)
Profit from operations	16,925	8,342	35,278	19,862
Finance costs	(4,154)	(2,109)	(8,418)	(5,029)
Share of results of associates	293	-	293	-
Share of results of joint ventures	(192)	-	(194)	-
Profit before tax	12,872	6,233	26,959	14,833
Income tax expense	(2,188)	(819)	(5,257)	(2,282)
Profit for the period	10,684	5,414	21,702	12,551
Profit attributable to:				
Equity holders of the parent	9,847	5,470	20,543	12,625
Non-controlling interests	837	(56)	1,159	(74)
	10,684	5,414	21,702	12,551
Earnings per share attributable to equity holders of the parent:				
Basic (sen)	5.02	7.55	10.47	17.44
Diluted (sen)	5.02	7.55	10.47	17.44

These condensed consolidated income statement should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements

YINSON HOLDINGS BERHAD (Company No. 259147-A)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**For the Six-Month Period Ended 31 July 2012**

	Current quarter 3 months ended		Cumulative quarter 6 months ended	
	31.7.2012 unaudited RM'000	31.7.2011 unaudited RM'000	31.7.2012 unaudited RM'000	31.7.2011 unaudited RM'000
Profit for the period	10,684	5,414	21,702	12,551
Exchange differences on translation of foreign operations	1,703	(98)	1,195	(436)
Fair value reserve	(5,665)	-	(17,443)	-
Total comprehensive income for the period	6,722	5,316	5,454	12,115
Total comprehensive income for the period attributable to:				
Equity holders of the Company	5,885	5,371	4,295	12,189
Non-controlling interests	837	(55)	1,159	(74)
	6,722	5,316	5,454	12,115

These condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements

YINSON HOLDINGS BERHAD (Company No. 259147-A)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**As at 31 July 2012**

	AS AT 31.7.2012 Unaudited RM'000	AS AT 31.1.2012 Unaudited and restated * RM'000	AS AT 1.2.2011 Unaudited and restated RM'000
ASSETS			
Non-current assets			
Property, plant and equipment	239,068	145,373	121,520
Investment properties	15,177	14,855	9,265
Intangible assets	120	118	129
Land use rights	4,564	4,612	5,696
Investment in joint ventures	65,313	29,821	-
Investment in associates	26,684	-	-
AFS securities	11,035	-	-
Deferred tax asset	-	-	552
	361,961	194,779	137,162
Current assets			
Inventories	607	655	628
Receivables	307,162	250,194	233,964
Prepayments	1,939	18,652	2,542
Tax recoverable	538	644	489
Marketable securities	49	47	37
Cash and bank balances	18,638	30,013	9,073
	328,933	300,205	246,733
Non-current assets held for sale	-	610	1,236
	328,933	300,815	247,969
TOTAL ASSETS	690,894	495,594	385,131
EQUITY AND LIABILITIES			
Current liabilities			
Short term borrowings	181,780	180,025	143,948
Payables	80,312	82,546	67,473
Tax payables	3,274	791	3,010
	265,366	263,362	214,431

YINSON HOLDINGS BERHAD (Company No. 259147-A)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**As at 31 July 2012**

	AS AT 31.7.2012 Unaudited RM'000	AS AT 31.1.2012 Unaudited and restated * RM'000	AS AT 1.2.2011 Unaudited and restated RM'000
Non-current liabilities			
Long term borrowings	155,999	71,917	46,008
Deferred tax liabilities	3,165	3,364	2,739
	159,164	75,281	48,747
Total liabilities	424,530	338,643	263,178
Equity attributable to owners of the parent			
Share capital	200,355	75,347	68,498
Share premium	8,076	4,369	-
Foreign currency translation reserve	157	(1,038)	-
Retained earnings	74,334	78,597	53,441
Fair value reserve	(17,443)	-	-
	265,479	157,275	121,939
Minority interests	885	(324)	14
Total equity	266,364	156,951	121,953
TOTAL EQUITY AND LIABILITIES	690,894	495,594	385,131
Net assets per share attributable to equity holders of the Company (RM)	1.325	2.087	1.780

* Upon the adoption of the MFRS framework, the consolidated statement of financial position as at 31 January 2012 has been restated.

