Century Logistics Holdings Berhad (424341-A)

Lot 8, Lingkaran Sultan Mohamed 1, Bandar Sultan Suleiman, P.O. Box 93, 42008 Port Klang, Selangor Darul Ehsan, Malaysia.
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www.century.com.my

Century Logistics Holdings Berhad (424341-A)

ANNUAL REPORT 2010

Annual Report **2010**

Century Logistics Holdings Berhad (424341-A)

the ***power*** to move forward

Our Vision

"to transform Century through process evolution and strategic alliances taking cognizance of the global trend where third-party logistics (3PL) providers are able to offer value-added integrated logistics solutions that effectively enhance the customers' supply chain."

The Objectives

The objectives of Century are to perform efficient and responsible business activities to enhance the interest and quality of life of our stakeholders.

Quality Policy

'doing the right things right'

Our Quality Policy is based on the following corporate values:-

- Customer Satisfaction – meeting customer needs and exceed their expectations by providing total logistics solutions to enhance their supply chain.
- Human Resource Management – promoting a conducive and learning organisation to improve growth and work satisfaction of our personnel.
- Service Excellence – extend the quality service performance and responsible care to our customers, contractors and within our organisation. Performances are measured by introducing the necessary Key Performance Indicators which are reviewed for continuous improvement.
- Corporate Citizenship – responsible corporate governance and positive contribution towards safety, sustainable environment and society.
- Shareholders' Reward – develop a sustainable business growth and enhancement of shareholders' value.
- Shariah Compliance – inculcate Shariah requirements in the quality management with emphasis on best practices and promote good universal values.

CONTENTS

FINANCIAL HIGHLIGHTS

	2006 RM'000	2007 RM'000	2008 RM'000	2009 RM'000	2010 RM'000
PROFITABILITY					
Revenue	124,541	163,022	163,892	210,950	270,621
Profit before taxation	7,083	23,659	17,089	24,788	35,971
Profit for the year attributable to equity holders	5,130	20,831	14,767	20,936	30,620
BALANCE SHEET					
Share capital	51,296	53,431	81,671	81,671	82,005
Shareholders' equity	90,210	106,296	137,728	155,179	174,634
FINANCIAL RATIO					
Revenue growth (%)	11.0%	30.9%	0.5%	28.7%	28.3%
Earnings growth (%)	238.6%	306.1%	-29.1%	41.8%	46.3%
Return on equity	5.7%	19.6%	10.7%	13.5%	17.5%
SHARE INFORMATION					
Gross dividend per share (sen)	2.5	10.0	5.0	6.0	9.0
Earnings per share (sen)	10.00	40.95	21.12	27.49	38.71
Net assets per share (sen)	176	209	186	190	222

CORPORATE INFORMATION

Board Of Directors

Phua Sin Mo
Executive Chairman

Teow Choo Hing
Managing Director

Dr. Mohamed Amin bin Mohd Kassim
Deputy Managing Director

Jaafar bin Mohamad
Executive Director

Teow Choo Chuan
Executive Director

Yeap Khoo Soon Edwin
Executive Director

Shamsudin @ Samad bin Kassim
Senior Independent Non-Executive Director

Dato' Yong Seng Yeow
Independent Non-Executive Director

Soong Chee Keong
Independent Non-Executive Director

Audit Committee

Shamsudin @ Samad bin Kassim
Chairman

Dato' Yong Seng Yeow
Member

Soong Chee Keong
Member

Company Secretary

Chua Siew Chuan
(MAICSA 0777689)

Auditors

Deloitte & Touche

Principal Bankers

Public Bank Berhad
RHB Bank Berhad
OCBC Bank (Malaysia) Berhad

Stock Exchange Listing

Main Market Of
Bursa Malaysia Securities Berhad

Registered Office

Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur
Tel: 03 2084 9000
Fax: 03 2094 9940

Corporate Office

Lot 8, Lingkaran Sultan Mohamed 1
Bandar Sultan Suleiman
P.O. Box 93, 42008 Port Klang
Selangor Darul Ehsan
Tel: 03 3375 5888
Fax: 03 3375 5969
Email: info@century.com.my
Website: www.century.com.my

Share Registrar

Securities Services (Holdings) Sdn Bhd
Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur
Tel: 03 2084 9000
Fax: 03 2094 9940

ABOUT CENTURY

Century is a leading provider of supply chain solutions. From a humble beginning as a forwarding agent back in the 1970s, the Group has since diversified into third party logistics ("3PL"), oil and gas logistics as well as procurement logistics services.

Century's unique model of value-added solutions encompass warehousing and distribution services that can be scaled and customized to the needs of customers based on the demands and delivery service requirements for their products. With the innovative solutions offered, Century has evolved to managing the contract logistics of discerning clienteles, where the value propositions are to improve operational efficiencies that positively enhance the clienteles and their end customers.

In oil and gas logistics, we provide floating storage and transshipment services for international oil trading companies.

Century also provides procurement logistics services to various multi-national electrical and electronics customers.

The Group is currently operating abroad in China, India and Thailand.

CHAIRMAN'S MESSAGE

Dear Fellow Stakeholders,

On behalf of the Board of Directors, it is my great pleasure to share with you the Annual Report for 2010, where we achieved yet another record performance. We have continued to deliver value year after year; our compounded annual growth rate (CAGR) for profit is in excess of 55% while the CAGR for our revenue is more than 21% for the financial years from 2006 to 2010.

The consistently strong performance is due to our continued focus in providing excellent supply chain solutions that effectively enhance our customers' value chain.

PHUA SIN MO
Executive Chairman

CHAIRMAN'S MESSAGE

ECONOMIC AND INDUSTRY REVIEW

It is heartening to note that the Malaysian economy performed above expectations, registering a growth of 7.2% for 2010 on the back of higher private and public sector spending. However, despite the expansion in domestic demand, the slower growth in the global economy had led to a weaker growth in external demand. Nevertheless, with growth forecast for 2011 remaining high at between 5.0 to 6.0 per cent *(Source: Bank Negara Malaysia 2010 Annual Report)*, I expect this will augur well for the logistics industry in Malaysia.

FINANCIAL REVIEW

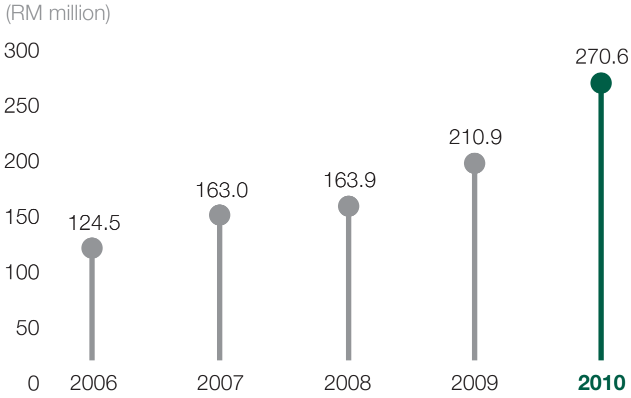
I am proud to say that Century has grown remarkably well. This is driven by three key factors: our core focus; our strong balance sheet; and not forgetting, the strength of our management. As a result, we have been rewarded by an impressive set of financial numbers.

Record Earnings

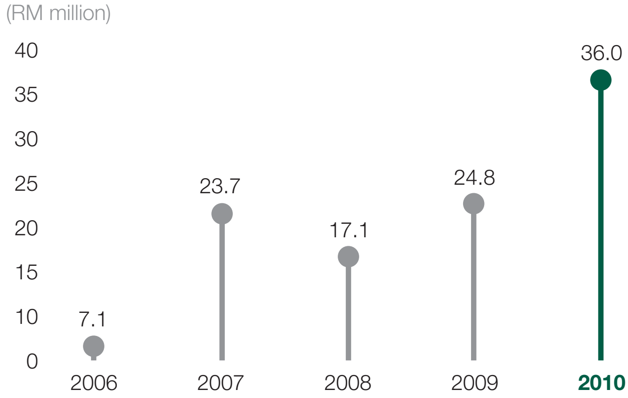
Our 2010 revenue rose to RM270.6 million from RM210.9 million, an increase of 28% while profit for the year attributable to equity holders soared to RM30.6 million from RM20.9 million, an increase of 46%. These numbers represent another record high for Century.

Shareholders' returns continued to be strong; earnings per share for 2010 improved to 38.7 sen from 27.5 sen recorded in the previous year.

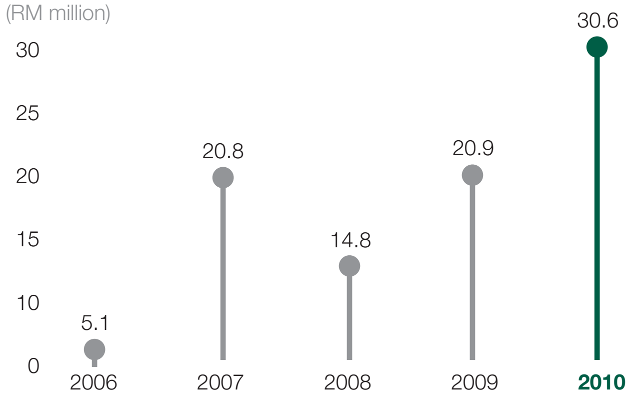
Revenue



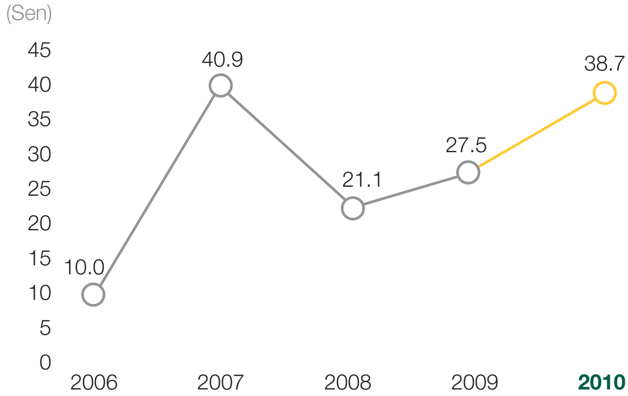
PBT



Net Profit



Net EPS



CHAIRMAN'S MESSAGE

Strong Balance Sheet

Our financial strength is equally impressive with total assets at RM314.3 million from RM291.2 million, while shareholders funds attributable to equity holders improved to RM174.6 million from RM155.2 million recorded in 2009. Consequently, net assets per share rose to RM2.22.

Our cash position in 2010 continued its increase with cash and bank balances of RM36.5 million and net debt at a very manageable RM41.3 million, translating to net gearing ratio of less than 0.24 times. This is despite having recently completed the construction of our new Distribution Centre 3 in the Port of Tanjung Pelepas ("PTP").

In January 2011, we have fully repaid a term loan facility amounting to RM20.0 million. The term loan facility was granted under a Primary Collateralized Loan Obligation Programme, where the original tenor of the facility is for 5 years and is due on 21 January 2012. The early repayment of the term loan facility is fully funded by internally generated funds and will result in substantial interest savings and further reduction in our net gearing ratio.

DIVIDEND

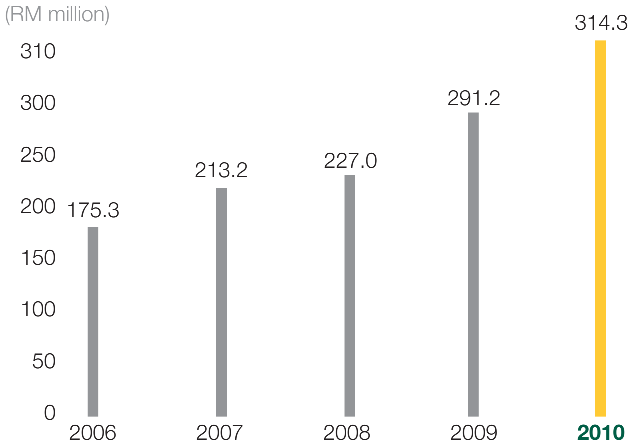
In line with the strong performance in 2010, the Board has proposed a final dividend of 4.0 sen per share (single-tier) pending your approval at the forthcoming Annual General Meeting. Including the two interim dividends totaling 5.0 sen per share (single-tier) paid during 2010, the total dividend for 2010 is 9.0 sen per share (single-tier).

In terms of cash distribution, we aim to continue paying out between 20% to 25% of our net profit as dividend.

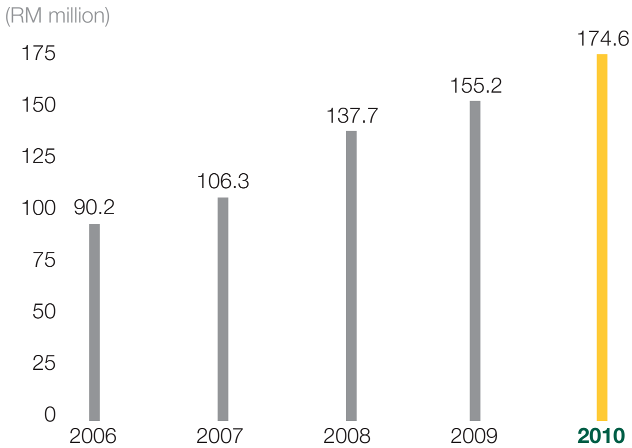
OPERATIONAL REVIEW

Our business have been consistently strong and steady during 2010 and we ended the year setting another record high.

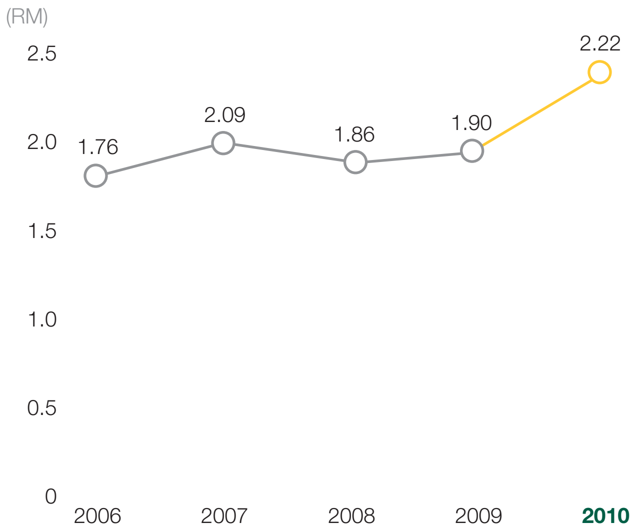
Total Assets



Shareholders' Equity



Net Assets Per Share



CHAIRMAN'S MESSAGE

Total Logistics Services

We offer an integrated total logistics solutions that effectively enhance our customers' supply chain operations. As a third-party logistics provider, the various components of logistics, encompassing forwarding, transportation, warehousing and other ancillary services are managed with a clear understanding of the requirements of our customers. We have the total logistics offering across our Group with true end to end supply chain capabilities, all supported by our key account management concept, resulting in a single point of contact across all operational activities.

Our unique model of value-added solutions can be scaled and customized to the needs of customers based on the demands and delivery service requirements for their products. As competition intensifies, our customers are constantly looking for ways to maximize profitability whilst maintaining their competitive edge. With the innovative solutions offered, we have evolved to managing the contract logistics of discerning clienteles, where the value propositions are to improve operational efficiencies that positively enhance the clienteles and their end customers.

Our third distribution centre in PTP was completed and handed over to the Group in October 2010. The state of the art facility comprising 103,000 square feet of warehousing capacity, is intended to meet some of the strong warehousing demand in PTP. We have identified Singaporean companies to lease this distribution centre due to the comparatively better cost efficiency in PTP.

During the year 2009, the Group entered into a sale and purchase agreement to purchase a 30 acres site in Bukit Raja, Klang. Presently, the acquisition is still pending the approval of the state authority and as such, has yet to be completed. We plan to develop the property into a state of the art distribution centre, in furtherance to the demand for storage capacity in the Klang Valley.

We have recently entered into a sale and purchase agreement to purchase a piece of freehold land measuring approximately 65,340 square feet in area, within a commercial development known as Setia City at Precinct 1 of Setia Alam, for a purchase consideration of RM8,820,900. We intend to develop the property into a commercial office building for our own use and, should there be space in excess to our needs, we plan to rent out the remaining office space.

Signing of Logistics Contract with F&N Dairies (M) Sdn Bhd

The Group, in collaboration with international oil trading companies, is involved in the supply chain management and ship husbandry for fuel oil traders. We currently handle the services for floating storage units ("FSU") within the port limits of PTP and Pasir Gudang in Johor. These FSUs are used for the purpose of blending, storage and offloading of oil. Singapore, the world's busiest bunkering port, has to contend with high operating expenses and shortage of space for safe operations. This is where Malaysia, with its adjacent ports of Pasir Gudang and PTP, is gaining competitive advantage with lower land and manpower costs.

Global oil prices have been increasing steadily throughout 2010. This is the ideal environment for fuel traders, as opposed to fuel speculators. The stable increase in global oil prices has resulted in increased oil trading activities and hence the number of vessels being serviced by us rose substantially during the course of the year.

Newly completed PTP DC3

CHAIRMAN'S MESSAGE

Procurement Logistics Services

We offer a range of value-added procurement logistics services for various electrical and electronic products. With today's market requirements changing at an incredible pace, customers are outsourcing more of their supply chain to third party logistics providers to include procurement, assembly and repackaging services. The traditional practice of third party logistics providers merely handling the movement of goods has since evolved to providing increasing levels of value added services. We have successfully pursued several strategic initiatives both in terms of production capability and geographical scope, offering original equipment manufacturing ("OEM") solutions to locally-based electrical and electronic products manufacturers and traders.

During the course of 2010, we handled in excess of 300,000 units of electrical and electronics products, of which approximately 70% were LCD televisions, plasma televisions and conventional television sets. We were of course helped by the demands during the 2010 football world cup period but the orders we received continued to remain high even after the conclusion of that period.

Our procurement logistics activities has continued to expand further from the export of television sets to the Syrian market, to contract manufacturing of various electrical and electronic appliances for customers in markets as diverse as Argentina, United Arab Emirates and Bangladesh. During 2010, we have assembled and exported to Syria a total of 7,000 units of LCD televisions and television sets. Our export to our Argentinean customer has also expanded, where we assembled and exported a second batch of 14,000 units of microwave ovens to them.

We believe that we are doing this business right. We have in December 2010, secured a new contract to supply 2,000 units of LCD televisions to Syria, of which we expect to fulfill this order by mid 2011. Our customer in Argentina has also indicated orders of close to 30,000 units of appliances during the course of 2011. In January 2011, we have delivered an order of 460 LCD televisions to a customer in United Arab Emirates and 1,060 television sets to a customer in Bangladesh. These new orders, albeit small, are not expected to end there.

CHAIRMAN'S MESSAGE

PROSPECTS AND OUTLOOK

Our industry growth thrives on one key aspect - that customers will continue to outsource more and more of their logistics. Customers have begun to appreciate that outsourcing does not mean higher costs or losing control, rather it is about enhancing their supply chain managed by the right people.

Century recognizes the fast evolution of the world of logistics and the need to keep abreast of the latest technological advances as well as the newest logistics solutions. Consequently, our persistent focus on providing value-added supply chain solutions that effectively enhance the customers' value chain has ensured our continued growth.

Our customers, in recognizing our unique offering, have entrusted us with their logistics needs, with contracts entered into on a mutually beneficial basis - contract logistics – which will spearhead our growth for the future.

While we continue to expand our supply chain solutions offering, we are also focusing on increasing our participation in the oil and gas logistics activities, including diversification upstream and downstream of the sector.

Century's procurement logistics activities has continued to expand further from the export of television sets to the Syrian market, to contract manufacturing of various electrical and electronic appliances for customers in markets as diverse as Argentina, United Arab Emirates and Bangladesh.

It is certainly very difficult to make a reasonable prediction for the rest of year 2011, given the ever changing economic and geo-political landscape. You can nevertheless be confident that our strong financials have placed us in a position to ride through the worst of storms. On the upside however, our financial strength would mean greater results and ability to take advantage of opportunities as they occur.

ACKNOWLEDGEMENTS

Century will not be where we are today without the contributions from all our stakeholders. To our customers, many thanks for your continuing and new business. To our staff, thank you for your passion, drive and commitment. And to you, my fellow investors, a big "terima kasih" for your support.

Lets continue to nurture and enhance the partnerships we have built and fortified throughout our journey towards greater success.

PHUA SIN MO
Executive Chairman

BOARD OF DIRECTORS

Sitting from left to right:

Dato' Yong Seng Yeow	*Independent Non-Executive Director*
Teow Choo Hing	*Managing Director*
Phua Sin Mo	*Executive Chairman*
Dr. Mohamed Amin bin Mohd Kassim	*Deputy Managing Director*
Jaafar bin Mohamad	*Executive Director*

Standing from left to right:

Yeap Khoo Soon Edwin	*Executive Director*
Teow Choo Chuan	*Executive Director*
Soong Chee Keong	*Independent Non-Executive Director*
Shamsudin @ Samad bin Kassim	*Senior Independent Non-Executive Director*

BOARD OF DIRECTORS

Phua Sin Mo

Executive Chairman

Aged 62, Malaysian
Appointed to the Board of Century on 28 July 1997.

Founder of the Century Group. Involvement in the logistics industry started at the age of 21 when he and a partner set-up Syarikat Wakil Penghantaran & Perkapalan Century in 1970 which over the years, grew into a reputable total logistics group in Malaysia.

Does not have any directorship in other public companies.

Teow Choo Hing

Managing Director

Aged 51, Malaysian
Appointed to the Board of Century on 28 July 1997.

Holds a Bachelor and Masters degree of Science in Civil Engineering from the University of Oklahoma, USA.

Started career in 1986 as a Project Engineer for an interstate highway project in the State of Oklahoma, USA.

Involvement in logistics since 1991, when he set-up a bonded warehouse in Port Klang with several partners. Member of the Remuneration Committee of Century.

Does not have any directorship in other public companies.

Dr. Mohamed Amin bin Mohd Kassim

Deputy Managing Director

Aged 57, Malaysian
Appointed to the Board of Century on 28 July 1997.

Holds a degree of the Chartered Institute of Transport, United Kingdom and graduated at the Imperial College, University of London with a Doctorate in Management. Also awarded with Certified Corporate Strategist Doctorate from Cambridge Association of Managers (2006) and Certified Doctor of Business Administration from Oxford Association of Management (2006).

Career in shipping, international freight forwarding and logistics management since 1975, including servicing the agency for Evergreen Group as the General Manager from 1987 to 1996.

Co-Writer for the Malaysian Industrial Master Plan 3 (2006 – 2020) – Logistics Chapter. Team Leader of the Consulting Team which submitted to the Malaysian Government - "Study on the Roadmap for the development of the Logistics Services Sector in Malaysia incorporating a Study on the impact of the current economic downturn on the Logistics Services Sector" (2009/2010). Leading member of the Malaysian Logistics Council. Appointed as Adjunct Professor by Universiti Teknologi MARA (UITM) in June 2010.

