

FREIGHT MANAGEMENT HOLDINGS BHD
(Company No. 380410-P)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE SECOND QUARTER ENDED 31 DECEMBER 2016
(The figures have not been audited)

	Individual Quarter		Cumulative Quarter	
	CURRENT YEAR QUARTER ENDED 31 December 2016 RM'000	PRECEDING YEAR CORRESPONDING QUARTER ENDED 31 December 2015 RM'000	CURRENT YEAR TO DATE ENDED 31 December 2016 RM'000	PRECEDING YEAR TO DATE ENDED 31 December 2015 RM'000
Revenue	115,398	103,325	220,169	205,314
Operating expenses	(110,560)	(97,623)	(210,392)	(195,140)
Other operating income	2,832	1,399	6,158	4,274
Profit from operations	<u>7,670</u>	<u>7,101</u>	<u>15,935</u>	<u>14,448</u>
Finance costs	(1,022)	(1,188)	(2,055)	(1,986)
Share of profit of associates	(5)	11	(10)	10
Share of profit/(loss) of joint ventures	230	(298)	143	175
Profit before tax	<u>6,873</u>	<u>5,626</u>	<u>14,013</u>	<u>12,647</u>
Tax expense	(1,675)	(1,438)	(3,273)	(2,624)
Profit for the period	<u>5,198</u>	<u>4,188</u>	<u>10,740</u>	<u>10,023</u>
Profit attributable to :				
Owners of the parent	5,054	3,937	10,323	9,689
Non-controlling interests	144	251	417	334
	<u>5,198</u>	<u>4,188</u>	<u>10,740</u>	<u>10,023</u>
Earnings per share (sen)				
- Basic	<u>2.81</u>	<u>2.27</u>	<u>5.78</u>	<u>5.60</u>
- Diluted	<u>2.80</u>	<u>2.22</u>	<u>5.76</u>	<u>5.46</u>

The Condensed Consolidated Statement of Profit or Loss should be read in conjunction with the accompanying explanatory notes attached and Annual Financial Report for the financial year ended 30 June 2016.

FREIGHT MANAGEMENT HOLDINGS BHD
(Company No. 380410-P)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SECOND QUARTER ENDED 31 DECEMBER 2016
(The figures have not been audited)

	Individual Quarter		Cumulative Quarter	
	CURRENT YEAR QUARTER ENDED 31 December 2016 RM'000	PRECEDING YEAR CORRESPONDING QUARTER ENDED 31 December 2015 RM'000	CURRENT YEAR TO DATE ENDED 31 December 2016 RM'000	PRECEDING YEAR TO DATE ENDED 31 December 2015 RM'000
Profit for the period	5,198	4,188	10,740	10,023
Other comprehensive income, net of tax				
Items that may be reclassified subsequently				
to profit or loss				
Foreign currency translation differences for foreign operations	2,491	(731)	3,546	4,337
Total comprehensive income for the period	<u>7,689</u>	<u>3,457</u>	<u>14,286</u>	<u>14,360</u>
Total comprehensive income attributable to :				
Owners of the parent	7,032	3,393	13,042	12,711
Non-controlling interests	657	64	1,244	1,649
	<u>7,689</u>	<u>3,457</u>	<u>14,286</u>	<u>14,360</u>

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying explanatory notes attached and Annual Financial Report for the financial year ended 30 June 2016.

