

**For immediate release**

## **QUARTERLY FINANCIAL REPORT**

Quarter 2 and half year results : Financial Year Ending 31 December 2013

The Directors are pleased to release the quarterly financial report for the quarter and six months ended 30<sup>th</sup> June 2013.

The contents of the financial report comprise of the following attached condensed financial statements, explanatory notes, and additional disclosures. These must be read in conjunction with the Group's financial statements for the year ended 31 December 2012:

- Schedule I : Condensed Consolidated Income Statement
- Schedule II : Condensed Consolidated Statement of Comprehensive Income
- Schedule III : Condensed Consolidated Statement of Financial Position
- Schedule IV : Condensed Consolidated Statement of Cash Flow
- Schedule V : Condensed Consolidated Statement of Changes in Equity
- Schedule VI : Selected Explanatory Notes
- Schedule VII : Additional Disclosures

This quarterly financial report has been prepared in accordance with the accounting standards on interim financial reporting issued by the Malaysian Accounting Standards Board and contains additional disclosures prescribed by the Main Market Listing Requirements of Bursa Malaysia. Unless specified otherwise, the same accounting policies and methods of computation applied to the Group's financial statements for the previous year had been followed throughout this quarterly financial report.

By Order of the Board

Eric Toh Chee Seong (LS 0005656)  
Company Secretary  
22 July 2013

**Schedule I : Condensed Consolidated Income Statement**

For the quarter and six months ended 30 June 2013

RM'000	Individual 2 <sup>nd</sup> Quarter			Cumulative 2 <sup>nd</sup> Quarter		
	30/6/2013	30/6/2012	% chg	30/6/2013	30/6/2012	% chg
<b>Continuing Operations</b>						
Revenue	23,493	17,945	<b>31.0%</b>	47,116	41,551	<b>13.4%</b>
Operating profit	8,038	5,386	<b>49.3%</b>	16,071	13,501	<b>19.1%</b>
Interest expense	(670)	(998)		(1,431)	(2,106)	
Interest income	37	32		76	70	
Administrative expenses	(1,054)	(1,195)		(2,064)	(2,636)	
Other income	-	15		-	1,196	
Profit before taxation (PBT)	6,351	3,240	<b>96.1%</b>	12,652	10,025	<b>26.2%</b>
Taxation	(1,524)	(728)		(3,016)	(2,336)	
Profit after taxation (PAT)	4,827	2,512	<b>92.2%</b>	9,636	7,689	<b>25.4%</b>
Attributable to :						
Equity holders of the Company	4,838	2,520	<b>92.0%</b>	9,654	7,701	<b>25.4%</b>
Non-controlling interests	(11)	(8)	<i>nm</i>	(18)	(12)	<i>nm</i>
	4,827	2,512		9,636	7,689	
Basic earnings per share (sen) attributable to equity holders of the Company	4.3	2.4		8.6	7.5	
Diluted earnings per share (sen) attributable to equity holders of the Company	3.9	2.1		7.6	6.3	

*nm – not meaningful*

*This Statement should be read in conjunction with the selected explanatory notes on Schedule VI & VII of this Report and the Group's audited financial statements for the year ended 31 December 2012.*

**Schedule II : Condensed Consolidated Statement of Comprehensive Income**

For the quarter and six months ended 30 June 2013

RM'000	Individual 2 <sup>nd</sup> Quarter			Cumulative 2 <sup>nd</sup> Quarter		
	30/6/2013	30/6/2012	% chg	30/6/2013	30/6/2012	% chg
Group profit after tax	4,827	2,512	<b>92.2%</b>	9,636	7,689	<b>25.4%</b>
<b>Other comprehensive income,</b>						
Foreign currency translation	-	-		-	-	
Realisation of reserves	-	-		-	-	
<b>Total comprehensive income for the year</b>	<b>4,827</b>	<b>2,512</b>	<b>92.2%</b>	<b>9,636</b>	<b>7,689</b>	<b>25.4%</b>
Total comprehensive income attributable to:						
Equity holders of the Company	4,838	2,520	<b>92.0%</b>	9,654	7,701	<b>25.4%</b>
Non-controlling interests	(11)	(8)	<i>nm</i>	(18)	(12)	<i>nm</i>
	<b>4,827</b>	<b>2,512</b>	<b>92.2%</b>	<b>9,636</b>	<b>7,689</b>	<b>25.4%</b>

*nm – not meaningful*

*This Statement should be read in conjunction with the selected explanatory notes on Schedule VI & VII of this Report and the Group's audited financial statements for the year ended 31 December 2012.*