Does not have any directorship in other public companies.

Jaafar bin Mohamad

Executive Director

Aged 53, Malaysian
Appointed to the Board of Century on 9 August 1999.

Chief Operating Officer of the Johor Branch of the Century Group.

Career in shipping and logistics management since 1977, including servicing the shipping agency for the Evergreen Group as the General Manager from 1996 to 1997.

Does not have any directorship in other public companies.

Teow Choo Chuan

Executive Director

Aged 48, Malaysian
Appointed to the Board of Century on 9 August 1999.

Chief Operating Officer of the Assembly Division of the Century Group.

Holds a Bachelor of Science in Electrical Engineering from the University of Oklahoma, USA.

Career in electrical and electronics since 1984, including serving as Managing Director of Brilliant Pattern Sdn Bhd (currently known as Century Advance Technology Sdn Bhd), until its acquisition by Century in 2000.

Does not have any directorship in other public companies.

BOARD OF DIRECTORS

Yeap Khoo Soon Edwin

Executive Director

Aged 41, Malaysian
Appointed to the Board of Century on 15 January 2002.

Chief Financial Officer of the Century Group.

Holds a Bachelor of Science (Accounting) from Queen's University, United Kingdom, member of the Institute of Chartered Accountants in England & Wales (ICAEW) and member of the Malaysian Institute of Accountants (MIA).

Career in financial management and corporate finance since 1992 with a firm of accountants in London, United Kingdom and the Corporate Finance Department of an investment bank before joining Century in 2000.

Does not have any directorship in other public companies.

Shamsudin @ Samad bin Kassim

Senior Independent Non-Executive Director

Aged 64, Malaysian
Appointed to the Board of Century on 1 November 2001.

Holds a Bachelor of Economics from Universiti Malaya and Master in Public and International Affairs from University of Pittsburgh, USA.

Commenced career in 1970 in the public service and in 2000, was Chief Executive Officer of the Small and Medium Industries Development Corporation (SMIDEC), until retirement in 2001.

Chairman of the Audit Committee and member of the Nomination and Remuneration Committees of Century.

Also sits on the Boards of Ingress Corporation Berhad, Supermax Corporation Berhad, Kinsteel Berhad, BHS Industries Berhad, Perwaja Holdings Bhd, Homeritz Corporation Berhad, Multi-Code Electronics Industries (M) Berhad and Bunseng Holdings Berhad.

Dato' Yong Seng Yeow

Independent Non-Executive Director

Aged 58, Malaysian
Appointed to the Board of Century on 16 January 2009.

Joined Mieco Chipboard Berhad as Executive Director in 1994 and redesignated as Managing Director in 2007.

Over 25 years of experience in sales and marketing in building materials and furniture industries.

Chairman of the Remuneration Committee and member of the Audit and Nomination Committees of Century.

Also sits on the Board of Mieco Chipboard Berhad.

Soong Chee Keong

Independent Non-Executive Director

Aged 41, Malaysian
Appointed to the Board of Century on 7 April 2008.

Member of the Association of Chartered Certified Accountants (ACCA) and the Malaysian Institute of Accountants (MIA).

Started career in financial audit in 1993 with BDO Binder and in 1995, joined the Corporate Finance Department of an investment bank before joining Abric Berhad in 1999.

Chairman of the Nomination Committee and member of the Audit Committee of Century.

Also sits on the Boards of Abric Berhad and Wonderful Wire & Cable Berhad.

ADDITIONAL INFORMATION

Family Relationships with any Director and / or Major Shareholder

Teow Choo Hing and Teow Choo Chuan are brothers while Phua Sin Mo is their uncle. None of the other directors have family relationship with any other directors or major shareholders of the Company.

Conviction for Offences (within the past 10 years, other than traffic offences)

None of the directors have any conviction for offences other than traffic offences, if any.

Conflict of Interest

None of the directors have any conflict of interest with the Company.

Material Contracts

There were no material contracts entered into by the Company and/ or its subsidiary companies which involve directors' and major shareholders' interests for the financial year ended 31 December 2010.

Recurrent Related Party Transactions of a Revenue or Trading Nature

The recurrent related party transactions entered into by the Group during the financial year ended 31 December 2010 were as follows:

Company	Principal Activities	Relationship
Century Forwarding Agency Sdn Bhd ("CFA")	Freight forwarding and shipping agency	Dr. Mohamed Amin bin Mohd Kassim, a Director and shareholder of Century, holds 30% equity in CFA
Award Maritime Sdn Bhd ("AMSB")	Shipping and commission agents and brokers	Jaafar bin Mohamad, a Director and major shareholder of Century, holds 40% equity in AMSB
Onsys Energy Sdn Bhd ("OESB")	Dealing in fuel oil and energy, bunkering, vessel chartering and brokerage	Jaafar bin Mohamad, a Director and major shareholder of Century, holds 70% equity in OESB
Policy Management Sdn Bhd ("PMSB")	Insurance brokerage	Teow Choo Ann holds 94% equity in PMSB. He is the nephew of Phua Sin Mo and brother of Teow Choo Hing and Teow Choo Chuan

Related Party	Nature of Transaction	Amount for Jan to Dec 2010 RM'000
Income		
CFA	Provision of freight forwarding services by Century Total Logistics Sdn Bhd ("CTL")	-
OESB	Provision of agency services by CTL	379
OESB	Rental of office space and electricity charges from CTL	209
AMSB	Rental of office space and administration charges from CTL	15
	Total	603
Cost		
CFA	Provision of freight forwarding services to CTL	1,693
AMSB	Provision of ship handling and agency services to CTL	1,862
PMSB	Payment of service fees related to renewal of road tax for motor vehicles by CTL (however, total payment to PMSB includes insurance premium and road tax)	13
	Total	3,568

ADDITIONAL INFORMATION

Share Buy-backs

During the financial year, the Company purchased 3,257,600 of its issued and paid-up share capital from the open market at an average price of RM1.63 per share. The shares purchased are being held as treasury shares in accordance with Section 67A of the Companies Act 1965.

Month	No. of shares purchased	Purchase price per share Lowest RM	Purchase price per share Highest RM	Average cost per share* RM	Total cost* RM'000
January 2010	1,735,000	1.55	1.71	1.62	2,816
February 2010	690,500	1.49	1.73	1.61	1,110
March 2010	144,000	1.61	1.69	1.67	240
April 2010	109,900	1.58	1.63	1.61	177
May 2010	127,100	1.50	1.60	1.56	199
June 2010	8,200	1.46	1.52	1.48	12
July 2010	24,000	1.45	1.49	1.46	35
August 2010	21,000	1.57	1.60	1.58	33
September 2010	-	-	-	-	-
October 2010	-	-	-	-	-
November 2010	270,500	1.66	1.78	1.73	468
December 2010	127,400	1.75	1.87	1.79	228
TOTAL FOR 2010	**3,257,600**	**1.45**	**1.87**	**1.63**	**5,318**

* *Excluding transaction costs.*
Subsequent to 2010, between 1 January 2011 and 28 March 2011, Century purchased an additional 76,900 of its own ordinary shares from the open market for a total consideration of RM141,314.
As a result, a balance of 3,499,020 ordinary shares were retained as treasury shares on 28 March 2011.

Options, Warrants or Convertible Securities

During the financial year, the Company issued 40,753,042 three (3) year 2010/2013 warrants.

The Company issued a total of 334,100 ordinary shares through the exercise of 334,100 three (3) year 2010/2013 warrants at an exercise price of RM1.00 each per share for each warrant held for the financial year.

Depository Receipt Programme

During the financial year, the Company did not sponsor any depository receipt programme.

Imposition of Sanction and Penalties

There were no sanctions or penalties imposed on the Company and its subsidiaries, directors or management by the relevant regulatory bodies during the financial year.

Non-Audit Fees

The amount of non-audit fees charged for services rendered to the Group and to the Company by the external auditors and its affiliates in Malaysia for the financial year amounted to RM114,200 and RM40,300 respectively.

Variance of actual profit from the forecast profit

There was no forecast profit announced pertaining to the financial year.

Profit Guarantee

During the financial year, there was no profit guarantee given by the Company.

Utilisation of Proceeds

On 28 January 2010, the Company issued 40,753,042 three (3) year 2010/2013 warrants pursuant to a renounceable rights issue of warrants on the basis of one (1) warrant for every two (2) existing ordinary shares of RM1.00 each in the Company at an issue price of RM0.05 per warrant. The warrants were listed on the Main Market of Bursa Malaysia Securities Berhad on 3 February 2010 and expires on 27 January 2013. The proceeds amounting to RM2,037,652.10 were utilized for general working capital purposes of the Group.

Revaluation of Landed Properties

The Company does not have a revaluation policy on landed properties.

Internal Audit Function

The internal audit function for the Group was outsourced to an external firm of consultants. The cost incurred for the internal audit function (including Enterprise Risk Management) for the financial year ended 31 December 2010 was RM44,274.

CORPORATE STRUCTURE

Century's Distribution Centre 1 and Head Office

Century's PTP Distribution Centre 1 and Johor Office

Century's Rojana Distribution Centre (Thailand) and Thai Office

Century®

- 100% Century Total Logistics Sdn Bhd
- 100% Century Advance Technology Sdn Bhd
  - 65% Century LED Sdn Bhd (Formerly known as Platinum Display Sdn Bhd)
- 70% Century Forwarding Agency Sdn Bhd
- 100% Century Logistics Sdn Bhd
  - 100% Century Trucking Sdn Bhd
  - 100% Storewell (M) Sdn Bhd
  - 100% Century Logistics (Sarawak) Sdn Bhd
  - 51% Storewell Realty Sdn Bhd
  - 100% Century Logistics (S'pore) Pte Ltd, Singapore
  - 90% Century Resources (Thailand) Limited, Thailand
  - 75% Century - YES Logistics (Yichun) Co. Ltd, China
  - 60% Century Logistics (Thailand) Limited, Thailand (In Members' voluntary winding-up)
  - 51% Expo Century Logistics Private Limited, India
- 100% Century Logistics (Johore) Sdn Bhd

CORPORATE RESPONSIBILITY STATEMENT

One of the important corporate values we emphasize on is being an exemplary corporate citizen – to practice responsible corporate governance and positive contribution towards safety, sustainable environment and society. In that respect, our Corporate Responsibility ("CR") has always been an integral part of Century's quality "doing the right things right" policy. The CR drive starts from the Management and flows down to the environment, work place and community.

BUSINESS ENVIRONMENT

While Century strives to meet customer needs and exceed their expectations through our provision of total logistics solutions to enhance our customers' supply chain, we also ensure that our operations result in minimal environmental impact. Our initiatives to environmental stewardship include our fleet renewal programme. In this context, all our new trucks are fitted with at least Euro 3 Engines which entitles us to Green Engine Certification from SIRIM and JPJ, resulting in 50% road tax rebate.

Our commitment encompasses high safety standards in our oil and gas logistics operation in Johor waters. Our team, together with a team from the port authorities, have to undergo a yearly drill to respond to any oil spillage. We are proud to have a record of zero oil spillage since this operation began in 2001.

Safety & Health Policy

Century Group is committed to provide responsible care towards safety, conducive working conditions and sustainable environment.

Our Objectives:

a) Ensure a healthy and safe working environment for all employees and contractors alike.

b) Develop and enforce the use of safe working practices and provide training to employees in this regard.

c) Diligently comply with all applicable safety and health laws and regulations and take every measure to prevent job related hazards.

In conducting our business activities, employees of Century and the contractors/partners will strive to:

a) Prevent all occupational illness.
b) Prevent all accidents and injuries.
c) Prevent pollution of the environment.

Each employee is an important part of our safety and health programme and we expect them to be committed to these objectives and to report hazards and situations which may lead to accidents or illnesses.

The application of sound safety and health practices for the protection of our people and society is an essential ingredient in the overall success of our business.

Century S.A.F.E. environment

the **power** to move forward

CORPORATE RESPONSIBILITY STATEMENT

Annual Dinner 2010 - Long Service Award

WORK PLACE

The Century Group currently employs more than 600 employees in our domestic and overseas operations. We try our utmost to create a conducive and learning organisation to improve growth and work satisfaction of our personnel. We provide employees with various continuing training programmes to enhance job performance and career development.

Various social and sporting activities are organized on a regular basis, with Kelab Sukan Century continuing its active role to encourage our employees to participate in these activities. Staff gatherings, including open house for the major festivities, are also organized to encourage more interaction amongst our employees.

We also strive to adhere to stringent occupational health and safety practices, providing a safer working environment for our workforce. Century remains committed to maintaining our high standards in Health, Safety and Environment ("HSE"). Various HSE programmes are organised to instill awareness by our employees.

Annual Dinner 2010 - Staff performance

Chinese New Year Lunch

Chinese New Year Lunch

Participation in Futsal Northport Challenge in June 2010

Kelab Sukan Century trip to Nur Lembah Pangsun Eco-Resort in May 2010

CORPORATE RESPONSIBILITY STATEMENT

Bersamamu (60 Poor & Destitutes) at Pontian Johor

COMMUNITY

We have continued to support the community, particularly the less fortunate. Our contributions are largely monetary donations to charities and worthy causes. We have during the course of the year, donated to various local schools, sport bodies, community and charitable organizations as well as places of worships. We will continue to honour our sponsorship commitment to the Malaysian Tenpin Bowling Congress, totaling RM300,000 for a period of 3 years (2010-2012).

MOVING FORWARD

We are committed to continue and expand our efforts to further involve and contribute in order that a meaningful value, in our humble way, is channeled back to the community and society at large. The initiatives which we are currently embarking on include the establishment of scholarship and educational assistance programmes for the children of our more deserving employees.

Safe the Future
- Keep Johor Bahru Green Programme

CORPORATE RESPONSIBILITY STATEMENT

Berbuka Puasa with Persatuan Org Cacat JB

Sponsorship of 11 students of SRJK (C) Chiao Nan, KL

Visit to Pusat Jagaan Warga Emas Nur Ehsan Kempas Baru Johor

Care United Club's Annual Children Merdeka Tea Party 2010

Century's 40th Anniversary - Appreciation from Asrama Darul Falah

Century's 40th Anniversary - Appreciation from SRJK (C) Chiao Nan, KL

Century's 40th Anniversary - Appreciation from Malaysian Tenpin Bowling Congress


Visit to Pertubuhan Kebajikan Insan Istimewa Johor Bahru

Participation in KL Rat Race 2010

CORPORATE GOVERNANCE STATEMENT

The Board of Century recognizes the need to maintain high standards of corporate governance and strives to achieve this objective by enhancing shareholders' value with corporate accountability and transparency. Thus the Board is committed to ensure that the corporate governance is in line with the principles set out in Part 1 of the Malaysian Code on Corporate Governance ("the Code").

The Board further acknowledges the best practices as set out in Part 2 of the Code and continue to evaluate the status of the practices and adopted the alternatives.

Set out herewith are the Corporate Governance principles and practices that were applied during the financial year ended 31 December 2010.

THE BOARD OF DIRECTORS

Composition of the Board

The Board comprises nine (9) members of which three (3) are independent non-executive directors. This composition reflects a balance of executive directors and non-executive directors such that no individual or group of individuals dominates the Board's decision making.

The executive directors are responsible for the implementation of the Board's policies and decisions, monitoring the operations as well as managing the development and implementation of business and corporate strategies. The non-executive directors are independent of Management and free from any business relationship, which could materially interfere with their independent judgement. Their role is to provide independent view, advice and judgement to ensure a balanced and unbiased decision-making process as well as to safeguard the interest of public shareholders.

The Board is of the opinion that the directors, with their different background and specializations, collectively bring with them a wide range of experience and expertise required to discharge the Board's duties and responsibilities.

Board Responsibilities

The Board provides stewardship to the Group's strategic direction and operations, and ultimately the enhancement of long-term shareholders' value. The Board is primarily responsible for:

- adopting and monitoring progress of the Company's strategies, budgets, plans and policies;
- overseeing the conduct of the Company's business to evaluate whether the business is being properly managed;
- considering management recommendations on key issues including acquisitions and divestments, restructuring, funding and significant capital expenditure;
- succession planning including appointing and reviewing the compensation of the top management;
- identifying principal risks and ensuring the implementation of appropriate systems to manage these risks; and
- reviewing the adequacy and integrity of the Company's internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines.

The Board has delegated certain responsibilities to several Board Committees such as the Audit Committee, Nomination Committee and Remuneration Committee which operates within clearly defined terms of reference.

The Board has identified Encik Shamsudin @ Samad bin Kassim as the senior independent non-executive director to whom concerns may be conveyed where it could be inappropriate for the concerns to be dealt with by the Executive Chairman or the Managing Director.

CORPORATE GOVERNANCE STATEMENT

Board Meetings

The Board has five (5) regularly scheduled meetings annually, although additional meetings may be called when necessary.

The Company ensures that all the directors have full and timely access to information. Each Board member receives an agenda together with the full set of written reports and supporting information, including operating results, comprehensive review and analysis, at least one (1) week ahead of each Board meeting. This is issued in sufficient time to enable the directors to obtain further explanations, where necessary, in order to be briefed properly before the meeting.

The directors have access to all necessary information within the Company, in furtherance of their duties. Directors also have direct access to the advice and services of the Company Secretary and may seek independent professional advice if deemed reasonable and necessary, at the expense of the Company, subject to the approval of the Board.

At each regularly scheduled meeting, there is a full financial and business review and discussion, including operational performance against annual budget. During the year under review, five (5) Board meetings were held. The details of the Directors' attendance are as follows:-

Director	Number of Meetings attended by Directors
Phua Sin Mo	4/5
Teow Choo Hing	5/5
Dr. Mohamed Amin bin Mohd Kassim	5/5
Jaafar bin Mohamad	5/5
Teow Choo Chuan	4/5
Yeap Khoo Soon Edwin	5/5
Dato' Yong Seng Yeow	5/5
Shamsudin @ Samad bin Kassim	5/5
Soong Chee Keong	4/5

Directors' Training and Education

The Board encourages its directors to attend talks, seminars, workshops and conferences to update and enhance their skills and knowledge to enable them to carry out their roles effectively as directors in discharging their responsibilities towards corporate governance, operational and regulatory issues.

CORPORATE GOVERNANCE STATEMENT

The Directors are briefed by the Company Secretary on the letters and circulars issued by Bursa Malaysia Securities Berhad of every Board Meeting. Some of the trainings/courses attended by the Directors during the financial year ended 31 December 2010 are as follows:

TRAINING/COURSE ATTENDED	DATE
• Malaysian International Services Summit - Total Integrated Supply Chain as a Catalyst to Economic Growth	12 January 2010
• CEO Tea Talk	14 January 2010
• Halal Products - Best Opportunities for Thailand and Malaysia	19 January 2010
• The Penang International Halal Expo & Conference - Demystifying Halal Logistics and its Potential	30 January 2010
• KPI Workshop	22 -23 May 2010
• Supply Chain Asia Sunset Talk - What does Supply Chain Management got to do with Steve Jobs, iPhones & iPads	18 June 2010
• Financial Instruments : FRS 139, FRS 132, FRS 7 & IFRS 9 – Practical Approach	21 – 22 June 2010
• Budget Consultation 2011- Enhancing the Potential of Services	6 July 2010
• Workshop on the Development of Freight Logistics Services Sector in Malaysia - Malaysia Freight Logistics – The Way Forward & Overview on Roadmap for the Development of the Freight Logistics Services Sector	4 -5 August 2010
• Malaysia's Public Private Partnership	5 August 2010
• Penang Halal Logistics Seminar - Maximising Growth and Opportunity in Halal Logistics	10 August 2010
• The Supply Chain Asia Forum Singapore - Cold Chain Developments – Opportunities and Issues	26 August 2010
• Seminar on "Catch up with Service Liberalisation of Logistics Sector in ASEAN" - Domestic Regulatory Barriers to Freight Transportation between Thailand and her Neighbours	15 September 2010
• Forensic Accounting and Fraud	8 October 2010
• The Humawealth Genesis Awareness Event – "A New Era of 21st Century Trade Efficiency"	12 October 2010
• Workshop on Cost Optimisation and Competitive Pricing for 3rd Party Logistics Companies in Malaysia	4 November 2010
• What Every Director Should Know About Fraud – A new approach towards the prevention and detection of fraud	15 December 2010

Appointments of the Board and Re-election

In accordance with the Company's Articles of Association, at the First Annual General Meeting of the Company, all directors shall retire from office and at each Annual General Meeting in every subsequent year, at least one third (1/3) of the directors for the time being, shall retire from office at least once every three (3) years. The directors retiring from office can offer themselves for re-election.

Board Committees

Apart from the Audit Committee, there are two (2) other committees, the Nomination and Remuneration Committees, established by the Board to assist the Board in executing their responsibilities.

CORPORATE GOVERNANCE STATEMENT

AUDIT COMMITTEE

The report of the Audit Committee is set out in this Annual Report.

NOMINATION COMMITTEE

The Nomination Committee was set up on 27 November 2002 and comprises three (3) independent non-executive directors. The members of the Nomination Committee are:

- Soong Chee Keong - Chairman (from 11 November 2010)
- Dato' Yong Seng Yeow - Member
- Shamsudin @ Samad bin Kassim - Member (from 11 November 2010; Chairman till 10 November 2010)

The terms of reference of the Nomination Committee include:

- annually review the required mix of skills and experience and other qualities, including core competencies which non-executive and executive directors should have.
- assess on an annual basis, the effectiveness of the Board as a whole, the committees of the Board and for assessing the contribution of each individual Director, including Independent Non-Executive Directors. All assessments and evaluations carried out by the Nomination Committee in the discharge of all its functions should be properly documented.
- be entitled to the services of the Company Secretary who must ensure that all appointments are properly made, that all necessary information is obtained from Directors, both for the Company's own records and for the purposes of meeting statutory obligations, as well as obligations arising from the Bursa Malaysia Securities Berhad Main Market Listing Requirements or other regulatory requirements.

The Nomination Committee met once during the financial year under review.

REMUNERATION COMMITTEE

The Remuneration Committee was set up on 27 November 2002 and comprises two (2) independent non-executive directors and one (1) executive director as follows:

- Dato' Yong Seng Yeow - Chairman (From 11 November 2010)
- Teow Choo Hing - Member
- Shamsudin @ Samad bin Kassim - Member (from 11 November 2010; Chairman till 10 November 2010)

The terms of reference of the Remuneration Committee include:

- review, assess and recommend to the Board of Directors the remuneration packages of the executive directors in all forms, with other independent professional advice or outside advice, if necessary.

- be entitled to the services of the Company Secretary who must ensure that all decisions made on the remuneration packages of the executive directors be properly recorded and minuted.