FREIGHT MANAGEMENT HOLDINGS BHD
(Company No. 380410-P)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016
(This figures have not been audited)

	As at End of Financial Year End 31 December 2016 RM'000	As at Preceding Financial Year End 30 June 2016 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	232,967	235,358
Intangible assets	3,106	2,671
Investments in associates	4,791	4,801
Investments in joint ventures	2,873	2,978
Other investments	3	3
Deferred tax assets	806	730
	<u>244,546</u>	<u>246,541</u>
Current assets		
Receivables	122,159	109,330
Other investments	13,991	6,824
Current tax assets	1,363	1,575
Cash and bank balances	39,505	39,115
	<u>177,018</u>	<u>156,844</u>
TOTAL ASSETS	<u><u>421,564</u></u>	<u><u>403,385</u></u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	92,192	88,809
Reserves	145,746	135,849
	<u>237,938</u>	<u>224,658</u>
Non-controlling interests	17,421	16,314
Total equity	<u>255,359</u>	<u>240,972</u>
Non-current liabilities		
Long term borrowings	66,619	71,497
Deferred tax liabilities	17,779	18,529
Post-employment benefits obligation	817	817
	<u>85,215</u>	<u>90,843</u>
Current liabilities		
Payables	59,856	52,327
Short term borrowings	15,509	16,185
Current tax liabilities	5,625	3,058
	<u>80,990</u>	<u>71,570</u>
Total liabilities	<u>166,205</u>	<u>162,413</u>
TOTAL EQUITY AND LIABILITIES	<u><u>421,564</u></u>	<u><u>403,385</u></u>
Net assets per share (RM)	1.38	1.36
Net assets per share attributable to owners of the parent (RM)	1.29	1.26

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying explanatory notes attached and Annual Financial Report for the financial year ended 30 June 2016.

FREIGHT MANAGEMENT HOLDINGS BHD
(Company No. 380410-P)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE 6 MONTHS ENDED 31 DECEMBER 2016
(The figures have not been audited)

	Current Year 6 Months ended 31 December 2016	Preceding Year 6 Months ended 31 December 2015
Note	RM'000	RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	14,013	12,647
Adjustments for:-		
Depreciation	7,238	7,451
Amortisation of Intangible asset	116	-
Other non-cash items	1,704	1,836
Non-operating items	2,562	39
Operating profit before working capital changes	<u>25,633</u>	<u>21,973</u>
(Increase)/Decrease in trade and other receivables	(9,324)	11,549
Increase/(Decrease) in trade and other payables	6,141	(3,081)
Cash generated from operations	<u>22,450</u>	<u>30,441</u>
Interest paid	(28)	-
Tax paid (net)	(1,293)	(1,348)
Pension fund paid	(3)	-
Net cash from operating activities	<u>21,126</u>	<u>29,093</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Acquisitions of:		
- an associate	-	(1,600)
Dividend received	11	-
Interest received	352	150
Placements of:		
- fixed deposits pledged to licensed banks	(61)	(55)
Proceeds from disposal of:		
- property, plant and equipment	1,381	231
- other investments	-	-
Purchase of:		
- property, plant and equipment	A (2,609)	(15,868)
- Intangible asset	(551)	-
Net cash used in investing activities	<u>(1,477)</u>	<u>(17,142)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Dividends paid to ordinary shareholders of the Company	(8,989)	(8,654)
Dividend paid to non-controlling interests in a subsidiary	(137)	-
Drawdowns of borrowings	-	3,000
Interest paid	(2,027)	(1,986)
Ordinary share capital contributed by non-controlling interests of a subsidiary	-	215
Proceeds from exercise of warrants	6,563	130
Repayments of borrowings	(6,680)	(10,183)
Net cash used in financing activities	<u>(11,270)</u>	<u>(17,478)</u>
Net decrease in cash and cash equivalents	8,379	(5,527)
Cash and cash equivalents at beginning of financial period	40,505	36,631
Cash and cash equivalents at end of financial period	<u>48,884</u>	<u>31,104</u>
CASH AND CASH EQUIVALENTS		
Cash and bank balances	35,213	34,929
Fixed deposits with licensed banks	4,292	3,637
Bank overdrafts	-	(3,825)
	<u>39,505</u>	<u>34,741</u>
Less: Fixed deposits placed with a licensed bank with original maturity of more than three (3) months	(444)	(428)
Less: Fixed deposits pledged to licensed banks	(3,364)	(3,209)
Add: Short term fund	13,187	-
	<u>48,884</u>	<u>31,104</u>
Note A		
Purchase of property, plant and equipment	4,296	58,124
Financed by hire purchase and lease arrangements	(1,687)	(2,256)
Financed by term loans	-	(40,000)
Cash payments on purchase of property, plant and equipment	<u>2,609</u>	<u>15,868</u>