These condensed consolidated statement of financial position should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

YINSON HOLDINGS BERHAD (Company No. 259147-A)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY For the Six-Month Period Ended 31 July 2012

	Attributable to equity holders of the Company				Total equity attributable to owners of the parent RM'000	Non-controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Foreign exchange translation reserve RM'000	Share premium RM'000	Fair value reserve RM'000			
At 1 February 2011 (restated)	68,498	-	-	-	121,939	14	121,953
Total comprehensive income for the period	-	(436)	-	-	12,189	(74)	12,115
Share issuance	6,849	-	4,369	-	11,218	-	11,218
At 31 July 2011 (restated)	75,347	(436)	4,369	-	145,346	(60)	145,286
At 1 February 2012 (restated)	75,347	(1,038)	4,369	-	157,275	(324)	156,951
Total comprehensive income for the period	-	1,195	-	(17,443)	4,295	1,159	5,454
Share issuance	125,008	-	4,942	-	105,144	50	105,194
Share issuance expenses	-	-	(1,235)	-	(1,235)	-	(1,235)
At 31 July 2012	200,355	157	8,076	(17,443)	265,479	885	266,364

These condensed consolidated statement of changes in equity should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

YINSON HOLDINGS BERHAD (Company No. 259147-A)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the Six-Month Period Ended 31 July 2012

	6 months ended	
	31.7.2012	31.7.2011
	Unaudited	Unaudited and
	RM'000	restated
	RM'000	RM'000
OPERATING ACTIVITIES		
Profit before taxation	26,959	14,833
Adjustments for:		
Amortisation and depreciation	6,516	3,868
Impairment loss on receivables	120	121
Unrealised (gain)/loss on foreign exchange	(1,212)	252
Interest expenses	8,186	5,007
Gain on disposal of property, plant and equipment	(1)	(174)
Loss on property, plant and equipment written off	85	31
Loss/(gain) on disposal of asset held for sale	34	(775)
Gain on disposal of subsidiary	-	(1,137)
Fair value loss on investment properties	-	(462)
Fair value gain on marketable securities	(2)	(8)
Share of results of joint ventures	194	-
Share of results of associates	(293)	-
Shares issuance expenses	314	-
Interest income	(582)	(40)
Operating cash flows before working capital changes	40,318	21,516
Receivables	(57,049)	(25,762)
Prepayments	16,713	(7,797)
Inventories	49	(126)
Payables	(1,022)	28,346
Cash flows (used in)/from operations	(991)	16,177
Interest received	582	40
Interest paid	(8,186)	(5,007)
Tax paid	(2,867)	(2,997)
Net cash flows (used in)/from operating activities	(11,462)	8,213
INVESTING ACTIVITIES		
Proceeds from disposal of property, plant & equipment	1	199
Proceeds from disposal of asset held for sale	576	2,011
Purchase of property, plant and equipment	(23,025)	(5,205)
Purchase of intangible assets	(7)	-
Purchase of investment property	(322)	-
Disposal of subsidiary	-	4,002
Investment in AFS securities	(28,478)	-
Investment in joint ventures	(35,686)	-
Investment in associates	(26,391)	-
Net cash flows (used in)/from investing activities	(113,332)	1,007

YINSON HOLDINGS BERHAD (Company No. 259147-A)
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the Six-Month Period Ended 31 July 2012

	6 months ended 31.7.2012	31.7.2011 Unaudited and restated
	Unaudited RM'000	RM'000
FINANCING ACTIVITIES		
Bank borrowings	15,482	(23,444)
Proceeds from shares issuance	105,144	11,219
Shares issuance expense	(1,549)	-
Proceed from minority interest	50	1
Net cash flows from/(used in) financing activities	119,127	(12,225)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(5,667)	(3,005)
Effects of foreign exchange rate changes	(3,271)	697
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	20,497	(4,299)
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	11,559	(6,607)
	As at 31.7.2012	As at 31.7.2011
	RM'000	RM'000
CASH AND CASH EQUIVALENTS COMPRISE:		
Cash and bank balances	18,638	2,186
Bank overdrafts (included within short term borrowings)	(7,079)	(8,793)
	11,559	(6,607)

These condensed consolidated statement of cash flows should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

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PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134

1. First-time Adoption of Malaysian Financial Reporting Standards (“MFRS”)

These condensed consolidated interim financial statements, for the period ended 31 July 2012, have been prepared in accordance with *MFRS 134: Interim Financial Reporting* and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. These condensed consolidated interim financial statements also comply with *IAS 34: Interim Financial Reporting* issued by the International Accounting Standards Board (“IASB”). For the periods up to and including the year ended 31 January 2012, the Group prepared its financial statements in accordance with the Financial Reporting Standards (“FRS”).