The range of remuneration received by the Directors from the Group and Company for the financial year ended 31 December 2010 are set out in the Notes to the Financial Statements. The Company opts not to disclose the remuneration of individual directors as recommended by the Best Practices of the Code as the Company believes that this information will not add significantly to the understanding and evaluation of the Company's governance.

The Remuneration Committee met once during the year under review.

CORPORATE GOVERNANCE STATEMENT

ACCOUNTABILITY AND AUDIT

Financial Reporting

In presenting the annual audited financial statements and quarterly announcements of results to shareholders, the Directors take responsibility to present a balanced and meaningful assessment of the Group's position and prospect and to ensure that the financial statements are drawn up in accordance with the provisions of Companies Act, 1965 and applicable accounting standards in Malaysia. The Audit Committee assists the Board in scrutinizing information for disclosure to ensure accuracy, adequacy and completeness. The Responsibility Statement by the Directors pursuant to the Bursa Malaysia Securities Berhad Main Market Listing Requirements is set out in this Annual Report.

Internal Control

The Group's Internal Control Statement is set out in this Annual Report.

Relationship with Auditors

The role of the Audit Committee in relation to the external auditors is explained in the Audit Committee Report as set out in this Annual Report.

Relationship with Shareholders and Investors

The Company recognises the importance of transparency and accountability in the disclosure of the Group's business activities to its shareholders. The Board has maintained an effective communication policy that enables the Board to convey information with regard to the Group's performance, corporate strategy and other matters that affect shareholders' interests. Media releases are published in Century's website to explain in detail every quarterly results released by the Company.

The Annual General Meeting also represents the principal forum for dialogue with shareholders. Beside the usual agenda for the Annual General Meeting, the Board encourages shareholders to participate through questions on the business activities of the Group. The directors and the external auditors are available to respond to questions from the shareholders during this meeting.

A full explanatory statement of the effects of the proposed resolutions will accompany each item of special business as mentioned in the Notice of Meeting.

INTERNAL CONTROL STATEMENT

The Board is pleased to provide the following statement on the state of the Group's internal controls in accordance with the Bursa Malaysia Securities Berhad Main Market Listing Requirements.

RESPONSIBILITY

The Board affirms its responsibilities for the Group's system of internal controls and risk management, and for reviewing the adequacy and integrity of the internal control system. However, due to limitations that are inherent in any system of internal control, the system is designed to manage rather than eliminate the risk that may impede the achievement of the Group's business objectives. The system, by its nature, can only provide reasonable and not absolute assurance against material misstatement or loss.

KEY PROCESSES

During the financial year, the Group has in place a process for identifying, evaluating and managing the significant risks faced. The system of internal controls involves every key operating division in the Group and its management is responsible for managing the risks of their division. The internal audit function was outsourced to external consultants to identify and assess the principal risks and to review the adequacy and effectiveness of the internal controls of the Group.

The key processes that the Group has established in reviewing the adequacy and integrity of the system of internal control are as follows:

- The Audit Committee, on behalf of the Board, reviews and holds discussions with management on the action taken on internal control issues identified in reports prepared by the management as well as the external auditors.
- The management, which comprises the Executive Directors of the Company and the heads of divisions, is entrusted with the responsibilities for the strategic decisions involved in the running of the Group's operations and the constant review of the risks faced by the Group. The management meets monthly to discuss the Group's performance and to monitor results against budget, with significant variances explained and appropriate actions taken, provides key business indicators on operations, consider significant capital expenditure and operational matters affecting the Group.
- A detailed budgeting process requires all key operating divisions in the Group to prepare budgets annually, which are discussed and approved by the Board. The budgets are further reviewed and revised, if necessary, during the middle of the year in order to reflect changes in operating conditions affecting the Group. Mid-year budget revisions are also discussed and approved by the Board.
- A sound financial reporting system which provides regular financial performance results and key business indicators on operations to the management and the Board. This allows management to focus on areas of material changes.
- Policies, Procedures and Standard Operating Procedures which are systematically documented, revised and made available to guide staff in their daily operations.
- An ISO 9001 Quality Management System Committee reviews processes and documentation. Surveillance audits are conducted by assessors of the ISO certification bodies on a yearly basis to ensure that the system is adequately implemented. Areas for improvement are highlighted and the implementation of its recommendations is monitored.
- A structured recruitment process, a performance appraisal system and a wide variety of training and development programs are in place to maintain staff competency.

CONCLUSION

The system of internal control is in place and has not resulted in any material losses, contingencies or uncertainties that require disclosure in the Annual Report.

This Statement is made in accordance with a resolution of the Board of Directors.

AUDIT COMMITTEE REPORT

MEMBERS

Composition of the Audit Committee and details of attendance at the Audit Committee Meeting during the financial year ended 31 December 2010, where a total of five (5) meetings were held, are as follows:-

	Number of meetings attended
Shamsudin @ Samad bin Kassim (Chairman / Senior Independent Non-Executive Director)	5/5
Dato' Yong Seng Yeow (Member / Independent Non-Executive Director)	5/5
Soong Chee Keong (Member / Independent Non-Executive Director)	4/5

TERMS OF REFERENCE OF THE AUDIT COMMITTEE

1. Composition of members

The Board shall appoint the Audit Committee members from amongst themselves, comprising no fewer than three (3) non-executive directors. The majority of the Audit Committee members shall be independent directors.

In this respect, the Board adopts the definition of "independent director" as defined under the Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements.

All members of the Audit Committee shall be financially literate and at least one (1) member of the Audit Committee must be:-

(a) a member of the Malaysian Institute of Accountants ("MIA"); or

(b) if he is not a member of MIA, he must have at least three (3) years of working experience and:
   i. he must have passed the examinations specified in Part I of the First Schedule of the Accountants Act 1967; or
   ii. he must be a member of one of the associations of the accountants specified in Part II of the First Schedule of the Accountants Act 1967; or

(c) fulfils such other requirements as prescribed or approved by Bursa Securities.

No alternate director of the Board shall be appointed as a member of the Audit Committee.

The term of office and performance of the Audit Committee and each of its members shall be reviewed by the Board at least once every two (2) years to determine whether such Audit Committee and members have carried out their duties in accordance with their terms of reference.

Retirement and resignation

If a member of the Audit Committee resigns, dies, or for any reason ceases to be a member resulting in non-compliance to the composition criteria as stated in paragraph 1 above, the Board shall within three (3) months of the event appoint such number of new members as may be required to fill the vacancy.

2. Chairman

The members of the Audit Committee shall elect a Chairman from amongst their number who shall be an independent director.

In the absence of the Chairman of the Audit Committee, the other members of the Audit Committee shall amongst themselves elect a Chairman who must be an independent director to chair the meeting.

3. Secretary

The Company Secretary shall be the Secretary of the Audit Committee and as a reporting procedure, the Minutes shall be circulated to all members of the Board.

AUDIT COMMITTEE REPORT

4. Meetings

The Audit Committee shall meet regularly, with due notice of issues to be discussed, and shall record its conclusions in discharging its duties and responsibilities. In addition, the Chairman may call for additional meetings at any time at the Chairman's discretion.

Upon the request of the external auditors, the Chairman of the Audit Committee shall convene a meeting of the Audit Committee to consider any matter the external auditor believes should be brought to the attention of the directors or shareholders.

Notice of Audit Committee meetings shall be given to all the Audit Committee members unless the Audit Committee waives such requirement.

The Chairman of the Audit Committee shall engage on a continuous basis with senior management, such as the Executive Chairman, the Managing Director, the Finance Director, the internal auditors and the external auditors in order to be kept informed of matters affecting the Company.

The Finance Director and representatives of the internal auditors and the external auditors should normally attend meetings. Other Board members and employees may attend meetings upon the invitation of the Audit Committee. The Audit Committee shall be able to convene meetings with the external auditors, the internal auditors or both, without executive Board members or employees present whenever deemed necessary and at least twice a year with the external auditors.

Questions arising at any meeting of the Audit Committee shall be decided by a majority of votes of the members present, and in the case of equality of votes, the Chairman of the Audit Committee shall have a second or casting vote.

5. Minutes

Minutes of each meeting shall be kept at the registered office and distributed to each member of the Audit Committee and also to the other members of the Board. The Audit Committee Chairman shall report on each meeting to the Board.

The minutes of the Audit Committee meeting shall be signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting.

6. Quorum

The quorum for the Audit Committee meeting shall be the majority of members present.

7. Objectives

The principal objectives of the Audit Committee are to assist the Board in discharging its statutory duties and responsibilities relating to accounting and reporting practices of the holding company and each of its subsidiaries. In addition, the Audit Committee shall:-

(a) evaluate the quality of the audits performed by the internal and external auditors;

(b) provide assurance that the financial information presented by management is relevant, reliable and timely;

(c) oversee compliance with laws and regulations and observance of a proper code of conduct; and

(d) determine the quality, adequacy and effectiveness of the Group's control environment.

AUDIT COMMITTEE REPORT

8. Authority

The Audit Committee shall, in accordance with a procedure to be determined by the Board and at the expense of the Company,

(a) have explicit authority to investigate any matter within its terms of reference, the resources to do so, and full access to information. All employees shall be directed to co-operate as requested by members of the Audit Committee.

(b) have full and unlimited/unrestricted access to all information and documents/resources which are required to perform its duties as well as to the internal and external auditors and senior management of the Company and Group.

(c) obtain independent professional or other advice and to invite outsiders with relevant experience to attend, if necessary.

(d) have direct communication channels with the external auditors and person(s) carrying out the internal audit function or activity (if any).

(e) where the Audit Committee is of the view that the matter reported by it to the Board has not been satisfactorily resolved resulting in a breach of the Listing Requirements, the Audit Committee shall promptly report such matter to Bursa Securities.

9. Duties and Responsibilities

The duties and responsibilities of the Audit Committee are as follows:-

(a) To consider the appointment of the external auditors, the audit fee and any question of resignation or dismissal;

(b) To discuss with the external auditors before the audit commences, the nature and scope of the audit, and ensure co-ordination where more than one audit firm is involved;

(c) To review with the external auditors their evaluation of the system of internal controls and the audit report;

(d) To review the quarterly and year-end financial statements of the Board, focusing particularly on:-

- any change in accounting policies and practices;
- significant adjustments arising from the audit;
- the going concern assumption; and
- compliance with accounting standards and other legal requirements;

(e) To discuss problems and reservations arising from the interim and final audits, and any matter the auditors may wish to discuss (in the absence of management, where necessary);

(f) To review the external auditors' management letter and management's response;

(g) To do the following, in relation to the internal audit function:-

- consider the appointment of the internal auditors, the audit fee and any question of resignation or dismissal;
- review the adequacy of the scope, functions, competency and resources of the internal audit function, and that it has the necessary authority to carry out its work;
- review the internal audit programme and results of the internal audit process and, where necessary, ensure that appropriate actions are taken on the recommendations of the internal audit function;

(h) To consider any related party transactions and conflict of interest situation that may arise within the Company or Group including any transaction, procedure or course of conduct that raises questions of management integrity;

(i) To report its findings on the financial and management performance, and other material matters to the Board;

(j) To consider the major findings of internal investigations and management's response;

AUDIT COMMITTEE REPORT

(k) To verify the allocation of Employees' Share Option Scheme ("ESOS") in compliance with the criteria as stipulated in the by-laws of ESOS of the Company, if any;

(l) To consider other topics as defined by the Board; and

(m) To consider and examine such other matters as the Audit Committee considers appropriate.

SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE

The activities of the Audit Committee as stipulated above were undertaken by the Audit Committee during the financial year ended 31 December 2010. The Audit Committee had also undertaken the following activities during the year:

(a) Reviewed the audit plan of the external auditors, in terms of the nature of the audit procedures, significant accounting and auditing issues, impact of new or proposed changes in the accounting standards and regulatory requirements;

(b) Reviewed the year-end external auditors' reports in relation to their audit findings and the accounting issues arising from the audit of the Company's annual financial results; and

(c) Reviewed the recovery of major long outstanding debts.

SUMMARY OF ACTIVITIES OF THE INTERNAL AUDIT FUNCTION

The internal audit function is independent of the operations of the Group and provides reasonable assurance that the Group's system of internal control is satisfactory and operating effectively. The internal auditors adopt a risk-based approach towards the planning and conduct of audits, which are consistent with the Group's framework in designing, implementing and monitoring its internal control system. An Internal Audit Planning Memorandum, setting out the internal audit work expected to be carried out for the year, is tabled to the Audit Committee prior to each year end or at the beginning of the year.

The internal audit function was performed by external consultants during the year to identify and assess the principal risks and to review the adequacy and effectiveness of the internal controls of the Group. Areas for improvement were highlighted and the implementation of recommendations were monitored. None of the internal control weaknesses have resulted in any material losses, contingencies or uncertainties that would require disclosure in the Annual Report.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are required under the provisions of the Companies Act, 1965 to prepare financial statements which gives a true and fair view of the state of affairs of the Group and the Company as at the end of each financial year and their results and cash flows for each financial year. The directors are of the view that they have adopted suitable accounting policies and applied them consistently, made judgements and estimates that are reasonable and prudent, as well as ensured that all applicable accounting standards have been followed. The financial statements are prepared on the going concern basis and the directors have ensured that proper accounting records are kept which disclose with reasonable accuracy the financial position of the Group and the Company and are kept in accordance with the Companies Act, 1965. The directors also have general responsibilities for taking the necessary and reasonable steps to safeguard the assets of the Group, and to detect and prevent fraud as well as other irregularities.

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

DIRECTORS' REPORT

The directors of **CENTURY LOGISTICS HOLDINGS BERHAD** have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended December 31, 2010.

PRINCIPAL ACTIVITIES

The Company is principally an investment holding company.

The principal activities of the Company's subsidiary companies are disclosed in Note 17 to the Financial Statements.

There have been no significant changes in the nature of the activities of the Company and its subsidiary companies during the financial year.

RESULTS OF OPERATIONS

The results of operations of the Group and of the Company for the financial year are as follows:

	The Group RM'000	The Company RM'000
Profit before tax	35,971	9,486
Tax expense	(5,560)	(1,459)
Profit for the year	30,411	8,027
Attributable to:		
Owners of the Company	30,620	
Non-controlling interest	(209)	
	30,411	

In the opinion of the directors, the results of operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

DIVIDENDS

Since the end of the previous financial year, the following dividends were paid by the Company:

(a) A single tier final dividend of 4 sen per ordinary share amounting to RM3,157,547 in respect of the previous financial year were paid on June 18, 2010;

(b) A single tier first interim dividend of 3 sen per ordinary share, amounting to RM2,369,415 in respect of the current financial year were paid on September 15, 2010; and

(c) A single tier second interim dividend of 2 sen per ordinary share, amounting to RM1,574,500 in respect of the current financial year were paid on December 10, 2010.

The directors propose a single tier final dividend of 4 sen per ordinary share, in respect of the current financial year. This dividend is subject to the approval by the shareholders at the forthcoming Annual General Meeting of the Company and has not been included as a liability in the financial statements. Upon approval by the shareholders, the cash dividend payment will be accounted for in equity as an appropriation of retained earnings during the financial year ending December 31, 2011.

DIRECTORS' REPORT

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than those disclosed in the financial statements.

ISSUE OF SHARES AND DEBENTURES

During the current financial year, the issued and paid-up share capital of the Company was increased from RM81,670,604 divided into 81,670,604 ordinary shares of RM1.00 each to RM82,004,704 divided into 82,004,704 ordinary shares of RM1.00 each by the issuance of 334,100 new ordinary shares of RM1.00 each at par for cash through the exercise of 334,100 three (3) year 2010/2013 warrants that entitled the warrant holders to subscribe for one new ordinary share of RM1.00 each at an exercise price of RM1.00 each per share for each warrant held.

The Company did not issue any new debentures during the financial year.

TREASURY SHARES

During the current financial year, the Company bought back 3,257,600 of its issued ordinary shares from the open market at an average price of RM1.63 per share. The total consideration paid/payable for the purchase was RM5,317,422 (excluding incidental cost of RM28,224).

The Company held as treasury shares a total of 3,442,120 of its 82,004,704 issued ordinary shares. The treasury shares are held in accordance with Section 67A of the Companies Act, 1965 at a carrying amount of RM5,623,029 as disclosed in Note 25 to the Financial Statements.

SHARE OPTIONS AND WARRANTS

On January 28, 2010, the Company issued 40,753,042 three (3) year 2010/2013 warrants pursuant to a renounceable rights issue of warrants on the basis of one (1) warrant for every two (2) existing ordinary shares of RM1.00 each in the Company at an issue price of RM0.05 per warrant. The warrants were listed on the Main Market of Bursa Malaysia Securities Berhad on February 3, 2010 and expires on January 27, 2013.

No options have been granted by the Company to any parties during the financial year to take up unissued shares of the Company.

As mentioned above, 334,100 ordinary shares have been issued during the financial year by virtue of the exercise of warrants to take up unissued shares of the Company. As of the end of the financial year, 40,418,942 ordinary shares of the Company are available for subscription via the exercise of the three (3) year 2010/2013 warrants.

OTHER STATUTORY INFORMATION

Before the statements of comprehensive income and the statements of financial position of the Group and of the Company were made out, the directors took reasonable steps:

(a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts, and had satisfied themselves that all known bad debts had been written off and that adequate allowance for doubtful debts had been made; and

(b) to ensure that any current assets which were unlikely to realise their book values in the ordinary course of business had been written down to their estimated realisable values.

DIRECTORS' REPORT

OTHER STATUTORY INFORMATION (cont'd)

As of the date of this report, the directors are not aware of any circumstances:

(a) which would render the amount written off as bad debts or the amount of allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or

(b) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or

(c) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or

(d) not otherwise dealt with in this report or financial statements which would render any amount stated in the financial statements of the Group and of the Company misleading.

As of the date of this report, there does not exist:

(a) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liability of any other person; or

(b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

No contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

In the opinion of the directors, no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of operations of the Group and of the Company for the succeeding financial year except those as mentioned in Note 40 to the Financial Statements.

DIRECTORS

The following directors served on the Board of the Company since the date of the last report:

Phua Sin Mo
Teow Choo Hing
Dr. Mohamed Amin bin Mohd Kassim
Jaafar bin Mohamad
Teow Choo Chuan
Yeap Khoo Soon Edwin
Dato' Yong Seng Yeow
Shamsudin @ Samad bin Kassim
Soong Chee Keong

DIRECTORS' REPORT

DIRECTORS' INTERESTS

The interest in shares and warrants in the Company and its related companies of those who were directors at the end of the financial year, as recorded in the Register of Directors' Shareholdings kept by the Company under Section 134 of the Companies Act, 1965, are as follows:

	Number of ordinary shares of RM1 each			
	Balance as of 1.1.2010	**Bought**	**Sold**	**Balance as of 31.12.2010**
Shares in the Company				
Direct interest				
Phua Sin Mo	19,326,778	-	-	19,326,778
Teow Choo Hing	8,501,680	-	-	8,501,680
Dr. Mohamed Amin bin Mohd Kassim	1,961,659	-	(333,000)	1,628,659
Jaafar bin Mohamad	3,727,971	-	-	3,727,971
Teow Choo Chuan	4,536,477	-	-	4,536,477
Yeap Khoo Soon Edwin	491,700	-	-	491,700
Dato' Yong Seng Yeow	66,000	-	-	66,000
Shamsudin @ Samad bin Kassim	5,500	-	-	5,500
Indirect interest				
Phua Sin Mo	869,550	-	-	869,550
Teow Choo Hing	409,200	-	-	409,200
Dr. Mohamed Amin bin Mohd Kassim	1,184,504	-	-	1,184,504
Jaafar bin Mohamad	1,800,004	-	(615,500)	1,184,504
Teow Choo Chuan	440,000	-	-	440,000
Shares in the subsidiary company - Century Forwarding Agency Sdn. Bhd.				
Direct interest				
Dr. Mohamed Amin bin Mohd Kassim	75,000	-	-	75,000

	Number of warrants to subscribe for ordinary shares of RM1 each			
	Balance as of 1.1.2010	**Bought**	**Exercised**	**Balance as of 31.12.2010**
Warrants in the Company				
Direct interest				
Phua Sin Mo	-	9,806,251	-	9,806,251
Teow Choo Hing	-	4,313,800	-	4,313,800
Dr. Mohamed Amin bin Mohd Kassim	-	981,100	-	981,100
Jaafar bin Mohamad	-	1,868,506	-	1,868,506
Teow Choo Chuan	-	2,268,238	-	2,268,238
Yeap Khoo Soon Edwin	-	249,600	-	249,600
Dato' Yong Seng Yeow	-	33,000	-	33,000
Shamsudin @ Samad bin Kassim	-	2,900	-	2,900
Indirect interest				
Phua Sin Mo	-	440,700	-	440,700
Teow Choo Hing	-	207,600	-	207,600
Dr. Mohamed Amin bin Mohd Kassim	-	601,100	-	601,100
Jaafar bin Mohamad	-	601,100	-	601,100
Teow Choo Chuan	-	220,000	-	220,000

DIRECTORS' REPORT

DIRECTORS' INTERESTS (cont'd)

By virtue of the above directors' interests in the shares of the Company, the above directors are also deemed to have an interest in the shares of all the subsidiary companies of the Company to the extent that the Company has an interest.

None of the other directors in office at the end of the financial year held shares or had any beneficial interest in the shares of the Company or its related companies during and at the end of the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the directors of the Company has received or become entitled to receive any benefit (other than the benefit included in the aggregate amount of emoluments received or due and receivable by the directors as disclosed in Note 8 to the Financial Statements or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member, or with a company in which he has a substantial financial interest other than those as mentioned in Note 17 to the Financial Statements.

During and at the end of the financial year, no arrangement subsisted to which the Company was a party whereby directors of the Company might acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate except for those warrants acquired by the directors of the Company to subscribe for ordinary shares as disclosed above.

AUDITORS

The auditors, Messrs. Deloitte & Touche, have indicated their willingness to continue in office.

Signed on behalf of the Board
in accordance with a resolution of the Directors,

TEOW CHOO HING

DR. MOHAMED AMIN BIN MOHD KASSIM

Kuala Lumpur,
April 7, 2011

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF CENTURY LOGISTICS HOLDINGS BERHAD (INCORPORATED IN MALAYSIA)

Report on the Financial Statements

We have audited the financial statements of **CENTURY LOGISTICS HOLDINGS BERHAD**, which comprise the statements of financial position of the Group and of the Company as of December 31, 2010 and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 39 to 92.

Directors' Responsibility for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements that give a true and fair view in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia and for such internal control as the directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit and to report our opinion to you, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility towards any other person for the contents of this report.