The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the accompanying explanatory notes attached and Annual Financial Report for the financial year ended 30 June 2016.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE 6 MONTHS ENDED 31 DECEMBER 2016
(The figures have not been audited)

	Share capital RM'000	Share premium RM'000	Exchange translation reserve RM'000	Revaluation reserve RM'000	Available-for-sale reserve RM'000	Pension reserve RM'000	Retained earnings RM'000	Total attributable to owners of the parent RM'000	Non- controlling interests RM'000	Total equity RM'000
As at 1 July 2016	88,809	7,207	5,467	23,153	-	(58)	100,080	224,658	16,314	240,972
Profit for the period	-	-	-	-	-	-	10,323	10,323	417	10,740
Other comprehensive income	-	-	2,719	-	-	-	-	2,719	827	3,546
Total comprehensive income for the period	-	-	2,719	-	-	-	10,323	13,042	1,244	14,286
Dividends paid	-	-	-	-	-	-	(6,325)	(6,325)	-	(6,325)
Dividend paid to non-controlling interest of a subsidiary	-	-	-	-	-	-	-	-	(137)	(137)
Ordinary shares issued pursuant to - - exercise of warrants	3,383	3,180	-	-	-	-	-	6,563	-	6,563
Transfer due to crystallisation of revaluation reserve	-	-	-	(186)	-	-	186	-	-	-
As at 31 December 2016	92,192	10,387	8,186	22,967	-	(58)	104,264	237,938	17,421	255,359

	Share capital RM'000	Share premium RM'000	Exchange translation reserve RM'000	Revaluation reserve RM'000	Available-for-sale reserve RM'000	Pension reserve RM'000	Retained earnings RM'000	Total attributable to owners of the parent RM'000	Non- controlling interests RM'000	Total equity RM'000
As at 1 July 2015	86,500	5,036	3,859	23,633	-	(25)	88,450	207,453	16,343	223,796
Profit for the period	-	-	-	-	-	-	9,689	9,689	334	10,023
Other comprehensive income	-	-	3,022	-	-	-	-	3,022	1,315	4,337
Total comprehensive income for the period	-	-	3,022	-	-	-	9,689	12,711	1,649	14,360
Ordinary shares contributed by non-controlling interest of a subsidiary	-	-	-	-	-	-	-	-	215	215
Dividend paid	-	-	-	-	-	-	(6,059)	(6,059)	-	(6,059)
Ordinary shares issued pursuant to - - exercise of warrants	67	63	-	-	-	-	-	130	-	130
As at 31 December 2015	86,567	5,099	6,881	23,633	-	(25)	92,080	214,235	18,207	232,442

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying explanatory notes attached and Annual Financial Report for the financial year ended 30 June 2016.

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Notes on the quarterly report – 31 December 2016

PART A : EXPLANATORY NOTES AS PER MFRS 134

A1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting and paragraph 9.22 and Part A of Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”). The interim financial statements should be read in conjunction with the Group’s annual audited financial statements for the year ended 30 June 2016.

The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial year ended 30 June 2016.