**Schedule III : Condensed Consolidated Statement of Financial Position**

As at 30 June 2013

RM'000	30/06/2013	Audited 31/12/2012
Property, plant & equipment	70,766	80,621
Other financial assets	16	16
Goodwill on consolidation	12,450	12,450
Current assets		
Trade receivables	15,837	2,412
Inventories	578	542
Other receivables	5,555	8,660
Fixed deposits with financial institutions	5,213	4,375
Tax recoverable	1,805	635
Cash and cash equivalents	14,898	13,535
	43,886	30,159
Less : Current liabilities		
Trade payables	4,431	1,568
Other payables	9,063	12,926
Finance lease payables	20,094	19,522
Provision for taxation	5,625	2,196
	39,213	36,212
Net assets/(liabilities)	4,673	(6,053)
	87,905	87,034
Financed by:		
Share capital	46,812	45,017
Retained earnings	30,300	20,646
Other reserves	(2,332)	(2,332)
Non-controlling interests	249	267
Total Equity	75,029	63,598
Non-current liabilities		
Finance lease payable	11,885	22,036
Deferred tax liabilities	991	1,400
	12,876	23,436
Total equity & non-current liabilities	87,905	87,034
Net assets per share (sen) attributable to equity holders of the Company	64.2	56.3

*This Statement should be read in conjunction with the selected explanatory notes on Schedule VI & VII of this Report and the Group's audited financial statements for the year ended 31 December 2012.*

**Schedule IV : Condensed Consolidated Statement of Cash Flow**

For the six months ended 30 June 2013

RM'000	Cumulative 2 <sup>nd</sup> quarter	
	31/06/2013	31/06/2012
<b>Operating activities</b>		
Profit before taxation		
- Continuing	12,652	10,025
Add non-cash : Depreciation & amortisation	9,868	9,989
Gain on :		
- disposal of property, plant & equipment	-	(717)
- impairment of financial assets	-	262
Changes in working capital	(8,296)	(13,034)
Tax paid	(1,168)	(753)
<b>Net cash flows from operating activities</b>	<b>13,056</b>	<b>5,772</b>
<b>Investing activities</b>		
Interest income	76	69
Minority interest	-	-
Purchase of property, plant and equipment	(20)	(5,391)
Investment in an subsidiary company	-	-
Proceeds from disposal of property, plant and equipment	-	1,014
<b>Net cash flows from investing activities</b>	<b>56</b>	<b>(4,308)</b>
<b>Financing activities</b>		
Interest expenses	(1,432)	(2,106)
Repayment of finance lease	(9,580)	(8,594)
Repayment of short/long term facilities	(1,695)	(10,443)
Issuance of shares	1,796	6,182
Dividend paid	-	(1,111)
Proceeds from finance lease	-	4,443
Proceeds from short term facilities	-	6,500
<b>Net cash flows from financing activities</b>	<b>(10,911)</b>	<b>(5,129)</b>
Net change in cash & cash equivalents	2,201	(3,665)
Cash & cash equivalents at beginning of year	17,910	19,273
<b>Cash &amp; cash equivalents at end of year</b>	<b>20,111</b>	<b>15,608</b>
<b>Comprising of :</b>		
Cash and bank balances	14,898	11,696
Fixed deposits with financial institutions	5,213	3,912

Note :  
 ( ) denotes cash outflow

*This Statement should be read in conjunction with the selected explanatory notes on Schedule VI & VII of this Report and the Group's audited financial statements for the year ended 31 December 2012.*

**Schedule V : Condensed Consolidated Statement of Changes in Equity**  
 For the six months ended 30 June 2013

<-----Attributable to equity holders of the Company----->

RM'000	Share Capital	Share premium & Other reserves	Warrant Reserve	Retained Earnings	Total	Non-controlling Interests	Total Equity
<b>At 1 January 2013</b>	45,017	(3,339)	1,007	20,646	63,331	267	63,598
<b>Total comprehensive income</b>	-	-	-	9,654	9,654	(18)	9,636
<b>Transactions with owners:</b>							
Conversion of warrant to shares	1,796	-	-	-	1,796	-	1,796
Issue new ordinary shares	-	-	-	-	-	-	-
Dividend declared	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
<b>Total transactions with owners</b>	1,796	-	-	-	1,796	-	1,796
<b>At 30 June 2013</b>	46,813	(3,339)	1,007	30,300	74,781	249	75,030
<b>At 1 January 2012</b>	40,379	(5,449)	1,007	8,059	43,996	(48)	43,948
<b>Total comprehensive income</b>	-	-	-	7,701	7,701	(9)	7,692
<b>Transactions with owners:</b>							
Conversion of warrant to shares	82	-	-	-	82	-	82
Issue new ordinary shares	4,000	2,100	-	-	6,100	-	6,100
Dividend declared	-	-	-	(1,113)	(1,113)	-	(1,113)
Others	-	-	-	-	-	48	48
<b>Total transactions with owners</b>	4,082	2,100	-	(1,113)	5,069	48	5,117
<b>At 30 June 2012</b>	44,461	(3,349)	1,007	14,647	56,766	(9)	56,757

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## Schedule VI : Selected Explanatory Notes Pursuant to FRS 134

1. Accounting Policies and method of computation  
The quarterly financial statements have been prepared in accordance with Financial Reporting Standard (FRS) 134 : Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia.  
  