We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence that we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of December 31, 2010 and their financial performance and cash flows for the year then ended.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report that:

(a) in our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiary companies of which we have acted as auditors have been properly kept in accordance with the provisions of the Act;

(b) we have considered the accounts and the auditors' reports of the subsidiary companies of which we have not acted as auditors as indicated in Note 17 to the Financial Statements, being accounts that have been included in the financial statements of the Group;

(c) we are satisfied that the accounts of the subsidiary companies that have been consolidated with the financial statements of the Company are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for these purposes; and

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF CENTURY LOGISTICS HOLDINGS BERHAD (INCORPORATED IN MALAYSIA)

Report on Other Legal and Regulatory Requirements (cont'd)

(d) the auditors' reports on the accounts of the subsidiary companies were not subject to any qualification or did not include any adverse comment made under Section 174(3) of the Act.

Other Reporting Responsibilities

The supplementary information set out in Note 41 to the Financial Statements is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The Directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1 "Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements" as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

DELOITTE & TOUCHE
AF 0834
Chartered Accountants

LOO CHEE CHOU
Partner - 2783/09/12 (J)
Chartered Accountant

April 7, 2011

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2010

		The Group		The Company	
	Note(s)	**2010 RM'000**	**2009 RM'000**	**2010 RM'000**	**2009 RM'000**
Revenue	5 & 6	270,621	210,950	9,813	5,833
Cost of sales		(188,645)	(143,900)	-	-
Gross profit		81,976	67,050	9,813	5,833
Other income		7,316	954	5,667	3,006
Interest income	9 (a)	311	224	655	1,627
Administrative expenses		(36,890)	(28,773)	(5,049)	(4,061)
Finance costs	9 (b)	(4,146)	(3,809)	(1,600)	(1,600)
Other expenses		(12,596)	(10,858)	-	-
Profit before tax	10	35,971	24,788	9,486	4,805
Tax expense	11	(5,560)	(3,864)	(1,459)	(888)
Profit for the year		30,411	20,924	8,027	3,917
Other comprehensive income:					
Exchange differences on translating foreign operations		(323)	(220)	-	-
Net value loss on available-for-sale financial assets		(1,250)	-	(1,250)	-
Other comprehensive income for the year, net of tax		(1,573)	(220)	(1,250)	-
Total comprehensive income for the year		28,838	20,704	6,777	3,917
Profit attributable to:					
Owners of the Company		30,620	20,936	8,027	3,917
Non-controlling interests		(209)	(12)	-	-
		30,411	20,924	8,027	3,917
Total comprehensive income attributable to:					
Owners of the Company		29,047	20,716	6,777	3,917
Non-controlling interests		(209)	(12)	-	-
		28,838	20,704	6,777	3,917
Earnings per ordinary share					
Basic (sen)	12	38.71	27.49		
Diluted (sen)	12	33.59	27.49		

The accompanying Notes form an integral part of the Financial Statements.

STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2010

	Note	The Group 31.12.2010 RM'000	The Group As restated 31.12.2009 RM'000	The Group As restated 1.1.2009 RM'000	The Company 31.12.2010 RM'000	The Company 31.12.2009 RM'000
ASSETS						
Non-current Assets						
Property, plant and equipment	14	153,095	147,743	121,283	-	-
Investment property	15	30,000	30,000	30,000	-	-
Investment in subsidiary companies	17	-	-	-	14,841	14,935
Other financial assets	18	3,886	2,693	2,685	-	1,250
Goodwill on consolidation	19	3,730	3,730	3,730	-	-
Total Non-current Assets		190,711	184,166	157,698	14,841	16,185
Current Assets						
Inventories	20	1,390	-	-	-	-
Trade receivables	21	39,989	43,725	36,106	-	-
Other receivables, deposits and prepaid expenses	22	45,328	29,303	14,761	81	2,051
Amount owing by subsidiary companies	17	-	-	-	74,697	89,923
Tax recoverable		414	402	651	315	123
Deposits, cash and bank balances	23	36,495	33,623	17,776	16,643	1,906
Total Current Assets		123,616	107,053	69,294	91,736	94,003
Total Assets		314,327	291,219	226,992	106,577	110,188
EQUITY AND LIABILITIES						
Capital and Reserves						
Issued capital	24	82,005	81,671	81,671	82,005	81,671
Treasury shares	25	(5,623)	(277)	(11,417)	(5,623)	(277)
Reserves	26	98,252	73,785	67,474	5,866	4,329
Equity attributable to owners of the Company		174,634	155,179	137,728	82,248	85,723
Non-controlling interests		1,410	1,444	1,035	-	-
Total Equity		176,044	156,623	138,763	82,248	85,723
Non-current and Deferred Liabilities						
Hire-purchase payables	27	4,820	2,855	4,207	-	-
Finance lease payables	28	-	-	378	-	-
Long-term borrowings	29	41,740	69,452	36,286	-	20,000
Deferred tax liabilities	30	9,357	8,961	8,899	-	-
Total Non-current and Deferred Liabilities		55,917	81,268	49,770	-	20,000

STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2010

	Note	The Group			The Company	
		31.12.2010	As restated 31.12.2009	As restated 1.1.2009	31.12.2010	31.12.2009
		RM'000	RM'000	RM'000	RM'000	RM'000
Current Liabilities						
Trade payables	31	12,112	13,853	9,264	-	-
Other payables and accrued expenses	32	38,042	29,740	22,636	2,252	2,005
Amount owing to subsidiary companies	17	-	-	-	2,077	2,460
Hire-purchase payables	27	2,699	2,053	2,317	-	-
Finance lease payables	28	67	378	1,298	-	-
Short-term borrowings	33	28,432	6,904	2,714	20,000	-
Tax liabilities		1,014	400	230	-	-
Total Current Liabilities		82,366	53,328	38,459	24,329	4,465
Total Liabilities		138,283	134,596	88,229	24,329	24,465
Total Equity and Liabilities		314,327	291,219	226,992	106,577	110,188

The accompanying Notes form an integral part of the Financial Statements.

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2010

The Group	Note	Issued capital RM'000	Treasury shares RM'000	← Non-distributable reserves: Investment revaluation reserve RM'000	Share premium RM'000	Translation reserve RM'000	Capital reserve RM'000 →	Distributable reserve - Retained earnings RM'000	Attributable to equity holders of the Company RM'000	Non-controlling interests RM'000	Total RM'000
Balance as of January 1, 2009		81,671	(11,417)	-	11,438	268	-	55,768	137,728	1,035	138,763
Deemed disposal of subsidiary companies		-	-	-	-	-	-	-	-	(29)	(29)
Effect of dilution on equity interest in a subsidiary company		-	-	-	-	-	-	-	-	450	450
Purchase of treasury shares	25	-	(1,780)	-	-	-	-	-	(1,780)	-	(1,780)
Disposal of treasury shares	25	-	1,576	-	-	-	-	313	1,889	-	1,889
Expenses incurred for issuance of warrants and ESOS		-	-	-	-	-	(280)	-	(280)	-	(280)
Distribution of shares dividend	13	-	11,344	-	(11,344)	-	-	-	-	-	-
Profit for the year		-	-	-	-	-	-	20,936	20,936	(12)	20,924
Other comprehensive income for the year		-	-	-	-	(220)	-	-	(220)	-	(220)
Total comprehensive income for the year		-	-	-	-	(220)	-	20,936	20,716	(12)	20,704
Dividends paid	13	-	-	-	-	-	-	(3,094)	(3,094)	-	(3,094)
Balance as of December 31, 2009		81,671	(277)	-	94	48	(280)	73,923	155,179	1,444	156,623
Balance as of January 1, 2010 (as previously reported)		81,671	(277)	-	94	48	(280)	73,923	155,179	1,444	156,623
Effect of adoption of FRS 139	2	-	-	-	-	-	-	660	660	-	660
As restated		81,671	(277)	-	94	48	(280)	74,583	155,839	1,444	157,283
Issue of shares	24	334	-	-	-	-	-	-	334	-	334
Issue of warrants	26	-	-	-	-	-	2,037	-	2,037	-	2,037
Subscription of shares in existing subsidiary company by minority shareholders		-	-	-	-	-	-	-	-	175	175
Purchase of treasury shares	25	-	(5,346)	-	-	-	-	-	(5,346)	-	(5,346)
Expenses incurred for issuance of warrants and ESOS		-	-	-	-	-	(176)	-	(176)	-	(176)
Profit for the year		-	-	-	-	-	-	30,620	30,620	(209)	30,411
Other comprehensive income for the year		-	-	(1,250)	-	(323)	-	-	(1,573)	-	(1,573)
Total comprehensive income for the year		-	-	(1,250)	-	(323)	-	30,620	29,047	(209)	28,838
Dividends paid	13	-	-	-	-	-	-	(7,101)	(7,101)	-	(7,101)
Balance as of December 31, 2010		82,005	(5,623)	(1,250)	94	(275)	1,581	98,102	174,634	1,410	176,044

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2010

The Company	Note	Issued capital RM'000	Treasury shares RM'000	Investment revaluation reserve RM'000	Share premium RM'000	Capital reserve RM'000	Distributable reserve - Retained earnings RM'000	Total RM'000
			← Non-distributable reserves →					
Balance as of January 1, 2009		81,671	(11,417)	-	11,438	-	3,379	85,071
Purchase of treasury shares	25	-	(1,780)	-	-	-	-	(1,780)
Disposal of treasury shares	25	-	1,576	-	-	-	313	1,889
Distribution of shares dividend	13	-	11,344	-	(11,344)	-	-	-
Expenses incurred for issuance of warrants and ESOS		-	-	-	-	(280)	-	(280)
Profit for the year		-	-	-	-	-	3,917	3,917
Other comprehensive income for the year		-	-	-	-	-	-	-
Total comprehensive income for the year		-	-	-	-	-	3,917	3,917
Dividends paid	13	-	-	-	-	-	(3,094)	(3,094)
Balance as of December 31, 2009		81,671	(277)	-	94	(280)	4,515	85,723
Balance as of January 1, 2010		81,671	(277)	-	94	(280)	4,515	85,723
Issue of shares	24	334	-	-	-	-	-	334
Issue of warrants	26	-	-	-	-	2,037	-	2,037
Purchase of treasury shares	25	-	(5,346)	-	-	-	-	(5,346)
Expenses incurred for issuance of warrants and ESOS		-	-	-	-	(176)	-	(176)
Profit for the year		-	-	-	-	-	8,027	8,027
Other comprehensive income for the year		-	-	(1,250)	-	-	-	(1,250)
Total comprehensive income for the year		-	-	(1,250)	-	-	8,027	6,777
Dividends paid	13	-	-	-	-	-	(7,101)	(7,101)
Balance as of December 31, 2010		82,005	(5,623)	(1,250)	94	1,581	5,441	82,248

The accompanying Notes form an integral part of the Financial Statements.

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2010

	The Group		The Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Cash Flows From/(Used In) Operating Activities				
Profit for the year	30,411	20,924	8,027	3,917
Adjustments for:				
Tax expense recognised in profit or loss	5,560	3,864	1,459	888
Depreciation of property, plant and equipment	12,596	10,858	-	-
Finance costs	4,146	3,809	1,600	1,600
Impairment loss on:				
Other financial assets	-	750	-	750
Goodwill on consolidation	-	56	-	-
Investment in subsidiary companies	-	-	1,043	-
Bad debts written off	1,197	89	-	-
Allowance for doubtful debts	797	437	-	-
Unrealised loss on foreign exchange	596	36	-	-
Property, plant and equipment written off	36	507	-	-
Fair value adjustment on investment property	-	496	-	-
(Gain)/Loss (net) on deemed disposal/ disposal of:				
Property, plant and equipment	(3,577)	(86)	-	-
Subsidiary companies	(582)	162	1,306	-
Shares in a subsidiary company	-	9	-	-
Other financial assets	227	(24)	-	-
Net value gain on financial asset carried at fair value through profit or loss	(1,730)	-	-	-
Reversal of impairment loss on:				
Other financial assets	-	(242)	-	-
Investment in subsidiary companies	-	-	(3,710)	-
Interest income	(311)	(224)	(655)	(1,627)
Dividend income	(50)	-	(9,813)	(5,833)
Operating Profit/(Loss) Before Working Capital Changes	49,316	41,421	(743)	(305)
Movement in working capital:				
(Increase)/Decrease in:				
Inventories	(1,390)	-	-	-
Trade receivables	2,866	(8,145)	-	-
Other receivables and prepaid expenses	(16,283)	(12,721)	1,971	68
Amount owing to subsidiary companies	-	-	16,636	1,258
Increase/(Decrease) in:				
Trade payables	(2,079)	4,589	-	-
Other payables and accrued expenses	7,828	4,963	148	303
Amount owing to subsidiary companies	-	-	(383)	1,300
Cash Generated From Operations	40,258	30,107	17,629	2,624
Tax paid	(4,560)	(3,383)	(69)	(45)
Net Cash From Operating Activities	35,698	26,724	17,560	2,579

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2010

	The Group		The Company	
	2010	2009	2010	2009
	RM'000	RM'000	RM'000	RM'000
Cash Flows From/ (Used In) Investing Activities				
Proceeds from disposal of:				
Property, plant and equipment	13,929	1,457	-	-
Other financial assets	3,026	100	-	-
Investment in subsidiary companies	-	-	45	-
Interest received	311	224	655	27
Subscription of shares in existing subsidiary company by minority shareholders	175	-	-	-
Dividend received	50	-	8,230	5,000
Cash flow from acquisition of subsidiary companies (Note 17)	-	660	-	-
Proceeds on disposal of partial equity interest	-	441	-	-
Additions of property, plant and equipment (Note 1 below)	(23,408)	(36,855)	-	-
Acquisition of other financial assets	(3,306)	(592)	-	-
Addition of investment property	-	(496)	-	-
Cash outflow from deemed disposal of subsidiary companies (Note 17)	(26)	(269)	-	-
Net Cash (Used In)/From Investing Activities	(9,249)	(35,330)	8,930	5,027
Cash Flows From/(Used In) Financing Activities				
Proceeds from bank borrowings	4,003	40,112	-	-
Issuance of warrants	2,037	-	2,037	-
Proceeds from issuance of shares (net of incidental cost of RM179,000)	334	-	334	-
Decrease in short-term deposit pledged	-	503	-	-
Repayment of bank borrowings	(10,187)	(2,757)	-	-
Dividends paid	(7,101)	(3,094)	(7,101)	(3,094)
Purchase of own shares (Note 2 below)	(5,247)	(1,780)	(5,247)	(1,780)
Finance costs paid	(4,146)	(3,809)	(1,600)	(1,600)
Repayment of hire-purchase and finance lease payables	(3,095)	(3,938)	-	-
Expenses for issuance of warrants	(176)	(280)	(176)	(280)
Net Cash (Used In)/From Financing Activities	(23,578)	24,957	(11,753)	(6,754)
Net Increase In Cash and Cash Equivalents	2,871	16,351	14,737	852
Cash And Cash Equivalents At Beginning Of Year	33,624	17,273	1,906	1,054
Cash And Cash Equivalents At End Of Year (Note 34)	36,495	33,624	16,643	1,906

Note 1: During the financial year, the Group acquired property, plant and equipment with an aggregate cost of RM28,801,000 (2009: RM39,190,000), of which RM5,393,000 (2009: RM1,024,000) was acquired under hire-purchase arrangements.

Note 2: Net of consideration payable for the purchase of treasury shares on December 30, 2010 of RM99,000 (2009: RM Nil) which has remained unpaid as of year-end.

The accompanying Notes form an integral part of the Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and listed on Bursa Malaysia Securities Berhad.

The Company is principally an investment holding company. The principal activities of the Company's subsidiary companies are disclosed in Note 17.

There have been no significant changes in the nature of the activities of the Company and its subsidiary companies during the financial year.

The registered office of the Company is located at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur.

The principal place of business of the Company is located at Lot 8, Lingkaran Sultan Mohamed 1, Bandar Sultan Suleiman, 42000 Port Klang, Selangor Darul Ehsan.

The financial statements of the Group and of the Company have been authorised by the Board of Directors for issuance on April 7, 2011.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of the Company have been prepared in accordance with the provisions of the Companies Act, 1965 and Financial Reporting Standards in Malaysia.

Adoption of New and Revised Financial Reporting Standards

On January 1, 2010, the Group and the Company adopted the following new and revised FRS and IC Interpretations mandatory for annual financial period beginning on or after January 1, 2010.

FRS 1	First-time Adoption of Financial Reporting Standards (Amendments relating to cost of an investment in a subsidiary, jointly controlled entity or associate)
FRS 2	Share-based Payment (Amendments relating to vesting conditions and cancellations)
FRS 4	Insurance Contracts
FRS 7	Financial Instruments: Disclosures
FRS 7	Financial Instruments: Disclosures (Amendments relating to reclassification of financial assets and reclassification of financial assets – effective date and transition)
FRS 8	Operating Segments
FRS 101	Presentation of Financial Statements (revised)
FRS 123	Borrowing Costs (revised)
FRS 127	Consolidated and Separate Financial Statements (Amendments relating to cost of an investment in a subsidiary, jointly controlled entity or associate)
FRS 132	Financial Instruments: Presentation (Amendments relating to Puttable Financial Instruments and Obligations Arising on Liquidation and transitional provision relating to compound instrument)
FRS 139	Financial Instruments: Recognition and Measurement
FRS 139	Financial Instruments: Presentation and Measurement (Amendments relating to eligible hedged items, reclassification of financial assets, reclassification of financial assets - effective date and transition, embedded derivatives)

NOTES TO THE FINANCIAL STATEMENTS

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (cont'd)

Adoption of New and Revised Financial Reporting Standards (cont'd)

Improvements to FRSs issued in 2009

IC Int. 9	Reassessment of Embedded Derivatives
IC Int. 9	Reassessment of Embedded Derivatives (Amendments relating to embedded derivatives)
IC Int. 10	Interim Financial Reporting and Impairment
IC Int. 11	FRS 2 - Group and Treasury Share Transactions
IC Int. 13	Customer Loyalty Programmes
IC Int. 14	FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction

The adoption of these new and revised FRSs and IC Interpretations did not result in significant changes in the accounting policies of the Group and of the Company and have no significant effect on the financial performance or position of the Group and of the Company except for those discussed below.

FRS 7 : Financial Instruments: Disclosures

FRS 7 and the consequential amendment to FRS 101 Presentation of Financial Statements require disclosure of information about the significance of financial instruments for the Group's and the Company's financial position and performance, the nature and extent of risks arising from financial instruments, and the objectives, policies and processes for managing capital.

Comparative disclosures have been presented upon initial adoption of this Standard as the Group and the Company had not availed themselves of the transitional provision in this Standard.

FRS 101 : Presentation of Financial Statements (revised)

The revised FRS 101 introduces terminology changes (including revised titles for the financial statements) and changes in the format and content of the financial statements. In addition, the revised Standard requires the presentation of a third statement of financial position in the event that the entity has applied new accounting policies retrospectively. The revised Standard separates owner and non-owner changes in equity. The statement of changes in equity includes only details of transactions with owners with all non-owner changes in equity presented as a single line. The standard also introduces the statement of comprehensive income, with all items of income and expense recognised in profit or loss, together with all other items of income and expense recognised directly in equity, either in one single statement, or in two linked statements. The Group and the Company have elected to present this statement as one single statement.

There is no impact on the Group's and the Company's financial statements as this change in accounting policy affects only the presentation of the Group's and the Company's financial statements.

The revised FRS101 was adopted retrospectively by the Group and the Company.

Amendment to FRS 117 Leases

The Group had previously accounted leases of land where title is not expected to pass to the lessee at the end of the lease term as an operating lease as the lease does not transfer substantially the risks and rewards incidental to ownership to the lessee.

Upon adoption of the Amendments to FRS 117 Leases, the Group had reassessed the classification of leases of land based on information existing at the inception of the lease using the general principles in FRS 117. This assessment had resulted in classifying leases of land where the lease transfers substantially the risks and rewards incidental to ownership to the lessee as a finance lease. This change in classification had been applied retrospectively in accordance with the transitional provisions.

NOTES TO THE FINANCIAL STATEMENTS

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (cont'd)

Amendment to FRS 117 Leases (cont'd)

The effect of the adoption of this amendment is as below:

	As previously stated RM'000	Adoption of Amendment to FRS 117 RM'000	As restated RM'000
Statement of Financial Position			
As of December 31, 2009			
Prepaid lease payments	29,350	(29,350)	-
Property, plant and equipment	118,393	29,350	147,743
As of January 1, 2009			
Prepaid lease payments	26,382	(26,382)	-
Property, plant and equipment	94,901	26,382	121,283

FRS 139 Financial Instruments: Recognition and Measurement

The Group and the Company, have adopted FRS139 prospectively on January 1, 2010 in accordance with the transitional provisions in FRS139. On that date, financial assets were classified as either financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments or available-for-sale financial assets, as appropriate. Financial liabilities were classified as either financial liabilities at fair value through profit or loss or other financial liabilities (i.e. those financial liabilities which are not held for trading or designated as at fair value through profit or loss upon initial recognition). The accounting policies for financial assets and financial liabilities are as disclosed in Note 3.

All financial assets and liabilities within the scope of FRS 139 are recognised and re-measured accordingly, with the related adjustments taken to opening retained earnings. The adoption of FRS 139 which have affected the amounts reported in this financial statements are as follows:

(a) Non-current equity investment

Previously, the Group's non-current equity investments, other than investments in subsidiary companies, were carried at cost less allowance for diminution in value, which is other than a temporary decline in the value of the investments.

Upon adoption of FRS 139, these investments were classified as fair value through profit or loss. Consequently, these investments were measured at fair value on January 1, 2010 and fair value adjustments amounting to RM660,000 were taken to opening retained earnings.

(b) Non-current investment in unquoted bond

Previously, the Group's and the Company's non-current investments in unquoted bond, which was subscribed as part of a condition for the granted of a long-term loan to the Group and the Company, was carried at cost less allowance for diminution in value, which is other than a temporary decline in the value of the investments.

Upon adoption of FRS 139, this investment was classified as available-for-sale financial asset. Consequently, this investment was measured at fair value on January 1, 2010. No fair value adjustment arose from this re-measurement.