These condensed consolidated interim financial statements are the Group’s first MFRS condensed consolidated interim financial statements for part of the period covered by the Group’s first MFRS annual financial statements for the year ending 31 January 2013. *MFRS 1: First-Time Adoption of Malaysian Financial Reporting Standards (“MFRS 1”)* has been applied.

The date of transition to the MFRS framework is 1 February 2012. At that transition date, the Group reviewed its accounting policies and considered the transitional opportunities under MFRS 1. The impact of the transition from FRS to MFRS is described in Note 2.1 below.

2. Significant Accounting Policies

2.1 Application of MFRS 1

The audited financial statements of the Group for the year ended 31 January 2012 were prepared in accordance with FRS. Except for certain differences, the requirements under FRS and MFRS are similar. The significant accounting policies adopted in preparing these condensed consolidated interim financial statements are consistent with those of the audited financial statements for the year ended 31 January 2012 except as discussed below:

a) Definition of Cash and Cash Equivalents

Under FRS, the Group defined all its cash on hand and at banks and short term deposits as cash and cash equivalents where they are readily convertible to known amount of cash and are subject to insignificant risk of changes in value.

Upon transition to MFRS, the Group redefined its cash and cash equivalents to mean cash on hand and at banks and short term deposits for purposes of meeting short term funding requirements. The comparative information for the relevant periods in the condensed consolidated statements of cash flow has been restated accordingly.

	FRS for period ended 31.7.2011 RM'000	Fixed deposits RM'000	MFRS for period ended 31.7.2011 RM'000
Decrease in receivables	(25,504)	(258)	(25,762)
Cash flow from operation	16,456	(258)	16,198
Cash and cash equivalents at end of period	(6,349)	(258)	(6,607)

b) **Foreign currency translation reserve**

Under FRS, the Group recognised translation differences on foreign operations as a separate component of equity. Cumulative foreign currency translation differences for all foreign operations are deemed to be nil as at the date of transition to MFRS.

Accordingly, at the date of transition to MFRS, the cumulative foreign currency translation differences of RM1,737,000 (31 July 2011: RM1,737,000; 31 January 2012: RM1,737,000) were adjusted to retained earnings.

The reconciliations of equity and total comprehensive income for comparative periods and of equity at the date of transition reported under FRS to those reported for those periods and at the date of transition under MFRS are provided below:

(i) <u>Reconciliation of equity as at 1 February 2011</u>			
	FRS as at 1.2.2011 RM'000	Foreign currency translation reserve RM'000	MFRS as at 1.1.2011 RM'000
Equity			
Foreign currency translation reserve	(1,737)	1,737	-
Retained earnings	55,178	(1,737)	53,441
(ii) <u>Reconciliation of equity as at 31 July 2011</u>			
	FRS as at 31.7.2011 RM'000	Foreign currency translation reserve RM'000	MFRS as at 31.7.2011 RM'000
Equity			
Foreign currency translation reserve	(2,173)	1,737	(436)
Retained earnings	67,803	(1,737)	66,066
(iii) <u>Reconciliation of equity as at 31 January 2012</u>			
	FRS as at 31.1.2012 RM'000	Foreign currency translation reserve RM'000	MFRS as at 31.1.2012 RM'000
Equity			
Foreign currency translation reserve	(2,775)	1,737	(1,038)
Retained earnings	80,334	(1,737)	78,597

2.2 MFRSs, Amendments to MFRSs and IC Interpretation issued but not yet effective

At the date of authorisation of these interim financial statements, the following MFRSs, Amendments to MFRSs and IC Interpretation were issued but not yet effective and have not been applied by the Group:

MFRSs, Amendments to MFRSs and IC Interpretation		Effective for annual periods beginning on or after
MFRS 9	Financial Instruments (IFRS 9 issued by IASB in November 2009 and October 2010)	1 January 2015
MFRS 10	Consolidated Financial Statements	1 January 2013
MFRS 11	Joint Arrangements	1 January 2013
MFRS 12	Disclosure of Interests in Other Entities	1 January 2013
MFRS 119	Employee Benefits	1 January 2013
MFRS 127	Separate Financial Statements	1 January 2013
MFRS 128	Investments in Associates and Joint Ventures	1 January 2013
Amendments to MFRS 1	Government loans	1 January 2013
Amendments to MFRS 7	Disclosures - Offsetting Financial Assets and Financial Liabilities	1 January 2013
Amendments to MFRS 101	Presentation of Items of Other Comprehensive Income	1 July 2012
Amendments to MFRS 132	Offsetting Financial Assets and Financial Liabilities	1 January 2014
IC Interpretation 20	Stripping Costs in the Production Phase of a Surface Mine	1 January 2013
MFRS 13	Fair Value Measurements	1 January 2013

3. Seasonal or Cyclical Factors

The Group's transport operations are generally affected by major festivals that occur in the first and third quarter of the financial year as there were fewer working days.

4. Unusual Items due to their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current quarter and financial year to-date.

5. Changes in Accounting Estimate

There were no material changes in accounting estimates that have a material effect in the current quarter and financial year-to-date results.

6. Changes in the Composition of the Group

Yinson Hibiscus Limited

On 25 July 2012, the Company announced had incorporated a Labuan offshore company under the name of Yinson Hibiscus Limited ("YHL") with a paid-up share capital of US\$10,000. The principal activity of YHL shall be the provision of leasing of vessel on a bare-boat basis.

7. Segmental Information

For the Six Month-Period Ended 31 July 2012					
	Transport	Marine	Trading	Other	Consolidated
	RM'000	RM'000	RM'000	Operations	RM'000
				RM'000	RM'000
Revenue					
External Sales					
Gross revenue	59,907	46,657	412,991	6,463	526,018
Elimination	(47)	(14,153)	(5,886)	(6,012)	(26,098)
Net revenue	59,860	32,504	407,105	451	499,920
Results					
Segment results	4,577	12,424	18,346	(69)	35,278
Finance costs					(8,418)
Share of results of associates and joint ventures					99
Taxation					(5,257)
Profit after taxation and before minority interest					21,702
Non-controlling interests					(1,159)
Profit for the period					20,543
For the Six Month-Period Ended 31 July 2011					
	Transport	Marine	Trading	Other	Consolidated
	RM'00	RM'000	RM'000	Operations	RM'000
				RM'000	RM'000
Revenue					
External Sales					
Gross revenue	42,902	30,880	293,120	443	367,345
Elimination	(306)	(5,434)	(6,156)	(15)	(11,911)
Net revenue	42,596	25,446	286,964	428	355,434
Results					
Segment results	1,141	5,835	10,462	2,424	19,862
Finance costs					(5,029)
Taxation					(2,282)
Profit after taxation and before minority interest					12,551
Non-controlling interests					74
Profit for the period					12,625

The Group is organized into business units based on their product and services, and has four operating segments as follows:

- The transport segment consists of the provision of trucking services.
- The marine segment consists of leasing of vessels, provision of barge services and marine management services.
- The trading segment consists of trading activities mainly in the construction related materials.
- Other operations consist of provision of warehouses, rental from investment properties and investment income.

Except for the purchase of a vessel amounting to RM91.4 million, there has been no material change in total assets and no differences in the basis of segmentation or in the basis of measurement of segment profit or loss as compared to the last annual financial statements.

Group

For the period ended 31 July 2012, the Group's revenue increased by RM144.486 million or 41 percent to RM499.920 million compared to RM355.434 million for the preceding year corresponding period mainly attributable to increase in volume of sales from transport, trading and marine transport businesses.

The Group's profit before taxation for the financial period ended 31 July 2012 increased by RM12.216 million or 82 percent to RM26.959 million as compared to RM14.833 million for the preceding year mainly attributable to increase in revenue and contribution from trucking, trading and marine transport businesses.