The accounting policies and method of computation adopted by the Group in the preparation of the consolidated interim financial statements are consistent with those adopted in the most recent annual audited financial statements for the year ended 30 June 2016 except for the adoption of the following new/revised MFRSs and amendments to MFRSs effective for annual periods beginning on or after 1 January 2016:-

Annual Improvements to MFRSs 2012-2014 Cycle

Amendments to MFRS 10, MFRS 12 and MFRS 128 *Investment Entities: Applying the Consolidation Exception*

Amendments to MFRS 11 *Accounting for Acquisitions of Interests in Joint Operations*

MFRS 14 *Regulatory Deferral Accounts*

Amendments to MFRS 101 *Disclosure Initiative*

Amendments to MFRS 116 *Property, Plant and Equipment: Clarification of Acceptable Methods of Depreciation and Amortisation*

Amendments to MFRS 127 *Equity Method in Separate Financial Statements*

Amendments to MFRS 138 *Intangible Assets: Clarification of Acceptable Methods of Depreciation and Amortisation*

Amendments to MFRS 116 and MFRS 141 *Agriculture: Bearer Plants*

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The adoption of the above MFRSs and amendments to MFRSs do not have any significant financial impact on the results and the financial position of the Group for the current quarter.

A2. Qualification of Annual Financial Statements

The audit report of the Group's most recent annual audited financial statements for the year ended 30 June 2016 was not qualified.

A3. Seasonality or cyclical factors

The Group's business operation results were not materially affected by any major seasonal or cyclical factors.

A4. Unusual Items

There are no unusual items affecting assets, liabilities, equity, net income or cash flows in the financial year to date.

A5. Changes in estimates

There were no changes in estimates of amounts reported in prior interim period or financial year that have material effect in the current quarter.

A6. Changes in debts and equity securities

There were no issuance, cancellations, repurchases, resale and repayments of debt and equity securities for the current financial year to date except for the issuance of 6,765,983 new shares of RM0.50 each pursuant to the exercise of warrants at RM0.97 per warrant. The total cash proceeds arising from the exercise of warrants during the current financial year to date amounted to RM6,563,004.

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A7. Dividend paid

The interim single tier dividend of 1.5 sen per share amounting to RM2,664,273 in respect of financial year ended 30 June 2016 has been paid on 28 July 2016.

The second interim single tier dividend of 3.5 sen per share amounting to RM6,324,627 in respect of financial year ended 30 June 2016 has been paid on 22 November 2016.

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Notes on the quarterly report – 31 December 2016

A8. Segment information

Operating segments for the current financial year to date:

← Logistics →

	Malaysia RM'000	Australia RM'000	Indonesia RM'000	Thailand RM'000	Vietnam RM'000	India RM'000	Sri Lanka RM'000	Marine Singapore RM'000	Others RM'000	Elimination RM'000	Total RM'000
Revenue											
Total revenue	161,692	18,335	14,844	2,697	8,719	5,343	3,831	8,304	5,633	(9,229)	220,169
Inter-segment revenue	(1,337)	(545)	(1,033)	(516)	(326)	(130)	(5)	-	(5,337)	(9,229)	-
Revenue from external customers	160,355	17,790	13,811	2,181	8,393	5,213	3,826	8,304	296	-	220,169
Results											
Segment results	13,056	773	1,011	(354)	300	22	(20)	109	1,819	(781)	15,935
Finance costs	(1,878)	(11)	(12)	-	-	(28)	-	(136)	-	10	(2,055)
Share of profit/(loss) of associates	(10)	-	-	-	-	-	-	-	-	-	(10)
Share of profit of joint ventures	-	-	-	-	-	-	-	-	143	-	143
Profit before tax	11,168	762	999	(354)	300	(6)	(20)	(27)	1,962	(771)	14,013
Tax expense	-	-	-	-	-	-	-	-	-	-	(3,273)
Profit for the period	-	-	-	-	-	-	-	-	-	-	10,740
Assets											
Segment assets	375,417	10,799	14,511	1,254	4,946	2,707	1,373	34,762	55,823	(89,861)	411,731
Investments in associates	425	-	-	-	-	-	-	-	4,366	-	4,791
Investments in joint ventures	-	-	-	-	-	-	-	-	2,873	-	2,873
Deferred tax assets	-	-	228	-	-	578	-	-	-	-	806
Current tax assets	-	470	-	784	-	-	-	1	108	-	1,363
Total assets	-	-	-	-	-	-	-	-	-	-	421,564