FRS and IC Interpretations ("IC Int.") Issued but Not Effective

At the date of authorisation for issue of these financial statements, the FRSs, IC Int. and amendments to FRSs and IC Int. which were issued but not yet effective are as listed below:

FRS 1	First-time Adoption of Financial Reporting Standards (revised)[1]
FRS 1	First-time Adoption of Financial Reporting Standards (Amendments relating to limited exemption from Comparative FRS Disclosures for First-time Adopters)[2]

NOTES TO THE FINANCIAL STATEMENTS

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (cont'd)

FRS and IC Interpretations ("IC Int.") Issued but Not Effective (cont'd)

FRS 1	First-time Adoption of Financial Reporting Standards (Amendments relating to additional exemptions for first-time adopters)[2]
FRS 2	Share-based Payment (Amendments relating to group cash-settled share-based payment transactions)[2]
FRS 2	Share-based Payment (Amendments relating to scope of FRS 2 and revised FRS 3) [1]
FRS 3	Business Combinations (revised) [1]
FRS 5	Non-current Assets Held for Sale and Discontinued Operations (Amendments relating to plan to sell the controlling interest in a subsidiary) [1]
FRS 7	Financial Instruments: Disclosures (Amendments relating to improving disclosures about financial instruments)[2]
FRS 124	Related Party Disclosures (revised)[3]
FRS 127	Consolidated and Separate Financial Statements (revised)[1]
FRS 128	Investments in Associates (revised)[1]
FRS 132	Financial Instruments: Presentation (Amendments relating to classification of rights issue)[4]
FRS 138	Intangible Assets (Amendments relating to additional consequential amendments arising from FRS 3) [1]
FRS 139	Financial Instruments: Recognition and Measurement (Amendments relating to additional consequential amendments arising from revised FRS 3 and revised FRS 127)[1]
Improvements to FRSs 2010[2]	
IC Int. 4	Determining whether an Arrangement contains a Lease[2]
IC Int. 9	Reassessment of Embedded Derivatives (Amendments relating to consequential amendments arising from revised FRS 3) [1]
IC Int. 12	Service Concession Arrangements[1]
IC Int. 14	FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction (Amendments relating to prepayments of a minimum funding requirement)[7]
IC Int. 15	Agreement for the Construction of Real Estate[5]
IC Int. 16	Hedges of a Net Investment in a Foreign Operation[1]
IC Int. 17	Distributions of Non-cash Assets to Owners[1]
IC Int. 18	Transfers of Assets from Customers[6]
IC Int. 19	Extinguish Financial Liabilities with Equity Instruments[7]

1 Effective for annual periods beginning on or after July 1, 2010
2 Effective for annual periods beginning on or after January 1, 2011
3 Effective for annual periods beginning on or after January 1, 2012
4 Effective for annual periods beginning on or after March 1, 2010
5 Original effective date of July 1, 2009 deferred to January 1, 2012 via amendment issued by MASB on August 30, 2010
6 Applied prospectively to transfers of assets from customers received on or after January 1, 2011
7 Effective for annual periods beginning on or after July 1, 2011

The directors anticipate that the abovementioned Standards and Interpretations will be adopted in the annual financial statements of the Group and the Company when they become effective and that the adoption of these Standards and Interpretations will have no material impact on the financial statements of the Group and the Company in the period of initial application.

NOTES TO THE FINANCIAL STATEMENTS

3. SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Group and of the Company have been prepared under the historical cost convention unless otherwise indicated in the accounting policies below.

Subsidiary Companies

Subsidiary companies are those entities in which the Group has power to exercise control over the financial and operating policies so as to obtain benefits therefrom. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group has such power over another entity.

In the Company's separate financial statements, investment in subsidiary companies is carried at cost less impairment losses. Upon disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in the profit or loss.

Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Group (its subsidiary companies) as mentioned in Note 17 made up to the end of the reporting period. The financial statements of the subsidiary companies are prepared for the same reporting date as the Company.

Subsidiary companies are consolidated using the acquisition method of accounting. Under the acquisition method of accounting, the results of subsidiary companies acquired or disposed of during the financial year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate. The assets, liabilities and contingent liabilities of a subsidiary company are measured at their fair values at the date of acquisition and these values are reflected in the statements of financial position.

All significant intercompany transactions, balances and resulting unrealised gains are eliminated on consolidation and the consolidated financial statements reflect external transactions only. Unrealised losses are eliminated on consolidation unless costs cannot be recovered. Uniform accounting policies are adopted in the Group's financial statements for like transactions and events in similar circumstances.

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If, after assessment, the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquired business exceeds the cost of the business combination, the excess is recognised immediately in profit or loss.

Minority interest in the net assets of consolidated subsidiary companies is identified separately from the Group's equity therein. Minority interest consists of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of acquisition.

Revenue

Revenue of the Group comprises income earned from provision of services comprising total logistics services, procurement logistics services, sales of appliances and dividend income from investments. Revenue of the Company represents gross dividend income from subsidiary companies.

NOTES TO THE FINANCIAL STATEMENTS

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Revenue (cont'd)

Revenue is recognised to the extent that it is probable that the economic benefits associated with the transaction will flow to the Group and the Company and the amount of the revenue can be measured reliably. Revenue is recognised on the following basis:

(i) Revenue from services

Revenue from services rendered is recognised net of discounts when rendering of services has been completed.

(ii) Revenue from sales of goods

Revenue from sales of goods is recognised upon delivery of products and customers' acceptance, net of discounts and returns and when the risks and rewards of ownerships have passed to the buyer.

(iii) Dividend income

Dividend income is recognised when the shareholders' right to receive payment is established.

Employee Benefits

(i) Short-term Benefits

Salaries, wages, bonuses and non-monetary benefits are accrued for in the period in which the associated services are rendered by the employees of the Group and of the Company.

(ii) Defined Contribution Plan

The Group and its eligible employees are required by law to make monthly contributions to Employees Provident Fund ("EPF"), a statutory defined contribution plan, at certain prescribed rates based on the employees' salaries. The Group's and the Company's contributions to EPF are charged to profit or loss. Once the contributions have been paid, there are no further payment obligations.

Other than as disclosed above, the Group and the Company do not make contribution to other employee retirement plans.

Foreign Currency

The individual financial statements of each entity in the Group are presented in Ringgit Malaysia, Thai Baht, Singapore Dollar, Chinese Renminbi or Indian Rupee, the currency of the primary economic environment in which the entities operate (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each entity are expressed in Ringgit Malaysia, which is the functional currency of the Company and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the Group and of the Company, transactions in currencies other than the Company's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

NOTES TO THE FINANCIAL STATEMENTS

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Foreign Currency (cont'd)

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in profit or loss for the period. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in equity.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including comparatives) are expressed in Ringgit Malaysia using the exchange rate prevailing on the balance sheet date. Income and expense items (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are classified as equity and transferred to the Group's translation reserve. Such translation differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

Taxation

Income tax on the profit or loss for the year comprises current and deferred tax.

<u>Current Tax</u>

Current tax is the expected amount of income taxes payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted or substantively enacted at the end of the reporting date.

<u>Deferred Tax</u>

Deferred tax is accounted for, using the "balance sheet liability" method, on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts in the financial statements. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. Deferred tax is not recognised if the temporary difference arises from goodwill or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither the accounting profit nor taxable profit.

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the end of the reporting date. Deferred tax is charged or credited to profit or loss, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also charged or credited directly to equity, or when it arises from a business combination that is an acquisition, in which case the deferred tax is included in the resulting goodwill.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set-off current tax assets against current tax liabilities and when they relate to income taxes by same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

The tax effects of the unutilised investment tax allowances are recognised upon actual realisation.

Goodwill on Consolidation

Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses.

NOTES TO THE FINANCIAL STATEMENTS

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Goodwill on Consolidation (cont'd)

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary company, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Impairment of Assets Excluding Goodwill

At each balance sheet date, the Group and the Company review the carrying amounts of their non-current assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group and the Company estimate the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss for the period.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss for the period.

Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Gain or loss arising from the disposal of an asset is determined as the difference between the estimated net disposal proceeds and the carrying amount of the asset, and is recognised in profit or loss.

Freehold land has unlimited life and therefore is not depreciated. Building-in-progress and computer system in-progress are not depreciated as these assets are not available for use. All other property, plant and equipment are depreciated on a straight-line method at the following annual rates/period based on the estimated useful lives of the various assets:

Leasehold lands	46 to 99 years
Buildings	2% - 10%
Improvements and renovations	10%
Motor vehicles	10% - 20%
Warehouse, office and other equipment	10% - 33%
Furniture, fixtures and fittings	10% - 15%

The estimated useful life and depreciation method are reviewed at each year end, with the effect of any changes in estimates accounted for prospectively.

NOTES TO THE FINANCIAL STATEMENTS

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases, other than leasehold properties classified as investment property, are classified as operating leases. Property interest held under an operating lease to earn rentals or for capital appreciation or both is classified as investment property.

Assets held under finance leases are initially recognised as property, plant and equipment at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the income statements unless they are directly attributable to a qualifying asset, in which case they are capitalised in accordance with the Group's and Company's general policy on borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

Assets Acquired Under Hire-Purchase Arrangements

Property, plant and equipment acquired under hire-purchase arrangements are capitalised in the financial statements and the corresponding obligations are recorded as liabilities. Finance charges are allocated to the income statements to give a constant periodic rate of interest on the remaining hire-purchase liabilities.

Asset held under hire-purchase are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant hire-purchase.

Investment Property

Investment property, comprising leasehold land and buildings, is property held for long-term rental yields or for capital appreciation or both and is not occupied by the Group and the Company.

Investment property is stated at fair value. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. Gains or losses arising from changes in the fair value of investment property are recognised in profit or loss in the year in which they arise.

An investment property is derecognised on its disposal, or when it is permanently withdrawn from use and no future economic benefits are expected from its disposal. The difference between the net disposal proceeds and the carrying amount is recognised in profit or loss in the period of the retirement or disposal.

Inventories

Inventories are valued at the lower of cost (determined principally on the "first in, first out" basis) and net realisable value. The cost of raw materials comprises the original cost of purchase plus the cost of bringing the inventories to their present location. The cost of finished goods includes the cost of raw materials, direct labour and a proportion of production overheads. Net realisable value represents the estimated selling price in the ordinary course of business less selling and distribution costs.

NOTES TO THE FINANCIAL STATEMENTS

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Operating Leases and Rental Income Recognition

Assets leased out under operating leases are presented on the balance sheets according to the nature of the assets. Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

Investments

Investments in non-current equity securities, other than investments in subsidiary companies, are categorised and measured as fair value through profit or loss.

Investments in non-current debts instruments are categorised and measured as available for sale financial asset.

Provisions

Provisions are made when the Group and the Company have a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources will be required to settle the obligation, and when a reliable estimate of the amount can be made.

Provisions are reviewed by the directors at each reporting date and adjusted to reflect the current best estimate.

Financial Instruments

Financial instruments are recognised in the statement of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instruments.

Where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, such financial assets are recognised and derecognised on trade date.

Financial instruments are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value.

Financial assets are classified into the following specified categories: financial assets "at fair value through profit or loss" (FVTPL), "held-to-maturity investments", "available-for-sale" (AFS) financial assets and "loans and receivables". The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

(a) Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

NOTES TO THE FINANCIAL STATEMENTS

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(b) Financial assets at FVTPL

Financial assets are classified as at FVTPL when the financial asset is either held for trading or it is designated as at FVTPL.

A financial asset is classified as held for trading if:
- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group and the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at FVTPL upon initial recognition if:
- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's and the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and FRS 139 Financial Instruments: Recognition and Measurement permits the entire combined contract (asset or liability) to be designated as at FVTPL.

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the "other income" or "other expenses" line item in the statement of comprehensive income. Fair value is determined in the manner described in Note 35.

(c) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity dates that the Group and the Company has the positive intent and ability to hold to maturity. Subsequent to initial recognition, held-to-maturity investments are measured at amortised cost using the effective interest method less any impairment, with revenue recognised on an effective yield basis.

(d) AFS financial assets

AFS financial assets are non-derivatives that are either designated as available-for-sale or are not classified as loans and receivables, held-to-maturity investments or financial assets at FVTPL. All AFS assets are measured at fair value at the end of the reporting period. Fair value is determined in the manner described in Note 35. Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in the investments revaluation reserve, with the exception of impairment losses, interest calculated using the effective interest method, and foreign exchange gains and losses on monetary assets, which are recognised in profit or loss. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss.

AFS equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity investments are measured at cost less any identified impairment losses at the end of the reporting period

Dividends on AFS equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established.

NOTES TO THE FINANCIAL STATEMENTS

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(d) AFS financial assets (cont'd)

The fair value of AFS monetary assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. The foreign exchange gains and losses that are recognised in profit or loss are determined based on the amortised cost of the monetary asset. Other foreign exchange gains and losses are recognised in other comprehensive income.

(e) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

(f) Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For equity investments classified as AFS, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

For all other financial assets, including redeemable bonds classified as AFS and finance lease receivables, objective evidence of impairment could include:
- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's and the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 90 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

When an AFS financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

NOTES TO THE FINANCIAL STATEMENTS

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(f) Impairment of financial assets (cont'd)

With the exception of AFS equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of AFS equity securities, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income.

(g) Reclassification of financial assets

Reclassification is only permitted in rare circumstances and where the asset is no longer held for the purpose of selling in the short-term. In all cases, reclassifications of financial assets are limited to debt instruments. Reclassifications are accounted for at the fair value of the financial asset at the date of reclassification.

(h) Derecognition of financial assets

The Group and the Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group and the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group and the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group and the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group and the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities and equity instruments issued by the Group and the Company

(a) Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

(b) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group and the Company are recognised at the proceeds received, net of direct issue costs.

(c) Compound instruments

The component parts of compound instruments (convertible bonds) are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangement. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for a similar non-convertible instrument. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date. The equity component is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured.

NOTES TO THE FINANCIAL STATEMENTS

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Financial liabilities and equity instruments issued by the Group and the Company (cont'd)

(d) Financial guarantee contract liabilities

Financial guarantee contract liabilities are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of the obligation under the contract, as determined in accordance with FRS 137 Provisions, Contingent Liabilities and Contingent Assets; and
- the amount initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the revenue recognition policies set out above.

(e) Financial liabilities

Financial liabilities are classified as either financial liabilities "at FVTPL" or "other financial liabilities".

(f) Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group and the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's and the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and FRS 139 Financial Instruments: Recognition and Measurement permits the entire combined contract (asset or liability) to be designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the "other income" and "other expenses" line item in the statement of comprehensive income. Fair value is determined in the manner described in Note 35.

(g) Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

NOTES TO THE FINANCIAL STATEMENTS

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(h) Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Group's and the Company's obligations are discharged, cancelled or they expire.

Derivative financial instruments

The Group enters into foreign exchange forward contracts to manage its exposure to foreign exchange rate risk. Further details of foreign exchange forward contracts are disclosed in Note 35.

Derivatives are initially reaslied at fair value at the date the derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is reaslied in profit or loss immediately.

A derivative with a positive fair value is realised as a financial asset; a derivative with a negative fair value is realised as a financial liability. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Cash and Cash Equivalents

The Group and the Company adopt the indirect method in the preparation of the cash flow statements.

Cash equivalents are short-term, highly liquid investments with maturities of three months or less from the date of acquisition and are readily convertible to cash with insignificant risk of changes in value.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

(i) Critical judgements in applying the Group's and the Company's accounting policies

In the process of applying the Group's and the Company's accounting policies, which are described in Note 3 above, the directors are of the opinion that there are no instances of application of judgement which are expected to have a significant effect on the amounts recognised in the financial statements except for allowance for doubtful debts.

Allowance for doubtful debts is made based on the evaluation of collectability and aging analysis of accounts and on management's estimate. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables, including the creditworthiness and the past collection history of each customer. If the financial conditions of the customers with which the Group deals were to deteriorate, resulting in an impairment of their ability to make payments, additional allowance may be required.

(ii) Key sources of estimation uncertainty

The directors believe that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year except for the impairment of goodwill and fair values of investment property.

a. Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the management to estimate the future cash flows expected to arise from the cash-generating unit and also to choose a suitable discount rate in order to calculate present value of those cash flows. The carrying amount of goodwill at the reporting date was RM3,730,000 and there was no impairment loss (2009: an impairment loss of RM55,961) recognised in profit or loss during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (cont'd)

(ii) Key sources of estimation uncertainty (cont'd)

b. Fair value of investment property

The best evidence of fair value is current prices in an active market for similar lease and other contracts or valuations carried out by independent firms of valuers annually.

5. REVENUE

	The Group		The Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Total logistics services	229,380	183,323	-	-
Sales of appliances	21,233	13,438	-	-
Procurement logistics services	19,958	14,189	-	-
Dividend income from subsidiary companies	-	-	9,813	5,833
Dividend income from quoted investments	50	-	-	-
	270,621	210,950	9,813	5,833

6. OPERATING COSTS APPLICABLE TO REVENUE

The operating costs, classified by nature, applicable to revenue are as follows:

		The Group		The Company	
	Note	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Direct operating costs		174,091	131,114	-	-
Raw materials and consumables used		4,616	3,783	-	-
Staff costs	7	35,063	30,092	3,361	3,057
Depreciation of property, plant and equipment	14	12,596	10,858	-	-
Impairment loss on goodwill on consolidation	19	-	56	-	-
Finance costs	9 (b)	4,146	3,809	1,600	1,600
Other expenses		11,765	7,628	1,688	1,004
		242,277	187,340	6,649	5,661

7. STAFF COSTS

	The Group		The Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Wages and salaries	29,682	25,979	2,928	2,736
Contributions to defined contribution plan	3,216	3,067	402	311
Short-term accumulating compensated absences	204	279	-	-
Other staff related expenses	1,961	767	31	10
	35,063	30,092	3,361	3,057

Included in staff costs of the Group and of the Company is directors' remuneration as disclosed in Note 8.

NOTES TO THE FINANCIAL STATEMENTS

8. DIRECTORS' REMUNERATION

	The Group		The Company	
	2010	2009	2010	2009
	RM'000	RM'000	RM'000	RM'000
Directors of the Company				
Executive directors:				
Salaries and other emoluments	3,999	3,616	2,743	2,568
Contributions to defined contribution plan	590	438	402	311
Fees	312	288	132	108
	4,901	4,342	3,277	2,987
Non-executive directors:				
Fees	53	60	53	60
	4,954	4,402	3,330	3,047
Directors of subsidiary companies				
Executive directors:				
Salaries and other emoluments	605	510	-	-
Contributions to defined contribution plan	81	55	-	-
	686	565	-	-
Total	5,640	4,967	3,330	3,047

The estimated monetary value of benefits-in-kind received and receivable by the directors otherwise than in cash from the Group and the Company amounted to RM176,074 (2009: RM136,075) and RM112,000 (2009: RM101,400) respectively.

A breakdown of directors' remuneration for the financial year by category and in bands of RM50,000 are as follows:

	Number of directors	
	2010	2009
Executive directors:		
RM300,001 - RM350,000	-	1
RM350,001 - RM400,000	1	-
RM450,001 - RM500,000	-	1
RM500,001- RM550,000	1	-
RM600,001 - RM650,000	1	1
RM850,001 - RM900,000	-	1
RM900,001 - RM950,000	-	1
RM1,001,001 – RM1,050,000	1	-
RM1,050,001 – RM1,100,000	1	-
RM1,250,001 - RM1,300,000	-	1
RM1,400,001 – RM1,450,000	1	-
	6	6
Non-executive directors:		
RM50,000 and below	3	4
	9	10

There is no other key management personnel other than the directors of which their remuneration has been disclosed above.

NOTES TO THE FINANCIAL STATEMENTS

9. INTEREST INCOME AND FINANCE COSTS

(a) Interest income

	The Group		The Company	
	2010	2009	2010	2009
	RM'000	RM'000	RM'000	RM'000
Interest income on:				
Short-term deposits	311	218	122	27
Amount owing by a corporate shareholder of a foreign subsidiary corporation (Note 22)	-	6	-	-
Advances to subsidiary company	-	-	533	1,600
	311	224	655	1,627

(b) Finance costs

	The Group		The Company	
	2010	2009	2010	2009
	RM'000	RM'000	RM'000	RM'000
Interest expense on:				
Term loans	3,723	3,398	1,600	1,600
Hire-purchase payables	347	289	-	-
Finance lease payables	14	84	-	-
Bank overdrafts	-	26	-	-
Revolving credit	62	12	-	-
	4,146	3,809	1,600	1,600

10. PROFIT BEFORE TAX

In addition to the transactions detailed elsewhere in the financial statements, profit before tax is arrived at:

	The Group		The Company	
	2010	2009	2010	2009
	RM'000	RM'000	RM'000	RM'000
After charging:				
Rental of:				
Premises	6,271	3,210	-	-
Motor vehicles and equipment	2,441	1,639	-	-
Bad debts written off	1,197	89	-	-
Allowance for doubtful debts (net)	797	437	-	-
Unrealised loss (net) on foreign exchange	596	36	-	-

NOTES TO THE FINANCIAL STATEMENTS

10. PROFIT BEFORE TAX (cont'd)

In addition to the transactions detailed elsewhere in the financial statements, profit before tax is arrived at:

	The Group		The Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
After charging:				
Audit fees:				
Statutory audit	227	237	49	45
Other services	33	101	26	7
Loss on deemed disposal/partial disposal/disposal of:				
Other financial assets	227	-	-	-
Subsidiary companies	-	162	1,306	-
Shares in a subsidiary company	-	9	-	-
Impairment loss on:				
Other financial assets	-	750	-	750
Investment in subsidiary companies	-	-	1,043	-
Goodwill on consolidation	-	56	-	-
Property, plant and equipment written off	36	507	-	-
Fair value adjustment on investment property (Note 15)	-	496	-	-
And crediting:				
Reversal of impairment loss on:				
Other financial assets	-	242	-	-
Investment in subsidiary companies	-	-	3,710	-
Net value gain on financial assets carried at fair value through profit or loss	1,730	-	-	-
Gain on deemed disposal/ disposal of:				
Property, plant and equipment	3,577	86	-	-
Subsidiary companies	582	-	-	-
Other financial assets	-	24	-	-
Realised gain (net) on foreign exchange	193	65	-	-

11. TAX EXPENSE

	The Group		The Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Current year:				
Estimated current tax payable	(5,362)	(3,900)	(1,456)	(830)
Deferred tax (Note 30)	(2)	21	-	-
	(5,364)	(3,879)	(1,456)	(830)
Over/(Under)provision in prior years:				
Income tax	198	98	(3)	(58)
Deferred tax (Note 30)	(394)	(83)	-	-
	(196)	15	(3)	(58)
	(5,560)	(3,864)	(1,459)	(888)

NOTES TO THE FINANCIAL STATEMENTS

11. TAX EXPENSE (cont'd)

A numerical reconciliation of tax expense applicable to profit before tax at the applicable statutory income tax rate to the tax expense at the effective income tax rate is as follows:

	The Group		The Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Profit before tax	35,971	24,788	9,486	4,805
Tax at the applicable tax rate of 25%	8,993	6,197	2,372	1,201
Effect on tax rate differential	(116)	(89)	-	-
Tax effects of:				
Income not subject to tax	(2,201)	(1,298)	(1,388)	(1,111)
Expenses not deductible for tax purposes	3,887	3,644	496	703
Utilisation of investment tax allowance	(5,220)	(4,695)	-	-
Utilisation of reinvestment tax allowance	-	(40)	-	-
Deferred tax assets not recognised	45	204	-	37
Utilisation of deferred tax assets not recognised previously	(24)	(44)	(24)	-
(Over)/Under provision in prior years:				
Income tax	(198)	(98)	3	58
Deferred tax	394	83	-	-
	5,560	3,864	1,459	888

As of December 31, 2010, Century Total Logistics Sdn. Bhd., a wholly-owned subsidiary company, has tax exempt income account arising from investment tax allowances claimed and utilised amounting to approximately RM58,730,000 (2009: RM37,849,000).