Transport

Revenue from transport segment for the period ended 31 July 2012 increased by RM17.264 million or 41% to RM59.860 million compared with RM42.596 million for preceding year corresponding period due to increase in demand for the Group's transportation services. The increase in revenue led to better utilisation and return on the assets which resulted in an increase in earnings before interest and taxation by RM3.436 million to RM4.577 million compared to RM1.141 million for the preceding year corresponding period.

Marine

Revenue from marine segment for the period ended 31 July 2012 was RM32.504 million compared with RM25.446 million for the preceding year corresponding period, an increase of RM7.058 million. The increase in revenue was mainly due to the acquisition of a new vessel during the current year and contribution from full operations of new vessel acquired during the previous financial year. The increase in revenue and foreign currency exchange gain of RM1.1 million resulted in an increase in profit before interest and taxation by RM6.589 million to RM12.424 million compared to RM5.835 for the preceding year corresponding period.

Trading

Revenue from trading segment for period ended 31 July 2012 was RM407.105 million compared with RM286.964 million, an increase of RM120.140 million or 42% due to increase in demand. The increase in revenue and improvement in profit margin resulted in an increase in profit before interest and taxation by RM7.884 million or 75% to RM18.346 million compared to RM10.462 million for the preceding year corresponding period.

Other Operations

The loss before interest and taxation for current period for other operations was RM0.069 million compared to profit before interest and taxation of RM2.424 million for the preceding year corresponding period. The drop in profit was mainly due to shares issuance expenses of RM0.314 million incurred for rights issue during current period and the inclusion of a gain of RM1.137 million on disposal of a subsidiary, fair value gain of RM0.462 million from reclassification of property, plant and equipment to investment property and gain of RM0.775 million from disposal of property in the preceding year corresponding period.

8. Profit Before Tax

Included in the profit before tax are the following items:

	Current quarter 3 months ended		Cumulative quarter 6 months ended	
	31.7.2012 RM'000	31.7.2011 RM'000	31.7.2012 RM'000	31.7.2011 RM'000
Interest income	(580)	(13)	(582)	(40)
Other income including investment income	(46)	(162)	(254)	(204)
Gain on disposal of property, plant and equipment	(1)	(174)	(1)	(174)
Loss/(gain) on disposal of assets held for sale	34	(775)	34	(775)
Gain on disposal of unquoted investments	(36)	44	(36)	(1,137)
Interest expense	4,240	2,087	8,186	5,007
Depreciation of property, plant and equipment	3,600	1,951	6,462	3,804
Amortisation of prepaid lease	24	29	48	58
Amortisation of intangible assets	3	3	6	6
Allowance for and write off of receivables	60	61	120	121
Allowance for and write off of inventories	-	-	-	-
Impairment of assets	-	-	-	-
Loss on property, plant and equipment written off	85	29	85	31
(Gain) or loss on foreign exchange - realised	(262)	48	332	92
(Gain) or loss on foreign exchange - unrealised	(1,063)	(31)	(1,212)	252
(Gain) or loss on derivatives	-	-	-	-
Net fair value (gain) or loss on marketable securities	(5)	(7)	(2)	(8)
Net fair value gain on adjustment of investment properties	-	-	-	(462)

9. Income Tax Expense

The taxation figures consist of:

	Current quarter 3 months ended		Cumulative quarter 6 months ended	
	31.7.2012	31.7.2011	31.7.2012	31.7.2011
Current period income tax	RM'000 2,336	RM'000 967	RM'000 5,456	RM'000 2,746
Deferred tax :				
- Relating to origination and reversal of temporary difference	(148)	(148)	(199)	(464)
Total income tax expense	2,188	819	5,257	2,282

The effective tax rate of the Group for the current financial year's quarter is lower than the statutory rate in Malaysia due to certain income not subject to taxation and tax rate of certain subsidiaries are lower than the statutory tax rate in Malaysia.

10. Earnings Per Share

(a) Basic

Basic earnings per share amount are calculated by dividing the profit for the period, net of tax, attributable to owners of the parent by the weighted average number of shares in issue during the period.