The accounting policies and methods of computation adopted by the Group for the interim financial report are consistent with those adopted in the financial statements for the year ended 31 December 2012.
2. Auditors' report  
The auditors' report of the preceding annual financial statements of the Company and of the Group was not subject to any qualification.
3. Comment on seasonality or cyclicity of operation  
The Group's performance is normally not affected by seasonal or cyclical events on a year to year basis. However, on a quarter to quarter basis, the proceeds from chartering land-based transportation assets to the National Service program will vary according to the schedule determined by the National Service program.
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 quarter.
5. Significant estimates and changes in estimates  
There were no significant estimates or changes in estimates that have had any material effect on the results of the current quarter.
6. Issuance or repayments of debt/equity securities  
  
There have been no issuance, cancellation, repurchases, resale and repayments of debt and equity securities in the current financial quarter except for the issuance of 2,913,752 new ordinary shares of RM0.40 each, pursuant to the conversion of 2,913,752 units of warrants 2003/2013 at the exercise price of RM0.40 each.
7. Dividends paid  
  
No dividends have been paid in the current financial quarter.
8. Segmental results  
For management purposes, the Group's operating businesses are organised according to services, namely chartering of land-based transportation assets and specialty vehicles, investment holding and property rental/ others. Segment performance is evaluated based on operating profit. Inter-segment transactions and pricing arrangements where applicable, are determined on a commercial basis.  
  
However currently, almost 100% of revenues and operating profits from Continuing Operations are generated from the chartering of land-based transportation assets and vehicles, and the incomes from othes are not significant.

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**Schedule VI : Selected Explanatory Notes Pursuant to FRS 134 (cont'd)**

9. Valuation of property, plant and equipment  
There were no changes in the valuation on property, plant and equipment since the last annual financial statements.
10. Subsequent events  
There were no material events subsequent to the end of the quarter that have not been reflected in the current financial quarter.
11. Changes in the composition of the Group  
There were no changes in the composition of the Group during the financial quarter.
12. Contingent liabilities  
There were no contingent liabilities of a material nature since the last annual balance sheet date.
13. Contingent assets  
There were no contingent assets of a material nature since the last annual balance sheet date.
14. Capital commitments  
There are no outstanding capital commitments at the end of the current quarter.
15. Significant related party transactions  
The following are significant related party transactions:-

RM'000	Cumulative 2 <sup>nd</sup> Quarter	
	<u>2013</u>	<u>2012</u>
Charter of vehicles	2,520	2,520

The above transactions had been entered into in the ordinary course of business on normal commercial terms. These transactions are within the ambit of the mandate renewed by the shareholders of the Company on 28 June 2013.



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## Schedule VII : Additional Disclosures in Compliance with Main Market Listing Requirements

### 1. Operations review

#### Current Quarter vs Corresponding Quarter last year

Group revenue for Q2 was significantly higher against that of the corresponding quarter last year, up by 31%. This jump in revenue reflected an additional one (1) month of revenue in the current quarter, from the contract with the Ministry of Defence due to a re-scheduling of the National Service program. The re-scheduling will have no effect on the total number of operating months within one year, remaining the same at nine months. Other contributions to revenue in the current quarter were derived from the mobile clinic service in Segamat, Johor, the provision of a city-bus transportation service in Manjung, Perak, chartering of a fleet of vehicles (Ford Rangers and Kia minivans) and the charter of 10 units of mini ambulances.

Group operating profit jumped 49% to around RM8.04 mil when compared to the corresponding quarter last year. This was mainly due to the same reason as mentioned above and the managements' efforts in stabilizing operating costs.

Profit after tax attributable to shareholders was significantly higher, up by approximately 92% to RM4.84 mil from the corresponding quarter last year for similar reasons as mentioned above, combined with lower interest costs (as the principal portion of the finance lease payables increase towards the end of finance lease tenure), and lower administrative expenses.

#### Half year vs Corresponding Period last year

Group revenue increased by 13% to RM47.1mil for the first half. This increase was due to 6 months of revenue from the contract with the Ministry of Defence in the first half 2013, and only 5 months of revenue in the corresponding period last year.