As of December 31, 2010, the Company has tax exempt income accounts arising from tax exempt dividend received and chargeable income, the income tax of which was waived in 1999 in accordance with the Income Tax (Amendment) Act, 1999 of approximately RM10,435,000 (2009: RM8,435,000) and RM190,000 (2009: RM190,000) respectively.

The above tax exempt accounts, which are subject to approval by the tax authorities and the availability of distributable reserves, are available for the distribution of tax exempt dividends to the shareholders of the Company.

12. EARNINGS PER ORDINARY SHARE

Basic

The basic earnings per share is calculated by dividing profit for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the financial year, excluding treasury shares held by the Company.

	2010	2009
Profit attributable to ordinary equity holders of the Company (RM'000)	30,620	20,936
Weighted average number of ordinary shares in issue ('000)	79,091	76,171
Basic earnings per share (sen)	38.71	27.49

NOTES TO THE FINANCIAL STATEMENTS

12. EARNINGS PER ORDINARY SHARE (cont'd)

Diluted

Fully diluted earnings per share is calculated by dividing the profit for the year attributable to ordinary equity holders of the Company (adjusted for the interest on warrants) by the weighted average number of ordinary shares in issue during the financial year adjusted for the dilutive effects of warrants.

	2010
Profit attributable to ordinary equity holders of the Company (RM'000)	30,620
Interest on warrants (after tax at 25%) (RM'000)	806
Profit attributable to ordinary equity holders of the Company for the purpose of diluted earnings per share	31,426

	2010
Weighted average number of ordinary shares in issue ('000)	79,091
Shares deemed to be issued for no consideration in respect of warrants	14,459
Weighted average number of ordinary shares for the purpose of diluted earnings per share	93,550
Diluted earnings of share (sen)	33.59

For the financial year 2009, the basic and diluted earnings per ordinary share are equal as the Group has no dilutive potential ordinary shares.

13. DIVIDENDS

	The Company	
	2010 RM	2009 RM
Single tier final dividend of 4 sen per ordinary share, in respect of 2009 (2009: 2 sen in respect of 2008)	3,157,547	1,482,842
Single tier first interim dividend of 3 sen per ordinary share, in respect of 2010 (2009: 2 sen in respect of 2009)	2,369,415	1,611,576
Single tier second interim dividend of 2 sen per ordinary share, in respect of 2010 (2009: nil)	1,574,500	-
	7,101,462	3,094,418

The directors propose a single tier final dividend of 4 sen per ordinary share, in respect of the current financial year. This dividend is subject to the approval by the shareholders at the forthcoming Annual General Meeting of the Company and has not been included as a liability in the financial statements. Upon approval by the shareholders, the cash dividend payment will be accounted for in equity as an appropriation of retained earnings during the financial year ending December 31, 2011.

On September 18, 2009, the Company distributed interim share dividend ("Shares Dividend") of one treasury share for every ten existing shares held in the Company, amounting to RM11,343,741. The Shares Dividend was paid out from the share premium account of the Company.

NOTES TO THE FINANCIAL STATEMENTS

14. PROPERTY, PLANT AND EQUIPMENT

The Group	Freehold land RM'000	Leasehold land RM'000	Buildings RM'000	Improvements and renovations RM'000	Motor vehicles RM'000	Warehouse, office and other equipment RM'000	Furniture, fixtures and fittings RM'000	Building-in-progress RM'000	Computer system in-progress RM'000	Total RM'000
Cost										
Balance at January 1, 2009 (as previously reported)	-	-	62,359	15,416	58,726	15,066	3,282	-	475	155,324
Effect of adoption of amendment to FRS 117	-	28,298	-	-	-	-	-	-	-	28,298
As restated	-	28,298	62,359	15,416	58,726	15,066	3,282	-	475	183,622
Additions	6,943	3,443	-	200	2,173	1,669	110	24,230	422	39,190
Exchange differences	-	(27)	-	2	9	7	18	-	-	9
Disposals and write-offs	-	-	-	(482)	(2,702)	(784)	(113)	-	(27)	(4,108)
Reclassifications	-	-	-	-	-	485	-	-	(485)	-
Balance at December 31, 2009 (as restated)	6,943	31,714	62,359	15,136	58,206	16,443	3,297	24,230	385	218,713
Additions	-	-	2,202	981	6,591	4,630	274	13,789	334	28,801
Exchange differences	(25)	(131)	(139)	-	-	-	-	-	-	(295)
Disposals and write-offs	-	(3,544)	(5,950)	(2,047)	(6,479)	(219)	(13)	-	-	(18,252)
Reclassifications	-	-	36,747	-	-	485	-	(36,747)	(485)	-
Balance at December 31, 2010	6,918	28,039	95,219	14,070	58,318	21,339	3,558	1,272	234	228,967
Accumulated Depreciation										
Balance at January 1, 2009 (as previously reported)	-	-	6,704	11,009	30,990	10,027	1,693	-	-	60,423
Effect of adoption of amendment to FRS 117	-	1,916	-	-	-	-	-	-	-	1,916
As restated	-	1,916	6,704	11,009	30,990	10,027	1,693	-	-	62,339
Charge for the year	-	449	1,226	1,199	6,099	1,618	267	-	-	10,858
Exchange differences	-	(1)	-	(2)	(2)	12	(4)	-	-	3
Disposals and write-offs	-	-	-	(36)	(1,553)	(592)	(49)	-	-	(2,230)
Balance at December 31, 2009 (as restated)	-	2,364	7,930	12,170	35,534	11,065	1,907	-	-	70,970
Charge for the year	-	478	2,472	1157	6,098	2,150	241	-	-	12,596
Exchange differences	-	(10)	(5)	-	-	-	(2)	-	-	(17)
Disposals and write-offs	-	(242)	(773)	(1,258)	(5,234)	(164)	(6)	-	-	(7,677)
Balance at December 31, 2010	-	2,590	9,624	12,069	36,398	13,051	2,140	-	-	75,872
Net Carrying Amount										
As of January 1, 2009 (as restated)	-	26,382	55,655	4,407	27,736	5,039	1,589	-	475	121,283
As of December 31, 2009 (as restated)	6,943	29,350	54,429	2,966	22,672	5,378	1,390	24,230	385	147,743
As of December 31, 2010	6,918	25,449	85,595	2,001	21,920	8,288	1,418	1,272	234	153,095

NOTES TO THE FINANCIAL STATEMENTS

14. PROPERTY, PLANT AND EQUIPMENT (cont'd)

(a) Carrying amount of freehold land, freehold buildings, leasehold land and leasehold buildings in 2010 amounting to RM6,918,000, RM23,516,000, RM7,338,000 and RM18,477,000 (2009: RM6,943,000, RM24,230,000, RM10,828,000 and RM23,972,000) respectively were charged to a financial institution as securities for credit facilities granted to the Group (Notes 29 and 33);

(b) Carrying amount of motor vehicle acquired under hire-purchase and finance lease arrangements in 2010 amounted to RM11,723,000 (2009: RM7,228,000).

(c) Leasehold land relate to:

(i) Lease of land for the Group's warehouse with office building erected thereon located in Perusahaan Selat Klang Utara, Port Klang, Selangor with lease term expiring in the year of 2086;

(ii) Lease of land for the Group's warehouses with office buildings erected thereon located in Bandar Sultan Suleiman, Port Klang, Selangor with lease terms expiring in the year of 2087;

(iii) Sub-leases of land from a third party for the Group's warehouses with office buildings erected thereon located in Johor with lease term expiring in the year of 2055; and

(iv) Lease of land located in Jiangxi Yichun, China with lease term expiring in year of 2057.

(d) The Group does not have an option to purchase the land under lease upon the expiry of the lease period.

(e) As of December 31, 2010, the title to certain parcel of the leasehold land of the Group with carrying amounts totaling RM Nil (2009: RM3,327,890) has not been registered in the name of the subsidiary company.

15. INVESTMENT PROPERTY

	The Group	
	2010 RM'000	2009 RM'000
At beginning of year	30,000	30,000
Additions during the year	-	496
Fair value adjustment (Note 10)	-	(496)
At end of year	30,000	30,000

The investment property of the Group were revalued at RM30,000,000 as of April 6, 2011 (2009: RM30,000,000) by the directors based on a valuation carried out by CH Williams Talhar & Wong Sdn. Bhd., an independent firm of professional valuers, using the "cost method of valuation" as the primary methodology, which is regarded by the directors as a fair indication of the value of the same investment property as of December 31, 2010. The reduction in fair value of RMNil (2009: RM495,667) has been charged to the statement of comprehensive income.

The said investment property, comprising a leasehold land and building constructed thereon, is located in Johor, and is held under a sublease from a third party with lease terms expiring in year of 2055.

The property rental income earned by the Group from the investment property of which is leased to a third party under operating lease, amounted to RM3,540,000 (2009: RM3,540,000) and is included as revenue for the Group. The direct operating expenses pertaining to the investment property of the Group that generated rental income during the year amounted to RM117,650 (2009: RM3,321).

As of December 31, 2010 and 2009, the investment property is charged to a financial institution as security for credit facilities granted to the Group (Notes 29 and 33).

NOTES TO THE FINANCIAL STATEMENTS

16. PREPAID LEASE PAYMENTS

	The Group	
	2010 RM'000	2009 RM'000
Cost:		
At beginning of year	-	28,298
Effect of adoption of amendment to FRS 117 (Note 2)	-	(28,298)
At end of year	-	-
Accumulated amortisation:		
At beginning of year	-	1,916
Effect of adoption of amendment to FRS 117 (Note 2)	-	(1,916)
At end of year	-	-
Unamortised portion:		
At beginning of year		
As previously stated	-	26,382
Effect of adoption of amendment to FRS 117 (Note 2)	-	(26,382)
At restated	-	-

17. INVESTMENT IN SUBSIDIARY COMPANIES

	The Company	
	2010 RM'000	2009 RM'000
Unquoted shares - at cost	17,732	24,200
Accumulated impairment losses	(2,891)	(9,265)
Net	14,841	14,935

The subsidiary companies, which are all incorporated in Malaysia, except as otherwise indicated, are as follows:

	Effective Equity Interest		
	2010 %	2009 %	Principal Activities
Direct Subsidiary Companies			
Century Total Logistics Sdn. Bhd.	100	100	Total logistics provider
Century Logistics Sdn. Bhd.	100	100	Freight forwarding and investment holding
Century Global Logistics Sdn. Bhd.*	-	100	Dormant
Century Logistics (Johore) Sdn. Bhd.	100	100	Dormant
Century Advance Technology Sdn. Bhd.	100	100	Procurement logistics services
Century Forwarding Agency Sdn. Bhd.	70	70	Freight forwarding and shipping agency

NOTES TO THE FINANCIAL STATEMENTS

17. INVESTMENT IN SUBSIDIARY COMPANIES (cont'd)

	Effective Equity Interest		Principal Activities
	2010 %	2009 %	
Indirect Subsidiary Companies			
Century Trucking Sdn. Bhd.	100	100	Dormant
Storewell (M) Sdn. Bhd.	100	100	Bonded warehousing
Century Logistics (Sarawak) Sdn. Bhd.	100	100	Dormant
Storewell Realty Sdn. Bhd.	51	51	Property holding
Century LED Sdn. Bhd. (formerly known as Platinum Display Sdn. Bhd.)	65	-	Manufacturing of LED lightings
Century YES Logistics (Yichun) Co. Ltd.* (Incorporated in People's Republic of China)	75	75	Total logistics provider
Century Logistics (Thailand) Limited^ (Incorporated in Thailand) (In members' voluntary winding up)	-	60	Dormant
Expo Century Logistics Private Ltd* (Incorporated in India)	51	51	Total logistics provider
Century Logistics (S'pore) Pte Ltd* (Incorporated in Singapore)	100	100	Dormant
Century Resources (Thailand) Limited* (Incorporated in Thailand)	90	90	Property holding

* The financial statements of these companies were examined by auditors other than the auditors of the Company.

^ The financial statements of these companies were examined for the purpose of consolidation.

In 2010, the following transactions were undertaken by the Group:

(a) Century Advance Technology Sdn. Bhd. ("CAT"), a subsidiary company of the Company, on June 23, 2010, acquired Century LED Sdn. Bhd., a company incorporated in Malaysia, for a cash consideration of RM2. CAT owned 65% equity interest in the said corporation.

(b) The Company disposed its 100% equity interest in Century Global Logistics Sdn. Bhd. ("CGL") to a third party for a cash consideration of RM45,000. The disposal gave rise to a loss on disposal of RM1,266.

NOTES TO THE FINANCIAL STATEMENTS

17. INVESTMENT IN SUBSIDIARY COMPANIES (cont'd)

(c) The Company transferred its entire equity interest in Century Logistics (Sarawak) Sdn. Bhd. ("CLS") and Storewell (M) Sdn. Bhd. ("SM") to Century Logistics Sdn. Bhd. ("CLSB"), a wholly-owned subsidiary company.

(d) CLSB had on March 22, 2010 subscribed for 62,000 ordinary shares of RM1.00 each, representing 62% of the total issued and paid-up share capital of C & L Logistics (M) Sdn. Bhd., a dormant company. Subsequently on September 6, 2010, CLSB disposed this 62% equity interest in C & L Logistics (M) Sdn. Bhd. to a third party for a cash consideration of RM62,000. The Company ceased to be a subsidiary of the Company.

(e) Century Logistics (Thailand) Limited ("CLT"), which was intended to be voluntary wound up, was deemed disposed of by the Group as of December 31, 2010 at no cash consideration. This deemed disposal gave rise to a gain of RM583,676.

In 2009, the following transactions were undertaken by the Group:

(a) Incorporation of Century Resources (Thailand) Limited ("CRT"), a 90% owned subsidiary company of Century Logistics Sdn. Bhd. ("CLSB"). The principal activity of CRT is property holding;

(b) CLSB had on March 6, 2009 acquired 100 ordinary shares of SGD1 each, representing 100% equity interest in Century Logistics (S'pore) Pte. Ltd., a corporation incorporated in Singapore, for a cash consideration of RM5. The said corporation is presently dormant. The said acquisition gave rise to goodwill on consolidation amounting to RM55,961 (Note 19); and

(c) CLSB disposed its 49% equity interest in Storewell Realty Sdn. Bhd. to a third party for a cash consideration of RM441,000. The disposal gave rise to a loss on disposal of RM9,153.

The following subsidiary companies, which were intended to be voluntary wound up, were deemed disposed of by the Group as of December 31, 2009 at no cash consideration. These deemed disposals gave rise to the following impact to the statement of comprehensive income:

(i) Century Film Technology Sdn. Bhd. - a loss of RM55,626.
(ii) Century Polaris Logistics (L.L.C.) ("CPL") - a loss of RM103,541.
(iii) Expo Century Logistics (Private) Limited ("ECL") - a loss of RM3,320.

Post-acquisition results of the subsidiary companies acquired/established as mentioned above in 2010 and 2009 are as follows:

	2010 RM'000	2009 RM'000
Revenue	-	-
Loss for the year	(249)	(1,005)

If the acquisitions occurred on January 1, 2010, the Group's revenue and profit for the financial year would have been RM270,621,000 and RM30,411,000 respectively.

NOTES TO THE FINANCIAL STATEMENTS

17. INVESTMENT IN SUBSIDIARY COMPANIES (cont'd)

The net assets arising from the establishment and acquisitions were as follows:

	Fair value/Carrying value recognised on acquisitions/ establishment 2010 RM'000	2009 RM'000
Cash and bank balances	-	7,482
Other receivables	-	88
Amount owing to other related company	-	(800)
Other payables and accrued expenses	-	(4)
The Group's share of net assets	-	6,766
Add: Goodwill on consolidation	-	56
Total cost of acquisitions, satisfied by cash consideration	-	6,822
Cash and cash equivalents acquired	-	(7,482)
Cash flow on acquisitions	-	(660)

The effects of the abovementioned disposal of CGL, deemed disposal of CLT for the financial year and deemed disposals of CFT, CPL and ECL in 2009 are as follows:

	(Up to the date of disposal/deemed disposal) 2010 RM'000	2009 RM'000
Revenue	-	-
Profit for the year	13	2,535

The effects of the abovementioned disposal of CGL and deemed disposal of CLT in 2010 and deemed disposals of CFT, CPL and ECL in 2009 on the financial position of the Group were as follows:

	(At the dates of disposal/deemed disposal) 2010 RM'000	2009 RM'000
Property, plant and equipment	98	-
Trade receivables	30	-
Other receivables and prepaid expenses	797	60
Amount owing to other related companies	(1,110)	-
Cash and bank balances	71	269
Trade payables	(258)	-
Other payables and accrued expenses	(165)	(167)
Carrying value of net (liabilities)/assets	(537)	162
Gain/(Loss) on disposal recognised in the statement of comprehensive income (Note 10)	582	(162)
Total consideration, satisfied by cash	45	-
Less: Cash and cash equivalents disposed of	(71)	(269)
Cash outflow on disposal/deemed disposals	(26)	(269)

The amount owing by/(to) subsidiary companies, which are non-trade in nature, are unsecured, interest free and repayment on demand.

NOTES TO THE FINANCIAL STATEMENTS

17. INVESTMENT IN SUBSIDIARY COMPANIES (cont'd)

During the financial year, significant transactions with subsidiary company which are determined on a basis negotiated between the said parties are as follows:

	The Company	
	2010	**2009**
	RM'000	**RM'000**
Century Total Logistics Sdn. Bhd.		
Reimbursement of costs charged	2,400	2,400
Interest income charged	533	1,600
Century Advance Technology Sdn. Bhd.		
Reimbursement of costs charged	600	600

During the financial year, significant transactions with related parties, which are determined on a basis as negotiated between the said parties are as follows:

	The Group	
	2010	**2009**
	RM'000	**RM'000**
Transactions with companies connected with certain directors of the Group		
Century Forwarding Agency Sdn. Bhd., a company in which Dr. Mohamed Amin bin Mohd Kassim has 30% equity interest		
- Procurement of freight forwarding services from Century Total Logistics Sdn. Bhd ("CTL")	-	860
- Provision of freight forwarding services to CTL	1,693	2,430
Onsys Energy Sdn. Bhd., a company in which Jaafar bin Mohamad has 70% equity interest		
- Provision of agency services by CTL	379	-
- Rental of office space and electricity charges from CTL	209	220
Award Maritime Sdn. Bhd., a company in which Jaafar bin Mohamad has 40% equity interest		
- Provision of ship handling and agency services to CTL	1,862	1,080
- Rental of office space and administration charges from CTL	15	-
Policy Management Sdn. Bhd., a company in which Teow Choo Ann, who is the nephew of Phua Sin Mo and brother of Teow Choo Hing and Teow Choo Chuan has 94% equity interest		
- Payment of service fees related to renewal of road tax for motor vehicles by CTL	13	12

The shareholders approved the shareholders' mandate for recurrent related party transactions of revenue or trading nature pursuant to Paragraph 10.09 of the Listing Requirements of Bursa Malaysia Securities Berhad at the Annual General Meeting held on May 20, 2010. The approval shall, unless revoked or varied by the Company in general meeting, continue to be in force until the next Annual General Meeting of the Company.

NOTES TO THE FINANCIAL STATEMENTS

18. OTHER FINANCIAL ASSETS

	The Group		The Company	
	2010	2009	2010	2009
	RM'000	RM'000	RM'000	RM'000
Financial assets carried at fair value through profit or loss:				
Shares quoted in Malaysia	2,798	264	-	-
Shares quoted outside Malaysia	1,088	1,179	-	-
	3,886	1,443	-	-
Available-for-sale investment carried at fair value:				
Unquoted bond	-	1,250	-	1,250
Total	3,886	2,693	-	1,250

The subscription of the unquoted bond is a condition for the granting of a long-term loan to the Company as disclosed in Note 29.

19. GOODWILL ON CONSOLIDATION

	The Group	
	2010	2009
	RM'000	RM'000
At beginning of year	3,730	3,730
Arising from acquisition of equity interest in a subsidiary company (Note 17)	-	56
Impairment loss recognised in the income statements (Note 10)	-	(56)
At end of year	3,730	3,730

Goodwill acquired in business combinations is allocated, at acquisition, to the cash generating units ("CGUs") that are expected to benefit from that business combination. Goodwill on consolidation has been allocated to the Group's single CGU, namely, the total logistics operations of Century Total Logistics Sdn. Bhd.

The Group tests goodwill annually for impairment or more frequently if there are indications that goodwill might be impaired.

Key assumptions used in value in use calculations

The recoverable amount of the CGU is determined from a value in use calculation. The key assumptions for the value in use calculation are those regarding the discount rates, growth rates and expected changes to pricing and direct costs during the period. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risk specific to the CGU. The growth rates are based on industry growth forecasts. Changes in selling prices and direct costs are based on past practices and expectations of future changes in the market. These calculations use pre-tax cash flow projections based on financial budgets approved by management and extrapolated cash flows for a three year period based on growth rates consistent with the long-term average growth rate for the industry. The rate used to discount the forecasted cash flows reflect specific risks and expected returns relating to the industry. Management determined budgeted gross margin based on past performance and its expectations of market development.

During the previous financial year, an impairment loss on goodwill of RM55,961 arising from the acquisition of Century Logistics (S'pore) Pte. Ltd., a dormant company, was charged to the statement of comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS

20. INVENTORIES

	The Group	
	2010 RM'000	2009 RM'000
At cost:		
Raw materials	950	-
Finished goods	440	-
	1,390	-

21. TRADE RECEIVABLES

	The Group	
	2010 RM'000	2009 RM'000
Trade receivables	41,777	44,720
Less: Allowance for doubtful debts	(1,788)	(995)
Net	39,989	43,725

The credit terms of the Group ranged from 7 days to 60 days.

Included in the Group's trade receivables are debtors with a carrying amount of RM16,185,000 (2009: RM23,780,000) which are past due at the reporting date for which the Group has not provided as there has not been a significant change in credit quality and the Group believes that the amounts are still considered fully recoverable.

Ageing of past due but not impaired receivables is as follows:

	2010 RM'000	2009 RM'000
1-30 days	8,571	10,629
31-60 days	3,703	7,620
61-90 days	2,221	2,721
91-120 days	588	1,288
More than 120 days	1,102	1,522
Total	16,185	23,780

Movement in the allowance for doubtful debts is as follows:

	The Group	
	2010 RM'000	2009 RM'000
Balance at the beginning of the year	995	611
Impairment losses recognised on receivables	938	710
Amounts written off during the year	(25)	(53)
Impairment losses reversed	(120)	(273)
Balance at end of the year	1,788	995

NOTES TO THE FINANCIAL STATEMENTS

21. TRADE RECEIVABLES (cont'd)

In determining the recoverability of the trade receivable, the Company considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date. The concentration of credit risk is limited due to the customer base being large and unrelated. Accordingly, the directors believe that there is no further credit provision required in excess of the allowance for doubtful debts.