The following reflect the profit and share data used in the computation of basic and diluted earnings per share:

	Current quarter 3 months ended		Cumulative quarter 6 months ended	
	31.7.2012	31.7.2011	31.7.2012	31.7.2011
	RM'000	RM'000	RM'000	RM'000
Profit net of tax attributable to owners of the parent used in the computation of EPS (RM'000)	9,847	5,470	20,543	12,625
Weighted average number of ordinary shares in issue ('000)	196,225	72,409	196,225	72,409
Basic earnings per share (sen)	5.02	7.55	10.47	17.44

(b) Diluted

Diluted earnings per share is the same as basic earnings per share as there is no dilutive potential ordinary shares outstanding as at 31 July 2012

11. Property, plant and equipment

Acquisitions and disposals

During the six months ended 31 July 2012, the Group acquired assets at a cost of RM93.414 million (31 July 2011: RM6.625 million).

Assets with a carrying amount of RM0.609 million were disposed by the Group during the six months ended 31 July 2012 (31 July 2011 : RM25,000), resulting in a loss on disposal of RM33,000 (31 July 2011: RM949,000).

12. Fair Value Hierarchy

The Group uses the following hierarchy for determining the fair value of the financial instruments carried at fair value:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 - Inputs that are based on observable market data, either directly or indirectly
- Level 3 - Inputs that are not based on observable market data

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

	Total RM'000	Level 1 RM'000	Level 2 RM'000	level 3 RM'000
31 July 2012				
Available-for-sale				
Equity securities	11,035	11,035	-	-
Fair value through profit or loss				
Equity securities	49	49	-	-
31 July 2011				
Available-for-sale				
Equity securities	-	-	-	-
Fair value through profit or loss				
Equity securities	45	45	-	-

13. Debt and Equity Securities

Except for the issuances of 113,020,800 ordinary shares of RM1.00 each at an issue price of RM0.75 each under the Two-call Rights Issue and 11,987,100 ordinary shares of RM1.00 at an issue price of RM1.70 each under Private Placement, there were no other issuances, repayment of debts, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the financial period ended 31 July 2012.

14. Interest-bearing Loans and Borrowings

Details of total Group's borrowings as at 31 July 2012 are as follows:

	Secured	Unsecured	Total
	RM'000	RM'000	RM'000
Short term borrowings	33,449	148,331	181,780
Long term borrowings	155,999	-	155,999
Total borrowings	189,448	148,331	337,779

Except for RM173.325 million borrowings denominated in United States Dollar, all other borrowings are denominated in Ringgit Malaysia.

15. Dividend Paid

At the Annual General Meeting held on 31 July 2012, the shareholders of the Company have approved the payment of a first and final dividend of 2.5% less income tax in respect of financial year ended 31 January 2012. The dividend was paid on 14 September 2012.

16. Capital Commitments

Capital commitment for the purchase of property, plant and equipment not provided for in the interim condensed financial statements as at the end of financial period ended 31 July 2012 was as follows:

Approved and contracted for:- RM57.8 million

17. Changes in Contingent Liabilities and Contingent Assets

There were no contingent assets and no changes in contingent liabilities since the last audited financial statements as at 31 January 2012.

18. Related Party Disclosures

Significant related party transactions are as follows:

	Current quarter 3 months ended		Cumulative quarter 6 months ended	
	31.7.2012	31.7.2011	31.7.2012	31.7.2011
	RM'000	RM'000	RM'000	RM'000
Rental income from Yinson Tyres Sdn Bhd	15	15	30	30
Transport income from Liannex Corporation (S) Pte Ltd	1,832	1,305	3,921	2,824
Transport charges to Tuck Seng Loong (JB) and Kargo Indera Sdn Bhd	-	1	-	7
Sales of goods to Handal Indah Sdn Bhd	124	87	192	158
Sales of goods to Triton Commuter Sdn Bhd	104	106	224	219
Purchases from Yinson Tyres Sdn Bhd	965	592	1,769	1,258
Interest expense from Liannex Corporation (S) Pte Ltd	-	107	21	211
Barge income from Liannex Corporation (S) Pte Ltd	956	392	2,115	904

The Directors are of the opinion that the above transactions have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties. All outstanding balances with these parties are unsecured and are to be settled in cash within three months of reporting date.

19. Event After The Reporting Date

There were no material events subsequent to the end of the current quarter.

PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

20. Performance Review

Explanatory comment on the performance of each of the Group's business activities is provided in Note 7.