Group operating profit was up 19% to RM16.1 mil when compared to the corresponding period last year, again due to re-scheduling of the National Service program which included an extra 1 months of revenue in the first half of 2013.

### 2. Comment on material change in profit before taxation vs preceding quarter

Group PBT for the quarter amounted to approximately RM6.35 million which was only 1% higher than the preceding quarter. There was no material changes in PBT due to the same number of months of operation for the contract with the Ministry of Defence (totaling three full months for each quarter), and thus the same operational revenue for this contract.

### 3. Prospects for the current financial year

The management's sustained effort and investment, to secure additional smaller contracts in chartering land-based transportation assets and specialty vehicles, and to improve the operating efficiency is expected to produce further results in the second half of financial year 2013.

The tenure of contracts, for chartering out land-based transportation assets, together with drivers, fuel, maintenance & repair costs, insurance costs and other operational costs, at a fixed monthly charter cost, are generally medium term in nature (2-5 years). This will continue to hedge against any short term adverse economic cycles that the Malaysian economy may face.

**Schedule VII : Additional Disclosures in Compliance with Main Market Listing Requirements (cont'd)**

Barring any major negative external forces, we expect to broaden our earnings base in the second half of financial year 2013.

The earnings contributions from the Ministry of Defence chartering contract (under the National Service program), chartering of city buses for a public transportation service in Manjung (Perak), chartering of mini mobile clinics, and chartering of a fleet of 252 vehicles, will continue in the second half of financial year 2013.

4. Tax expense

The details of the tax expense are as follows:-

RM'000	Current Quarter	Cumulative 2 <sup>nd</sup> Quarter
Current	1,688	3,425
Deferred tax	(164)	(409)
	<u>1,524</u>	<u>3,016</u>

5. Status of corporate proposal

There were no outstanding corporate proposals or new announcements (except those detailed in this financial report) made in the current financial quarter.

6. Group borrowings and debt securities

The details of the Group's borrowings as at 30 June 2013 are as follows:-

RM'000	Currency	Current	Non-Current
Finance lease	RM	<u>20,094</u>	<u>11,885</u>

7. Pending material litigation

There was no pending litigation of a material nature since the last balance sheet date.

8. Proposed Dividend

A first interim single tier dividend of 1 sen (2.5%) for the financial period ending 31 December 2013, has been declared by the Board of Directors on 22 July 2013.

9. Basis of calculation of earnings per share (EPS)

(a) The basic EPS for the current quarter was computed by dividing the Group profit attributable to shareholders of the Company by the weighted average number of ordinary share in issue (net of treasury shares).

	Current Quarter RM'000	Current YTD RM'000
Group attributable profit to shareholders of the Company	<u>4,838</u>	<u>9,654</u>
Weighted average issued capital net of treasury shares	113,168	113,168
Earnings per share (sen)	4.3	8.6

**Schedule VII : Additional Disclosures in Compliance with Main Market Listing Requirements (cont'd)**

- (b) The diluted EPS for the current quarter was computed by dividing the Group profit attributable to shareholders, adjusted for the dilutive effects of the conversion of all the outstanding warrants of the Company into ordinary shares.

	Current Quarter RM'000	Current YTD RM'000
Group attributable profit to shareholders of the Company	4,838	9,654
Weighted average issued capital net of treasury shares	113,168	113,168
Adjustment for warrant conversion into ordinary shares	13,695	13,695
Adjusted weighted average issued capital net of treasury shares	126,863	126,863
Earnings per share (sen)	3.9	7.6

10. Disclosure of realised and unrealised portions of the revenue reserve

	2 <sup>nd</sup> Quarter 2013 RM'000	2012 RM'000
Total revenue reserve of the Company and its subsidiaries		
Realised	31,291	16,869
Unrealised*	(991)	(2,222)
	30,300	14,647

\* In respect of deferred tax recognized and fair value gain on financial assets in the statements of comprehensive income

11. Notes to the Condensed Consolidated Income Statement

PBT is arrived at after charging/(crediting) the following items:

	Current Quarter RM'000	Current YTD RM'000
(a) Other income (interest income)	37	76
(b) Depreciation and amortization,	4,930	9,868
(c) Provision for doubtful debts	N/A	N/A
(d) Bad debts written off	N/A	N/A
(e) Provision for inventories	N/A	N/A
(f) Inventories written off	N/A	N/A

(h)	(Gain)/Loss on disposal of quoted/unquoted investments	N/A	N/A
(h)	(Gain)/Loss on disposal of assets	N/A	N/A
(i)	Impairment of financial assets	N/A	N/A
(j)	Foreign exchange (Gain)/loss	N/A	N/A
(k)	Loss on derivatives	N/A	N/A
(l)	Unusual items	N/A	N/A