The currency profile of trade receivables is as follows:

	The Group	
	2010 RM'000	2009 RM'000
Ringgit Malaysia	38,871	41,435
Chinese Renminbi	1,781	2,411
Indian Rupee	1,005	604
Thai Baht	95	229
United States Dollar	25	41
	41,777	44,720

22. OTHER RECEIVABLES, DEPOSITS AND PREPAID EXPENSES

	The Group		The Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Other receivables	24,781	10,552	1	1,891
Deposits paid for capital expenditure	12,546	9,409	-	-
Refundable deposits	5,174	3,333	1	7
Prepaid expenses	3,057	5,823	79	153
Amount owing by a corporate shareholder of a foreign subsidiary corporation	-	416	-	-
	45,558	29,533	81	2,051
Less: Allowance for doubtful debts	(230)	(230)	-	-
	45,328	29,303	81	2,051

The amount owing by a corporate shareholder of a foreign subsidiary corporation in 2009 was unsecured, bears interest at rate of 1.5% per annum with no fixed terms of repayment. The said amount which was denominated in Thai Baht, was fully settled during the current financial year.

The currency profile of other receivables, deposits and prepaid expenses is as follows:

	The Group		The Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Ringgit Malaysia	43,152	25,250	81	2,051
Indian Rupee	1,675	1,752	-	-
Thai Baht	629	2,363	-	-
Chinese Renminbi	93	68	-	-
Singapore Dollar	9	100	-	-
	45,558	29,533	81	2,051

NOTES TO THE FINANCIAL STATEMENTS

23. DEPOSITS, CASH AND BANK BALANCES

	The Group 2010 RM'000	The Group 2009 RM'000	The Company 2010 RM'000	The Company 2009 RM'000
Cash and bank balances	13,212	15,807	243	106
Short-term deposits with licensed banks	23,283	17,816	16,400	1,800
	36,495	33,623	16,643	1,906

The weighted average interest rate of short-term deposits at the balance sheet date was 2.56% (2009: 1.72%) per annum. The maturity periods of these deposits as of the end of the financial year ranged from 4 days to 365 days (2009: 1 day to 5 days).

The currency profile of deposits, cash and bank balances is as follows:

	The Group 2010 RM'000	The Group 2009 RM'000	The Company 2010 RM'000	The Company 2009 RM'000
Ringgit Malaysia	34,360	29,357	16,643	1,906
Chinese Renminbi	1,588	1,443	-	-
Indian Rupee	316	316	-	-
Singapore Dollar	156	250	-	-
Thai Baht	75	2,257	-	-
	36,495	33,623	16,643	1,906

24. SHARE CAPITAL

	The Company 2010 RM'000	The Company 2009 RM'000
Authorised:		
Ordinary shares of RM1.00 each		
At beginning of year	500,000	100,000
Created during the year	-	400,000
At end of year	500,000	500,000
Issued and fully paid:		
Ordinary shares of RM1.00 each:		
At beginning of year	81,671	81,671
Exercise of warrants	334	-
At end of year	82,005	81,671

During the current financial year, the issued and paid-up share capital of the Company was increased from RM81,670,604 divided into 81,670,604 ordinary shares of RM1.00 each to RM82,004,704 divided into 82,004,704 ordinary shares of RM1.00 each by the issuance of 334,100 new ordinary shares of RM1.00 each at par for cash through the exercise of 334,100 three (3) year 2010/2013 warrants that entitled the warrant holders to subscribe for one new ordinary share of RM1.00 each at an exercise price of RM1.00 each per share for each warrant held.

NOTES TO THE FINANCIAL STATEMENTS

24. SHARE CAPITAL (cont'd)

All new ordinary shares that were issued rank parri passu in all respects with the then existing ordinary shares of the Company.

During previous financial year, as approved by the shareholders of the Company at an Extraordinary General Meeting held on November 19, 2009 the authorised share capital of the Company was increased from RM100,000,000 comprising 100,000,000 ordinary shares of RM1.00 each to RM500,000,000 comprising 500,000,000 ordinary shares of RM1.00 each by the creation of an additional 400,000,000 new ordinary shares of RM1.00 each in the Company.

25. TREASURY SHARES

On May 20, 2010 and May 21, 2009, the Company obtained the approval from the shareholders at an Annual General Meeting for share buy-back up to 10% of its own shares through Bursa Malaysia Securities Berhad for financial year 2010 and 2009 respectively.

During the current financial year, the Company bought back 3,257,600 of its issued ordinary shares from the open market at an average price of RM1.63 per share. The total consideration paid/payable for the purchase was RM5,317,422 (excluding incidental cost of RM28,224).

None of the treasury shares held was resold or cancelled during the financial year.

During the previous financial year, the following transactions occurred:

(a) The Company bought back 1,147,400 of its issued ordinary shares from the open market at an average price of RM1.55 per share. The total consideration paid for the purchase was RM1,780,280;

(b) On September 18, 2009, the Company distributed interim share dividend ("Shares Dividend") of one treasury share for every ten existing shares held in the Company, amounting to RM11,343,741. The Shares Dividend were paid out from the share premium account of the Company; and

(c) The Company disposed of 927,270 treasury shares amounting to RM1,576,359 at an average selling price of RM2.04 per ordinary share through disposal on Bursa Malaysia Securities Berhad. The total amount received for the disposal of the shares was RM1,888,953 and the transaction gave rise to a gain on disposal of treasury shares of RM312,594 and was recognised in the statements of changes in equity of the Company.

The Company held as treasury shares a total of 3,442,120 of its 82,004,704 issued ordinary shares. The treasury shares are held in accordance with Section 67A of the Companies Act, 1965 at a carrying amount of RM5,623,029.

The treasury shares have no rights to voting, dividend and participation in other distribution.

26. RESERVES

	The Group		The Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Share premium	94	94	94	94
Investment revaluation reserve	(1,250)	-	(1,250)	-
Translation reserve	(275)	48	-	-
Capital reserve	1,581	(280)	1,581	(280)
Retained earnings	98,102	73,923	5,441	4,515
	98,252	73,785	5,866	4,329

NOTES TO THE FINANCIAL STATEMENTS

26. RESERVES (cont'd)

Share premium

Share premium arose from issuance of ordinary shares at premium in previous year and also share based payment transactions for options already exercised by employees being reclassified from share option reserve.

Investment revaluation reserve

The investments revaluation reserve represents accumulated gains and losses arising on the revaluation of available-for-sale financial assets that have been recognised in other comprehensive income, net of amounts reclassified to profit or loss when those assets have been disposed of or are determined to be impaired.

Translation reserve

Translation reserve represents the exchange differences arising from the translation of financial statements of the foreign operations where functional currencies are different from that of the presentation currency of the consolidated financial statements.

Capital reserve

On January 28, 2010, the Company issued 40,753,042 three (3) year 2010/2013 warrants pursuant to a renounceable rights issue of warrants on the basis of one (1) warrant for every two (2) existing ordinary shares of RM1.00 each in the Company at an issue price of RM0.05 per warrant. The warrants were listed on the Main Market of Bursa Malaysia Securities Berhad on February 3, 2010 and will expire on January 27, 2013. The issue expenses incurred for this exercise and proposed ESOS of RM176,000 in 2010 (2009: RM280,000) was debited to capital reserve.

Retained earnings

In accordance with the Finance Act 2007, the single tier income tax system became effective from the year of assessment 2008. Under this system, tax on company's profit is a final tax, and dividends paid are exempted from tax in the hands of the shareholders. Unlike the previous imputation system, the recipient of the dividend would no longer be able to claim any tax credit.

Companies without Section 108 tax credit balance will automatically move to the single tier tax system on January 1, 2008. However companies with such tax credits are given an irrevocable option to elect for the single tier tax system and disregard the tax credit or to continue to use the tax credits under Section 108 account to frank the payment of cash dividends on ordinary shares for a period of 6 years ending December 31, 2013 or until the tax credits are fully utilised, whichever comes first. During the transitional period, any tax paid will not be added to the Section 108 account and any tax credits utilised will reduce the tax credit balance. All companies will be in the new system on January 1, 2014.

The Company had elected for the irrevocable option to disregard the Section 108 tax credits in 2008.

27. HIRE-PURCHASE PAYABLES

	The Group	
	2010	**2009**
	RM'000	**RM'000**
Total outstanding	8,222	5,291
Less: Interest-in-suspense	(703)	(383)
Principal outstanding	7,519	4,908
Less: Portion due within the next 12 months (shown under current liabilities)	(2,699)	(2,053)
Non-current portion	4,820	2,855

NOTES TO THE FINANCIAL STATEMENTS

27. HIRE-PURCHASE PAYABLES (cont'd)

The non-current portion is repayable as follows:

	The Group	
	2010 RM'000	2009 RM'000
Within 1 to 2 years	1,936	1,615
Within 2 to 5 years	2,884	1,240
	4,820	2,855

The term of the hire-purchase is one to five years and the weighted average effective interest rates implicit in the hire-purchase arrangements ranged from 5.52% to 5.88% (2009: 5.28% to 7.08%) per annum. The interest rates are fixed at the inception of the hire-purchase arrangement.

The hire-purchase payables of the Group are secured by the financial institutions' charge over the assets under hire-purchase.

Hire-purchase payables are predominantly denominated in Ringgit Malaysia.

28. FINANCE LEASE PAYABLES

	The Group			
	Minimum lease payments		Present value of minimum lease payments	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Amounts payable under finance lease:				
Within one year	67	383	67	378
In the second to fifth year inclusive	-	-	-	-
	67	383	67	378
Less: Future finance charges	-	(5)	N/A	N/A
Present value of lease payables	67	378	67	378
Less: Portion due within the next 12 months (shown under current liabilities)			(67)	(378)
Non-current portion			-	-

For the financial year ended December 31, 2010, the weighted average effective interest rate is 5.52% (2009: 7.08%) per annum and these interest rates are fixed at the inception of the lease. All finance leases are on a fixed repayment basis and no arrangement has been entered into for contingent rental payment.

Finance lease payables are denominated in Ringgit Malaysia.

NOTES TO THE FINANCIAL STATEMENTS

29. LONG-TERM BORROWINGS

	The Group		The Company	
	2010	**2009**	**2010**	**2009**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Secured:				
Principal outstanding	70,172	76,355	20,000	20,000
Portion due within the next 12 months (Note 33)	(28,432)	(6,903)	(20,000)	-
	41,740	69,452	-	20,000

The non-current portion of the long-term loans is repayable as follows:

	The Group		The Company	
	2010	**2009**	**2010**	**2009**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Within 1 to 2 years	8,432	8,443	-	-
Within 2 to 5 years	25,257	45,330	-	20,000
5 years and thereafter	8,051	15,679	-	-
	41,740	69,452	-	20,000

The weighted average effective interest rate of the above long-term loans is 6.1% (2009: 5.6%) per annum.

The long-term loan pertaining to the Company requires the investment in unquoted bond (Note 18) with a bullet repayment in 2012. The said long-term borrowing is subsequently advanced to a subsidiary company and accordingly the interest expense arising from the borrowings is also charged to the said subsidiary company. As disclosed in Note 40, this term loan was fully repaid subsequent to the financial year.

As of December 31, 2010 and 2009, the long-term loans pertaining to subsidiary companies are secured by:

(i) a freehold land and building located at Rojana Industrial Park, Thailand (Note 14);

(ii) a deed of assignment by the subsidiary company in favour of the bank over all areas of the investment property and certain leasehold lands (Notes 15 and 14);

(iii) a specific debenture over the investment property together with fixture and fittings now or from time to time on the investment property (Note 15);

(iv) a specific debenture over certain leasehold lands (Note 14);

(v) a deed of assignment of rental proceeds by the subsidiary company in favour of the bank assigning all the monthly rental proceeds derived and receivable from the investment property (Note 15); and

(vi) corporate guarantee by the Company amounting to RM66,891,000 (2009: RM67,002,000).

NOTES TO THE FINANCIAL STATEMENTS

29. LONG-TERM BORROWINGS (cont'd)

The currency profile of borrowings is as follows:

	The Group		The Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Ringgit Malaysia	49,020	53,544	20,000	20,000
Thai Baht	21,152	22,811	-	-
	70,172	76,355	20,000	20,000

30. DEFERRED TAX LIABILITIES

	The Group	
	2010 RM'000	2009 RM'000
At beginning of year	8,961	8,899
Transfer (to)/from income statements (Note 11)		
Property, plant and equipment	288	(144)
Accrued expenses	108	206
	396	62
At end of year	9,357	8,961

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set-off current tax assets and current liabilities and when the deferred taxes relate to the same tax authority.

Certain deferred tax liabilities and deferred tax assets have been offset in accordance with the Group's accounting policy. The following is the analysis of the deferred tax balances (after offset) for balance sheets purposes:

	The Group		The Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Deferred tax liabilities (before offsetting)				
Tax effect on temporary taxable difference arising from:				
Property, plant and equipment	(9,450)	(9,162)	-	-
Offsetting	93	201	-	-
Deferred tax liabilities (after offsetting)	(9,357)	(8,961)	-	-
Deferred tax assets (before offsetting)				
Tax effect on temporary deductible difference arising from:				
Other payables and accrued expenses	93	201	-	-
	93	201	-	-
Offsetting	(93)	(201)	-	-
Deferred tax assets (after offsetting)	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

30. DEFERRED TAX LIABILITIES (cont'd)

Details of temporary deductible difference, unused tax losses and unused tax credits pertaining to the Company and certain subsidiary companies which have not been recognised in the financial statements due to uncertainty of realisation are as follows:

	The Group		The Company	
	2010	2009	2010	2009
	RM'000	RM'000	RM'000	RM'000
Temporary deductible difference arising from:				
Property, plant and equipment	(676)	(480)	-	-
Other payables and accrued expenses	735	543	-	-
Unused tax losses	228	1,132	-	97
Unabsorbed capital allowances	-	102	-	-
	287	1,297	-	97

Included in the Group's unused tax losses and unabsorbed capital allowances which have not been recognised as of December 31, 2009 was an amount of approximately RM1,031,239 relating to Century Global Logistics Sdn. Bhd., a subsidiary company disposed off during the current financial year (Note 17).

The availability of the unused tax losses and absorbed capital allowances for offsetting against future taxable profits of the respective subsidiary companies are subject to agreement with the tax authorities.

31. TRADE PAYABLES

Trade payables comprise amounts outstanding for trade purchases and ongoing costs. The credit terms of the Group for trade payables are granted on a case-by-case basis.

The currency profile of trade payables is as follows:

	The Group	
	2010	2009
	RM'000	RM'000
Ringgit Malaysia	9,633	11,454
Chinese Renminbi	1,727	1,739
Indian Rupee	362	-
Thai Baht	335	579
United States Dollar	49	62
Others	6	19
	12,112	13,853

NOTES TO THE FINANCIAL STATEMENTS

32. OTHER PAYABLES AND ACCRUED EXPENSES

Other payables and accrued expenses consist of the following:

	The Group		The Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Accrued expenses	12,905	10,483	1,493	1,347
Other payables	9,692	3,384	759	658
Amount owing to corporate shareholders of certain subsidiary companies	7,144	5,732	-	-
Sub-lease rental payable	5,661	7,794	-	-
Deposits refundable	2,640	2,347	-	-
	38,042	29,740	2,252	2,005

Included in amount owing to corporate shareholders is an amount of RM5,706,187 (2009: RM4,169,390) representing deposits paid as its portion to a third party for the proposed acquisition of 3 adjoining parcels of vacant lands being part of a bigger piece of land located at Negeri Selangor for a total cash consideration of RM31,363,200.

The amounts owing to corporate shareholders of certain subsidiary corporations are unsecured, interest-free (2009: interest-free) and with no fixed terms of repayment.

The currency profile of other payables and accrued expenses is as follows:

	The Group		The Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Ringgit Malaysia	36,105	27,515	2,252	2,005
Indian Rupee	1,663	1,872	-	-
Thai Baht	193	282	-	-
Chinese Renminbi	78	66	-	-
Singapore Dollar	3	5	-	-
	38,042	29,740	2,252	2,005

33. SHORT-TERM BORROWINGS

	The Group		The Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Secured:				
Portion of long-term loans due within the next 12 months (Note 29)	28,432	6,903	20,000	-
Unsecured:				
Bank overdrafts (Note 34)	-	1	-	-
	28,432	6,904	20,000	-

NOTES TO THE FINANCIAL STATEMENTS

33. SHORT-TERM BORROWINGS (cont'd)

The Group has term loans, bank overdrafts and other credit facilities amounting to RM113.6 million (2009: RM107.6 million) obtained from various financial institutions.

The weighted average effective interest rate of the bank overdrafts was 6.55% per annum in 2009.

The security for the long-term loans due within the next 12 months of the Group is as disclosed in Note 29.

The currency profile of short term borrowings is as follows:

	The Group		The Company	
	2010	2009	2010	2009
	RM'000	RM'000	RM'000	RM'000
Ringgit Malaysia	25,185	4,731	20,000	-
Thai Baht	3,247	2,173	-	-
	28,432	6,904	20,000	-

34. CASH AND CASH EQUIVALENTS

	The Group		The Company	
	2010	2009	2010	2009
	RM'000	RM'000	RM'000	RM'000
Cash and bank balances (Note 23)	13,212	15,807	243	106
Short-term deposits with licensed banks (Note 23)	23,283	17,816	16,400	1,800
Bank overdrafts (Note 33)	-	1	-	-
	36,495	33,624	16,643	1,906

35. FINANCIAL INSTRUMENTS

Capital Risk Management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from 2009.

The capital structure of the Group consists of net debt (borrowings as detailed in Notes 27 to 29 and 33) offset by cash and bank balances and equity of the Group (comprising issued capital, reserves, retained earnings as detailed in Notes 24 to 26).

The Group is not subject to any externally imposed capital requirements.

NOTES TO THE FINANCIAL STATEMENTS

35. FINANCIAL INSTRUMENTS (cont'd)

Gearing ratio

The gearing ratio at end of the reporting period was as follows:

	The Group		The Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Debts, comprising:				
Long-term borrowings (Note 29)	70,172	76,355	20,000	20,000
Short-term borrowings (Note 33)	-	1	-	-
Hire-purchase payables (Note 27)	7,519	4,908	-	-
Finance lease payables (Note 28)	67	378	-	-
	77,758	81,642	20,000	20,000
Cash and bank balances	(36,495)	(33,623)	(16,643)	(1,906)
Net debts	41,263	48,019	3,357	18,094
Shareholders' equity	174,634	155,179	82,248	85,723
Net debt to equity ratio	23.6%	30.9%	4.1%	21.1%

Significant accounting policies

Details of the significant accounting policies and methods adopted (including the criteria for recognition, the bases of measurement, and the bases for recognition of income and expenses) for each class of financial asset, financial liability and equity instrument are disclosed in Note 3.

Categories of financial instruments

	The Group		The Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Financial assets				
Financial asset at fair value through profit and loss:				
Quoted shares (Note 18)	3,886	1,443	-	-
Available for sale financial asset:				
Unquoted bond (Note 18)	-	1,250	-	1,250
Loans and receivables:				
Trade receivables	39,989	43,725	-	-
Other receivables (Note 22)	24,781	10,552	1	1,891
Amount owing by subsidiary companies	-	-	74,697	89,923
Deposits, cash and bank balances	36,495	33,623	16,643	1,906
	101,265	87,900	91,341	93,720

NOTES TO THE FINANCIAL STATEMENTS

35. FINANCIAL INSTRUMENTS (cont'd)

Categories of financial instruments (cont'd)

	The Group		The Company	
	2010	**2009**	**2010**	**2009**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Financial liabilities at amortised costs				
Trade payables	12,112	13,853	-	-
Other payables (Note 32)	22,497	16,910	759	658
Amount owing to subsidiary companies	-	-	2,077	2,460
Long-term borrowings (Note 29)	70,172	76,355	20,000	20,000
Short-term borrowings (Note 33)	-	1	-	-
Hire-purchase payables (Note 27)	7,519	4,908	-	-
Finance lease payables (Note 28)	67	378	-	-
	112,367	112,405	22,836	23,118

Fair values of financial assets and financial liabilities are determined as follows:

- The fair values of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices.
- The fair values of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments.

At the end of the reporting period, there are no significant concentrations of credit risk for loans and receivables designated at FVTPL. The carrying amount reflected above represents the Group's maximum exposure to credit risk for such loans and receivables.

Financial risk management objectives

The Group's shared services function provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyse exposures by degree and magnitude of risks.

Foreign currency risk management

The Group is exposed to foreign currency risk arising from trade sales, trade purchases and borrowings denominated in currencies other than the functional currency of the operating entities. The currencies giving rise to this risk are primarily United States Dollar ("USD"), Euro and Thai Baht.

The Group hedges all Euro denominated sales transactions and majority of USD denominated purchase transactions by foreign currency forward contracts as well as maintaining a USD denominated bank account.

The Group is also exposed to foreign currency risk arising from a Thai Baht denominated borrowing taken out by a Thailand incorporated subsidiary corporation. Other than this, the exposure to foreign currency risk of other Group entities arising from fluctuation in Thai Baht is not material. If Thai Baht were to change 5% against Ringgit Malaysia, profit will increase/decrease by approximately RM64,000. This sensitivity analysis assumes that all other variables, in particular interest rates, remain constant.

NOTES TO THE FINANCIAL STATEMENTS

35. FINANCIAL INSTRUMENTS (cont'd)

Interest rate risk management

The Group's interest rate risk relates to interest-bearing debts. The Group manages its interest rate risk by actively reviewing its debt portfolio. This strategy will allow the Group to capitalise on more favourable funding in a low interest rate environment and hence, to achieve a certain level of protection against interest rate hikes.

The Group is mainly exposed to interest rate risk through long-term loans, with the underlying weighted average effective interest rate of 6.1% (2009: 5.6%) per annum. The Group's exposure to interest rate risk via hire-purchase and lease payables is minimal are these liabilities are subject to fixed interest rate.

Under the current stable interest rate environment, management anticipates that any changes in interest rate in the near term are not expected to have a significant impact on the Group's profit or loss. Accordingly, no sensitivity analysis is prepared.

Credit risk management

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group only transacts with entities that are rated the equivalent of investment grade and above. This information is supplied by independent search agencies where available and, if not available, the Group uses other publicly available financial information and its own trading records to rate the major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the risk management committee annually.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

The Group does not have any significant credit risk exposure to any single counterparty or any Group of counterparties having similar characteristics. The Group defines counterparties as having similar characteristics if they are related entities. The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The carrying amount of financial assets recorded in the financial statements, which is net of impairment losses, represents the Group's maximum exposure to credit risk without taking account of the value of any collateral obtained.