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	← Logistics →										Total RM'000
	Malaysia RM'000	Australia RM'000	Indonesia RM'000	Thailand RM'000	Vietnam RM'000	India RM'000	Sri Lanka RM'000	Marine Singapore RM'000	Others RM'000	Elimination RM'000	
Liabilities											
Segment liabilities	210,178	5,702	9,277	3,021	2,695	2,554	1,361	10,182	14,925	(117,094)	142,801
Deferred tax liabilities	17,521	-	-	-	-	-	-	-	258	-	17,779
Current tax liabilities	5,558	-	(15)	-	83	-	-	-	-	-	5,625
Total liabilities											<u>166,205</u>
Other segment information											
Capital expenditure	3,163	123	93	-	170	52	5	690	-	-	4,296
Depreciation	5,403	66	145	21	76	-	10	1,462	55	-	7,238
Amortization of intangible assets	-	-	-	-	-	-	-	-	116	-	116
Other non-cash income	(868)	(79)	-	(17)	-	-	-	(281)	(32)	-	(1,277)
Other non-cash expenses other than depreciation	3,324	-	62	1	112	61	16	50	-	-	3,626

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A9. Valuation of property, plant and equipment

The Group's property, plant and equipment other than land and buildings are stated at cost less accumulated depreciation and any accumulated impairment losses. Land and buildings are stated at valuation, which are the fair values at the date of revaluation.

A10. Material events subsequent to the end of the interim period

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

A11. Changes in the composition of the Group

There were no changes in the composition of the Group during the current financial period.

A12. Contingent liabilities

As at the date of this announcement, the Directors of FMHB are not aware of any contingent liability of the Group save as disclosed below:-

	RM'000
Bank guarantees in favour of third parties*	<u>3,573</u>

**Note : These are bank guarantees made in the ordinary course of business mainly in favour of vendors and the Pengarah Kastam of Malaysia in the relevant states in Malaysia.*

A13. Capital commitments

Contracted but not provided for :

	As at 31.12.16 RM'000
Trailers	305
Computers	83
	<u>388</u>

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PART B: ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES

B1. Review of performance

The Group registered a revenue growth of RM12.1mil or approximately 12% higher than 2QFY16. Details of changes in each service type are as follows:-

Service Type	2QFY17	2QFY16	Increase/- Decrease	
			RM mil	% change
Seafreight	73.8	66.1	7.7	12%
Airfreight	11.4	8.6	2.8	33%
Tug & Barge	4.1	3.7	0.4	11%
3PL & Warehousing	11.4	10.5	0.9	9%
Landfreight	4.2	3.9	0.3	8%
Other Supporting	10.5	10.5	0.0	0%
TOTAL	115.4	103.3	12.1	12%

Revenue for 2QFY17 was contributed mainly from Sea Freight division which increased approximately 12% while revenue from Airfreight and Tug & Barge which increased of 33% and 11%, respectively, compared to 2QFY16. 3PL & Warehousing and Landfreight divisions also recorded an increase in revenue of 9% and 8%, respectively compared to 2QFY16. The overall higher revenue achieved mainly due to higher activities during 2QFY17 across all the divisions other than the Other Supporting Division. The Other Supporting Services achieved similar revenue compared to 2QFY16.

Profit Before Tax (“PBT”) for 2QFY17 increased approximately 22% from 2QFY16 while its PBT margin improved to 5.9% as compared to 5.4% in 2QFY16. The overall performance improved mainly due to better performance from the operational divisions and other income and share of profits from its joint venture in Philippines.