21. Material Changes in the Profit Before Taxation of Current Quarter Compared with Preceding Quarter

The Group's net profit before taxation for the current quarter ended 31 July 2012 decreased by RM1.215 million to RM12.872 million compared to RM14.087 million for the preceding quarter ended 30 April 2012 mainly due to decrease in revenue and contribution from trading segment.

22. Commentary on Prospects

The global growth moderated amid heightened volatility in international financial markets and growth prospects for second half year of 2012 is expected to remain challenging and the Malaysian economic growth is expected to experience a moderate pace.

Barring unforeseen circumstances, the Group shall strive to sustain a satisfactory performance for the second half of the current financial year.

23. Profit Forecast

The disclosure requirements for explanatory notes for the variance of actual profit after tax and non-controlling interests and forecast profit after tax and non-controlling interests are not applicable

24. Status of Corporate Proposals

- a) There are no corporate proposals announced but not completed as at the date of issue of these financial statements.

b) Status of Utilisation of Rights Issue ("RI") Proceeds as at 27 September 2012.

Purpose	Proposed Utilisation	Actual utilisation of RI as at 28 June 2012	Initial timeframe for utilisation of RI proceeds from date of listing (i.e. 8 March 2012)	Balance of unutilised RI proceeds
	RM'000	RM'000		
Investment pursuant to Consortium Agreement	40,000	37,149	Within 6 months	Not applicable (utilisation completed and excess allocated to working capital)
Repayment of LHW Advances	36,843	32,946	Within 6 months	Not applicable (utilisation completed and excess allocated to working capital)
Corporate exercise expenses	2,000	1,527	Within 6 months	Not applicable (utilisation completed and excess allocated to working capital)
Working capital				
(i) Purchase of fixed assets (30%)	1,777	3,881	Within 12 months	Not applicable (utilisation completed)
(ii) Payment to trade creditors (50%)	2,961	6,618	Within 12 months	Not applicable (utilisation completed)
(iii) Operating / administrative expenses (20%)	1,185	2,645	Within 12 months	Not applicable (utilisation completed)
Total	84,766	84,766		

c) Status of Utilisation of Proceeds Raised From Share Placement ("SP")

Purpose	Proposed Utilisation	Actual utilisation of SP as at 27 September 2012	Initial timeframe for utilisation of SP proceeds from date of listing (i.e. 28 May 2012)	Balance of unutilised SP proceeds
	RM'000	RM'000		RM'000
Acquisition of fixed assets	6,521	6,594	Within 6 months	Not applicable (utilisation completed)
Repayment of bank overdrafts	1,630	1,600	Within 6 months	Not applicable (utilisation completed)
Accounts payable (creditors)	7,132	4,328	Within 6 months	2,804
Corporate exercise expenses	306	311	Within 1 month	Not applicable (utilisation completed)
Operating expenses	4,789	3,152	Within 12 months	1,637
Total	20,378	15,985		4,441

25. Material Litigation

As at 31 July 2012, there was no material litigation against the Group.

26. Dividend Payable

No interim dividend has been declared for the period ended 31 July 2012 (31 July 2011: Nil).

27. Derivatives

The Group did not enter into any derivatives during the period ended 31 July 2012 or the previous financial year ended 31 January 2012.

28. Gains/Losses Arising From Fair Value Changes in Financial Liabilities

The Group did not have any financial liabilities measured at fair value through profit and loss as at 31 July 2012 and 31 January 2012.

29. Realised and Unrealised Retained Earnings

The breakdown of the retained earnings of the Group as at 31 July 2012 into realised and unrealised earnings is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25 March 2010 and 20 December 2010, and prepared in accordance with *Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses* in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

	Current quarter ended	Previous financial year ended
	31.7.2012	31.1.2012
	RM'000	RM'000
Total retained earnings of the Company and its subsidiaries:-		
- Realised	80,385	79,841
- Unrealised	(1,708)	(1,424)
	78,677	78,417
Total retained earnings from a joint ventures and associates - realised	76	(23)
Less Consolidation adjustments	(4,419)	203
Total Group retained earnings as per consolidated financial statements	74,334	78,597

30. Auditors' Report on Preceding Annual Financial Statements

The Auditors' Report on the financial statements for the year ended 31 January 2012 was not qualified.

31. Authorised For Issue

The condensed consolidated interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 27 September 2012