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Notes on the quarterly report – 31 December 2016

B2. Variation of results against preceding quarter

Service Type	2QFY17	1QFY17	Increase/ Decrease RM mil	% change
Seafreight	73.8	65.4	8.4	13%
Airfreight	11.4	9.4	2.0	21%
Tug & Barge	4.1	4.2	-0.1	-2%
3PL & Warehousing	11.4	10.9	0.5	5%
Landfreight	4.2	4.4	-0.2	-5%
Other Supporting	10.5	10.5	0.0	0%
TOTAL	115.4	104.8	10.6	10%

Revenue for 2QFY17 was contributed mainly from Sea Freight division which increased approximately 13% while revenue from Airfreight and 3PL & Warehousing increase 21% and 5%, respectively, compared to 1QFY17 due to higher activities during 2QFY17. However, both Landfreight and Tug & Barge divisions recorded a decrease in revenue 5% and 2%, respectively compared to 1QFY17 as a result of slower activities during this 2QFY17. The Other Supporting Services achieved similar revenue compared to 1QFY17.

PBT was lower as compared to 1QFY17 mainly due to higher gain on disposal of property, plant and equipment in 1QFY17.

B3. Current year prospects

The Group has performed positively for the first half of FY17 despite the challenging and competitive global environment. Moving forward, the Group will continue to seek new business opportunities whilst continuing with its effort to manage its operational and cost efficiency.

Barring any unforeseen circumstances, the Board of Directors is of the opinion that the performance of the Group is expected to remain positive for the financial year ending 30 June 2017.

B4. Variance of actual and forecast profit

The Group has not provided any quarterly profit forecast and therefore no variance information is available for the quarter under review.

FREIGHT MANAGEMENT HOLDINGS BHD**(Company No: 380410-P)****Notes on the quarterly report – 31 December 2016****B5. Tax expense**

	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding	Current	Preceding
	Quarter	Year	Year To	Year
	31.12.2016	Corresponding	Date	Corresponding
	RM'000	Quarter	31.12.2016	Quarter
		31.12.2015	RM'000	31.12.2015
		RM'000		RM'000
In respect of current period:				
Income tax	2,294	1,371	4,022	2,207
Deferred tax	(619)	67	(749)	417
	<u>1,675</u>	<u>1,438</u>	<u>3,273</u>	<u>2,624</u>
Under / (Over) provision in respect of prior years :				
Income tax	-	-	-	-
Deferred tax	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u><u>1,675</u></u>	<u><u>1,438</u></u>	<u><u>3,273</u></u>	<u><u>2,624</u></u>

The effective tax rate is lower than the statutory tax rate due to tax exemption enjoyed by a subsidiary in Singapore.

B6. Status of corporate proposal announced

During the Annual General Meeting on 29 November 2016, the shareholders have approved the Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature and the Proposed Renewal of Share Buy-Back Authority.

FREIGHT MANAGEMENT HOLDINGS BHD**(Company No: 380410-P)****Notes on the quarterly report – 31 December 2016****B7. Group borrowings**

The Group's borrowings as at the end of the reporting quarter are as follows:

	RM'000
Payable within 12 months (secured)	
Term loans	13,335
Hire purchase and lease liabilities	2,174
	<hr/> 15,509 <hr/>
Payable after 12 months (secured)	
Term loans	62,424
Hire purchase and lease liabilities	4,195
	<hr/> 66,619 <hr/>
Total borrowings	<hr/> <hr/> 82,128 <hr/> <hr/>

All the above borrowings are denominated in Ringgit Malaysia except for the following, which is denominated in foreign currency:-

	RM'000
In Australian Dollar	
Hire purchase and lease liabilities payable within 12 months	77
Hire purchase and lease liabilities payable after 12 months	268
In Singapore Dollar	
Term loans payable within 12 months	4,342
Term loans payable after 12 months	1,075
Hire purchase and lease liabilities payable within 12 months	75
Hire purchase and lease liabilities payable after 12 months	-
In Indonesian Dollar	
Hire purchase and lease liabilities payable within 12 months	85
Hire purchase and lease liabilities payable after 12 months	37
	<hr/> 5,959 <hr/> <hr/>

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B8. Change in material litigation

Neither FMHB nor any of its subsidiaries in the Group is engaged in any litigation or arbitration, either as plaintiff or defendant, which has a material effect on the financial position of the Company or any of its subsidiaries in the Group and the Board of Directors of FMHB is not aware of any proceedings pending or threatened, or of any fact likely to give rise to any proceedings, which might materially and adversely affect the position or business of the Company or any of its subsidiaries in the Group.

B9. Dividend

The board does not recommend any dividend for the current quarter under review.

B10. Earnings per share

Basic

	Individual Quarter		Cumulative Quarter	
	Current	Preceding	Current	Preceding
	Year	Year	Year To	Year
	Quarter	Corresponding	Date	Corresponding
	31.12.2016	Quarter	31.12.2016	Quarter
		31.12.2015		31.12.2015
Profit attributable to equity holders of the parent (RM'000)	5,054	3,937	10,323	9,689
Weighted average number of ordinary shares in issue ('000)	177,618	172,999	177,618	172,999
Effect of exercise of warrants ('000)	2,185	61	1,092	30
Weighted average number of ordinary shares in issue applicable to basic earnings per ordinary shares('000)	179,803	173,060	178,710	173,030
Basic Earnings Per Ordinary Share (sen)	2.81	2.27	5.78	5.60

FREIGHT MANAGEMENT HOLDINGS BHD**(Company No: 380410-P)****Notes on the quarterly report – 31 December 2016****B10. Earnings per share (Contd)****Diluted**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.12.2016	Preceding Year Corresponding Quarter 31.12.2015	Current Year To Date 31.12.2016	Preceding Year Corresponding Quarter 31.12.2015
Profit attributable to equity holders of the parent (RM'000)	5,054	3,937	10,323	9,689
Weighted average number of ordinary shares in issue applicable to basic earnings per ordinary shares ('000)	179,803	173,060	178,710	173,030
Effect of dilution in potential exercise of warrants ('000)	392	4,477	392	4,477
Adjusted weighted average number of ordinary shares applicable to diluted earnings per ordinary share ('000)	180,195	177,538	179,102	177,507
Diluted Earnings Per Ordinary Share (sen)	2.80	2.22	5.76	5.46

B11. Realised and Unrealised Profits or Losses of the Group

	As at 31.12.16 RM'000	As at 31.12.15 RM'000
Total retained earnings of the Group:		
Realised	156,359	142,400
Unrealised *	(18,769)	(16,806)
Total share of retained earnings from associates:		
Realised	40	174
Unrealised	-	-
Total share of accumulated losses from joint ventures:-		
Realised	(1,708)	(607)
Unrealised	-	-
Less: Consolidation adjustments	(31,658)	(33,081)
Total Group retained earnings as per financial statements	104,264	92,080

* Unrealised comprise of deferred tax liabilities and unrealised foreign exchange losses.

The disclosure of the above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Malaysia and should not be applied for any other purposes.

FREIGHT MANAGEMENT HOLDINGS BHD**(Company No: 380410-P)****Notes on the quarterly report – 31 December 2016****B12. Additional Disclosures on Profit for the period**

	Current Year Quarter 31.12.16 RM'000	Current Year To Date 31.12.16 RM'000
Profit for the period is arrived at after charging/ (crediting):		
Interest income	(258)	(352)
Gain on disposal of property, plant and equipment	(70)	(534)
Loss on foreign exchange	934	843
Depreciation of property, plant and equipment	3,651	7,238
Amortization of Intangible asset	76	116
Impairment loss and write off of trade receivables	923	1,554
Interest expense	<u>1,022</u>	<u>2,055</u>

Other than the above, there were no gain or loss on disposal of quoted or unquoted investments, gain or loss on derivatives and exceptional items for the current quarter and financial period ended 31 December 2016.