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Liquidity profile of non-current liabilities and their weighted average effective interest rates are disclosed in Notes 27 to 29.

NOTES TO THE FINANCIAL STATEMENTS

35. FINANCIAL INSTRUMENTS (cont'd)

Financial guarantees

The Company provides unsecured financial guarantees to banks in respect of banking facilities granted to certain subsidiary companies. The Company monitors on an ongoing basis the results of the subsidiary companies and repayments made by them.

The maximum exposure to credit risk amounted to RM113.6 million (2009: RM107.6 million) representing the outstanding banking facilities of the subsidiary companies as at the end of the reporting period.

The financial guarantees have not been recognised since the fair value on initial recognition was not material as the financial guarantees provided by the Company did not contribute towards credit enhancement of the subsidiary companies' borrowings in view of the securities pledged by the subsidiary companies as disclosed in Note 29.

36. SEGMENTAL INFORMATION

Segment information is presented in respect of the Group's business segments, which reflect the Group's internal reporting structure that are regularly reviewed by the Group's chief operating decision maker for the purposes of allocating resources to the segment and assessing its performance.

For management purposes, the Group is organised into the following operating divisions:

- total logistics services
- procurement logistics services

Information regarding the Group's reportable segments is presented below. Amounts reported for the prior year have been restated to conform to the requirements of FRS 8.

Segment Revenue and Results

Group **2010**	**Total Logistics Services RM'000**	**Procurement Logistics Services RM'000**	**Elimination RM'000**	**Consolidated RM'000**
REVENUE				
External sales	229,430	41,191	-	270,621
Inter-segment sales	4,176	-	(4,176)	-
Total revenue	233,606	41,191	(4,176)	270,621
RESULTS				
Segment results	34,459	11,271	(5,924)	39,806
Interest income	843	-	(532)	311
Profit from operations	35,302	11,271	(6,456)	40,117
Finance costs	(4,646)	(32)	532	(4,146)
Income tax expense	(3,996)	(3,147)	1,583	(5,560)
Profit for the year	26,660	8,092	(4,341)	30,411

NOTES TO THE FINANCIAL STATEMENTS

36. SEGMENTAL INFORMATION (cont'd)

Segment Revenue and Results (cont'd)

Group 2009	Total Logistics Services RM'000	Procurement Logistics Services RM'000	Elimination RM'000	Consolidated RM'000
REVENUE				
External sales	183,323	27,627	-	210,950
Inter-segment sales	2,953	-	(2,953)	-
Total revenue	186,276	27,627	(2,953)	210,950
RESULTS				
Segment results	32,531	3,669	(7,827)	28,373
Interest income	1,826	4	(1,606)	224
Profit from operations	34,357	3,673	(9,433)	28,597
Finance costs	(5,397)	(18)	1,606	(3,809)
Income tax expense	(2,946)	(1,751)	833	(3,864)
Profit for the year	26,014	1,904	(6,994)	20,924

Segment Assets and Liabilities

For the purposes of monitoring segment performance and allocating resources between segments, all assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Segment capital expenditure is the total costs incurred during the year to acquire segment assets that are expected to be used for more than one period.

Group 2010	Total Logistics Services RM'000	Procurement Logistics Services RM'000	Elimination RM'000	Consolidated RM'000
SEGMENT ASSETS				
Segment assets	395,558	37,834	(119,065)	314,327
Consolidated total assets				314,327
SEGMENT LIABILITIES				
Segment liabilities	225,379	13,114	(100,210)	138,283
Consolidated total liabilities				138,283

NOTES TO THE FINANCIAL STATEMENTS

36. SEGMENTAL INFORMATION (cont'd)

Segment Assets and Liabilities (cont'd)

Group 2009	Total Logistics Services RM'000	Procurement Logistics Services RM'000	Elimination RM'000	Consolidated RM'000
SEGMENT ASSETS				
Segment assets	408,172	20,045	(136,998)	291,219
Consolidated total assets				291,219
SEGMENT LIABILITIES				
Segment liabilities	245,870	3,915	(115,189)	134,596
Consolidated total liabilities				134,596

Other Segment Information

Group	Total Logistics Services RM'000	Procurement Logistics Services RM'000	Elimination RM'000	Consolidated RM'000
OTHER INFORMATION				
2010				
Capital expenditure	27,614	1,187	-	28,801
Depreciation	12,156	440	-	12,596
2009				
Capital expenditure	37,700	1,490	-	39,190
Depreciation	10,372	486	-	10,858

37. OPERATING LEASE ARRANGEMENTS

At the balance sheet date, the Group has entered into a non-cancellable operating lease arrangement on its investment property. This lease has a remaining non-cancellable lease term of 2 years (3 years in 2009).

The future minimum lease payments receivable under non-cancellable operating lease contracted for as of the balance sheet date but not recognised as receivables, are as follows:

	The Group 2010 RM'000	The Group 2009 RM'000
Financial years ending December 31,		
2010	-	3,540
2011	3,540	3,540
2012	2,360	2,360
	5,900	9,440

NOTES TO THE FINANCIAL STATEMENTS

38. COMMITMENTS

(a) Capital commitments

As of the end of the financial year, the Group has the following capital commitments in respect of property, plant and equipment:

	The Group	
	2010 RM'000	2009 RM'000
Approved and contracted for	28,248	49,225

(b) Lease commitments

As of the end of the financial year, the Group has the following commitments in respect of rental of premises pertaining to a subsidiary company:

	The Group Future minimum lease payments	
	2010 RM'000	2009 RM'000
Financial years ending December 31:		
2010	-	5,149
2011	5,895	4,695
2012	4,694	4,194
2013	1,910	1,910
	12,499	15,948

39. CONTINGENT LIABILITIES

(a) The Company issued unsecured corporate guarantees to financial institutions for credit facilities granted to certain subsidiary companies up to a limit of RM113.6 million (2009: RM107.6 million) of which RM70.6 million (2009: RM68.8 million) have been utilised as of balance sheet date.

(b) As of December 31, 2010, material litigation brought against a subsidiary company by a customer for damages arising from alleged breach of contract for timely delivery of goods at a designated place amounting to RM231,000.

The directors are of the opinion that this claim has no merit and, accordingly, no provision for losses has been made in the financial statements. The outcome of this case is not presently determinable.

40. SUBSEQUENT EVENTS

Subsequent to the financial year end:

(a) On January 21, 2011, the Company fully repaid a term loan facility amounting to RM20.0 million. The said term loan facility was granted under a Primary Collateralised Loan Obligation Programme, and was repayable in 2012 based on its original loan tenure (Note 29).

(b) On February 25, 2011, Century Total Logistics Sdn. Bhd., a wholly owned subsidiary company of the Company, entered into a sale and purchase agreement with a third party to purchase a piece of freehold land for a total consideration of RM8,820,900.

SUPPLEMENTAL INFORMATION

41. REALISED AND UNREALISED EARNINGS OR LOSSES DISCLOSURE

On March 25, 2010, Bursa Malaysia Securities Berhad ("Bursa Securities") issued a directive to all listed issuers pursuant to Paragraphs 2.06 and 2.23 of the Bursa Securities Main Market Listing Requirements. The directive requires all listed issuers to disclose the breakdown of the unappropriated profits or accumulated losses as of the end of the reporting period, into realised and unrealised profits or losses.

On December 20, 2010, Bursa Securities further issued guidance on the disclosure and the prescribed format of disclosure.

The breakdown of the retained earnings of the Group and of the Company as of December 31, 2010 into realised and unrealised profits or losses, pursuant to the directive, are as follows:

	The Group 2010 RM'000	**The Company 2010 RM'000**
Total retained earnings of the Company and its subsidiaries		
- Realised	110,531	5,441
- Unrealised	(7,180)	-
	103,351	5,441
Less: Consolidation adjustments	(5,249)	-
Total group retained earnings	98,102	5,441

Comparative information is not presented in the first financial year of application pursuant to the above directive issued by Bursa Securities.

The determination of realised and unrealised profits or losses is based on Guidance on Special Matter No. 1 "Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements" as issued by the Malaysian Institute of Accountants on December 20, 2010. A charge or a credit to the profit or loss of a legal entity is deemed realised when it is resulted from the consumption of resource of all types and form, regardless of whether it is consumed in the ordinary course of business or otherwise. A resource may be consumed through sale or use. Where a credit or a charge to the profit or loss upon initial recognition or subsequent measurement of an asset or a liability is not attributed to consumption of resource, such credit or charge should not be deemed as realised until the consumption of resource could be demonstrated.

This supplementary information have been made solely for complying with the disclosure requirements as stipulated in the directives of Bursa Securities and is not made for any other purposes.

STATEMENT BY DIRECTORS/ DECLARATION BY THE DIRECTOR

STATEMENT BY DIRECTORS

The Directors of **CENTURY LOGISTICS HOLDINGS BERHAD** state that, in their opinion, the financial statements of the Group and of the Company, which comprise the statements of financial position as of December 31, 2010, and the statements of comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 39 to 92, are drawn up in accordance with Financial Reporting Standards and the provisions of the Companies Act, 1965 in Malaysia so as to give a true and fair view of the state of affairs of the Group and of the Company as of December 31, 2010 and of the results of their businesses and the cash flows of the Group and of the Company for the year ended on that date.

The supplementary information set out in Note 41, which is not part of the financial statements, is prepared in all material respects, 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 and the directive of Bursa Malaysia Securities Berhad.

Signed on behalf on the Board in accordance
with a resolution of the Directors,

TEOW CHOO HING

DR. MOHAMED AMIN BIN MOHD KASSIM

Kuala Lumpur,
April 7, 2011

DECLARATION BY THE DIRECTOR PRIMARILY RESPONSIBLE FOR THE FINANCIAL MANAGEMENT OF THE COMPANY

I, **YEAP KHOO SOON EDWIN**, the Director primarily responsible for the financial management of **CENTURY LOGISTICS HOLDINGS BERHAD**, do solemnly and sincerely declare that the financial statements of the Group and of the Company, which comprise the statements of financial position as of December 31, 2010, and the statements of comprehensive income, statements of changes in equity and statements of cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 39 to 92 are, in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

YEAP KHOO SOON EDWIN

Subscribed and solemnly declared by the
above named **YEAP KHOO SOON EDWIN**
at **KUALA LUMPUR** this 7th day of April, 2011.

Before me,

COMMISSIONER FOR OATHS

LIST OF PROPERTIES AS AT 31 DECEMBER 2010

Location	Description	Year of Acquisition or Revaluation*	Age of Building	Area (sq. feet)	Tenure	NBV as at 31/12/2010 (RM)
Lot 4, Solok Sultan Hishamuddin 8 Kawasan 20 Perusahaan Selat Klang Utara 42000 Port Klang Selangor Darul Ehsan	Single storey warehouse with office building	1996*	19 years	174,240	Leasehold Expiry: 30 July 2086	8,579,432
Lot 8, Lingkaran Sultan Mohamed 1 Bandar Sultan Suleiman 42000 Port Klang Selangor Darul Ehsan	3 single storey warehouses with office building	2001	9 years	558,647	Leasehold Expiry: 29 March 2087	34,231,224
Plot D16 & D18, Jalan Tanjung A/3 Kawasan Zon Bebas Pelabuhan Tanjung Perlepas 81560 Gelang Patah Johor Darul Takzim	Single storey warehouse with office building	2008*	4 years	335,412	Sub Lease Expiry: 23 March 2055	30,000,000
Plot D12, Jalan Tanjung A/2 Kawasan Zon Bebas Pelabuhan Tanjung Perlepas 81560 Gelang Patah Johor Darul Takzim	Single storey warehouse with office building	2007	3 years	321,037	Sub Lease Expiry: 23 March 2055	25,816,114
Plot D14, Jalan Tanjung A/2 Kawasan Zon Bebas Pelabuhan Tanjung Perlepas 81560 Gelang Patah Johor Darul Takzim	Single storey warehouse with office building	2009	less than 1 year	156,511	Sub Lease Expiry: 23 March 2055	17,110,354
Lot 118, Yichun Enigma Singapore Industrial Park Jiangxi-Yichun Economic & Technical Development Zone The People's Republic of China	Land	2008	-	986,696	Leasehold Expiry: 31 December 2057	1,831,565
670, Moo 4 Tumbon U-Thai Rojana Industrial Park Zone 2 Amphur U-Thai Ayutthaya Province Thailand	Single storey warehouse with office building	2009	1 year	417,299	Freehold	30,434,337
						148,003,026

ANALYSIS OF SHAREHOLDINGS AS AT 28 MARCH 2011

Authorised Share Capital	:	RM500,000,000
Issued and Fully Paid-Up Capital	:	RM82,332,404 (including treasury shares of 3,499,020)
Class of Shares	:	Ordinary Shares of RM1.00 each
Voting Rights	:	One vote per ordinary share

1. DISTRIBUTION OF SHAREHOLDERS

Size of Holdings	No. of Holders	%	No. of Shares	%
1 - 99	72	4.34	1,512	0.00
100 - 1,000	125	7.54	67,563	0.09
1,001 - 10,000	969	58.41	4,055,800	5.15
10,001 - 100,000	411	24.77	12,463,606	15.81
100,001 - 3,941,668 (less than 5% of Issued Shares)	80	4.82	49,706,648	63.05
3,941,669 and above (5% and above of Issued Shares)	2	0.12	12,538,255	15.90
	1,659	100.00	78,833,384	100.00

2. DIRECTORS' SHAREHOLDINGS

The Directors' Shareholdings of Century Logistics Holdings Berhad based on the Register of Directors' Shareholdings are as follows:-

		No. of Ordinary Shares Held			
No.		Direct	%	Indirect	%
1.	Phua Sin Mo	19,326,778	24.52	1,197,250 (1)	1.52
2.	Teow Choo Hing	8,501,680	10.78	409,200 (2)	0.52
3.	Dr. Mohamed Amin bin Mohd Kassim	1,628,659	2.07	1,184,504 (3)	1.50
4.	Teow Choo Chuan	4,536,477	5.75	440,000 (2)	0.56
5.	Jaafar bin Mohamad	3,727,971	4.73	1,184,504 (3)	1.50
6.	Yeap Khoo Soon Edwin	491,700	0.62	–	–
7.	Shamsudin @ Samad bin Kassim	5,500	0.01	–	–
8.	Dato' Yong Seng Yeow	66,000	0.08	–	–

ANALYSIS OF SHAREHOLDINGS AS AT 28 MARCH 2011

3. LIST OF SUBSTANTIAL SHAREHOLDERS

The List of Substantial Shareholders of Century Logistics Holdings Berhad based on the Register of Substantial Shareholders of the Company and their respective shareholdings are as follows:-

		No. of Ordinary Shares Held			
No.		Direct	%	Indirect	%
1.	Phua Sin Mo	19,326,778	24.52	1,197,250 (1)	1.52
2.	Teow Choo Hing	8,501,680	10.78	409,200 (2)	0.52
3.	Teow Choo Chuan	4,536,477	5.75	440,000 (2)	0.56
4.	Jaafar bin Mohamad	3,727,971	4.73	1,184,504 (3)	1.50

Notes:

(1) Deemed interested through his wife and his daughter
(2) Deemed interested through his wife
(3) Deemed interested through Kuasa Viana Sdn. Bhd.

4. LIST OF THIRTY LARGEST SECURITIES ACCOUNTS HOLDERS

No.	Names	Shareholdings	%
1.	Phua Sin Mo	8,001,778	10.15
2.	Teow Choo Chuan	4,536,477	5.75
3.	AIBB Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Phua Sin Mo	3,850,000	4.88
4.	Kenanga Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Jaafar Bin Mohamad	3,119,612	3.96
5.	Datuk Syed Ahmad Khalid Bin Syed Mohammed	2,921,107	3.71
6.	EB Nominees (Tempatan) Sendirian Berhad - Pledged Securities Account for Teow Choo Hing	2,750,000	3.49
7.	EB Nominees (Tempatan) Sendirian Berhad - Pledged Securities Account for Phua Sin Mo	2,750,000	3.49
8.	AmBank (M) Berhad - Pledged Securities Account for Teow Choo Hing	2,622,070	3.33
9.	HLB Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Phua Sin Mo	2,580,000	3.27
10.	Affin Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Phua Sin Mo	1,650,000	2.09
11.	CIMSEC Nominees (Tempatan) Sdn. Bhd. - CIMB Bank for Teow Choo Hing	1,650,000	2.09

ANALYSIS OF SHAREHOLDINGS AS AT 28 MARCH 2011

4. LIST OF THIRTY LARGEST SECURITIES ACCOUNTS HOLDERS (cont'd)

No.	Names	Shareholdings	%
12.	Affin Nominees (Tempatan) Sdn. Bhd.	1,424,610	1.81
	- Pledged Securities Account for Teow Choo Hing		
13.	Mohamed Amin Bin Mohd Kassim	1,419,659	1.80
14.	RHB Capital Nominees (Tempatan) Sdn. Bhd.	1,300,000	1.65
	- Pledged Securities Account for Lim Chai Beng		
15.	CIMSEC Nominees (Tempatan) Sdn. Bhd.	1,237,950	1.57
	-CIMB Bank for Gan Boon Sin		
16.	Kuasa Viana Sdn. Bhd.	1,184,504	1.50
17.	Optimum Shine Sdn. Bhd.	1,115,941	1.42
18.	Lim Nyuk Sang @ Freddy Lim	1,067,200	1.35
19.	Amsec Nominees (Tempatan) Sdn. Bhd.	1,017,000	1.29
	- Pledged Securities for AmBank (M) Berhad for Tan Yap Mooi		
20.	Lee Lay Hun	974,500	1.24
21.	HLB Nominees (Tempatan) Sdn. Bhd.	735,000	0.93
	-Pledged Securities Account for Lim Chai Beng		
22.	AllianceGroup Nominees (Tempatan) Sdn. Bhd.	636,000	0.81
	- Pledged Securities Account for Gan Boon Sin		
23.	Jaafar Bin Mohamad	608,359	0.77
24.	Foo Loke Weng	500,000	0.63
25.	Phua Sin Mo	495,000	0.63
26.	Tischler Rainer	483,000	0.61
27.	Chai Mee Young	440,000	0.56
28.	CIMSEC Nominees (Tempatan) Sdn. Bhd.	440,000	0.56
	- CIMB Bank for Wong Set Foon		
29.	Yeap Khoo Soon Edwin	440,000	0.56
30.	Affin Nominees (Tempatan) Sdn. Bhd.	409,200	0.52
	- Pledged Securities Account for Cheah Bee Tin		
		52,358,967	66.42

Note:

* The Analysis of Shareholdings is based on the issued and paid-up share capital of the Company after deducting 3,499,020 ordinary shares bought back by the Company and held as treasury shares as at 28 March 2011.

ANALYSIS OF WARRANTHOLDINGS AS AT 28 MARCH 2011

Type of Securities	:	3 Years Warrants 2010/2013
Total Warrants Issued and Not Exercised	:	40,091,242
Voting Rights	:	One vote per warrantholder on show of hands or one vote per warrant on a poll in respect of a meeting of warrantholders

1. DISTRIBUTION OF WARRANTHOLDERS

Size of Holdings	No. of Holders	%	No. of Warrants	%
1 - 99	15	2.01	465	0.00
100 - 1,000	104	13.94	53,625	0.14
1,001 - 10,000	362	48.53	1,708,020	4.26
10,001 - 100,000	210	28.15	6,852,519	17.09
100,001 - 2,004,561 (less than 5% of Issued Warrants)	53	7.10	21,048,624	52.50
2,004,562 and above (5% and above of Issued Warrants)	2	0.27	10,427,989	26.01
	746	100.00	40,091,242	100.00

2. DIRECTORS' WARRANTHOLDINGS

The Directors' Warrantholdings of Century Logistics Holdings Berhad based on the Register of Directors' Warrantholdings are as follows:-

No.		No. of Warrants Held Direct	%	Indirect	%
1.	Phua Sin Mo	9,806,251	24.46	113,000 (1)	0.28
2.	Teow Choo Hing	4,313,800	10.76	207,600 (2)	0.52
3.	Dr. Mohamed Amin bin Mohd Kassim	981,100	2.45	601,100 (3)	1.50
4.	Teow Choo Chuan	2,268,238	5.66	220,000 (2)	0.55
5.	Jaafar bin Mohamad	1,868,506	4.66	601,100 (3)	1.50
6.	Yeap Khoo Soon Edwin	249,600	0.62	-	-
7.	Shamsudin @ Samad bin Kassim	2,900	0.01	-	-
8.	Dato' Yong Seng Yeow	33,000	0.08	-	-

Notes:
(1) Deemed interested through his daughter
(2) Deemed interested through his wife
(3) Deemed interested through Kuasa Viana Sdn. Bhd.

ANALYSIS OF WARRANTHOLDINGS AS AT 28 MARCH 2011

3. LIST OF THIRTY LARGEST WARRANTS ACCOUNTS HOLDERS

No.	Names	Warrantholdings	%
1.	Phua Sin Mo	8,159,751	20.35
2.	Teow Choo Chuan	2,268,238	5.66
3.	Kenanga Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Jaafar Bin Mohamad	1,559,806	3.89
4.	Datuk Syed Ahmad Khalid Bin Syed Mohammed	1,460,553	3.64
5.	EB Nominees (Tempatan) Sendirian Berhad - Pledged Securities Account for Teow Choo Hing	1,395,300	3.48
6.	EB Nominees (Tempatan) Sendirian Berhad - Pledged Securities Account for Phua Sin Mo	1,395,300	3.48
7.	AmBank (M) Berhad - Pledged Securities Account for Teow Choo Hing	1,330,500	3.32
8.	CIMSEC Nominees (Tempatan) Sdn. Bhd. - CIMB Bank for Gan Boon Sin	1,135,500	2.83
9.	Mohamed Amin Bin Mohd Kassim	876,600	2.19
10.	Optimum Shine Sdn. Bhd.	855,300	2.13
11.	CIMSEC Nominees (Tempatan) Sdn. Bhd. - CIMB Bank for Teow Choo Hing	837,200	2.09
12.	HLG Nominee (Tempatan) Sdn. Bhd. - Pledged Securities Account for Yap Swee Hang	784,200	1.96
13.	Affin Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Teow Choo Hing	722,900	1.80
14.	Yap Swee Hang	667,200	1.66
15.	Wong Ah Kum	630,000	1.57
16.	Kuasa Viana Sdn. Bhd.	601,100	1.50
17.	Lim Nyuk Sang @ Freddy Lim	430,800	1.07
18.	AllianceGroup Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Gan Boon Sin	330,000	0.82
19.	Jaafar Bin Mohamad	308,700	0.77
20.	Tan Aik Choon	258,000	0.64
21.	Phua Sin Mo	251,200	0.63
22.	Ngu Ew Look	235,000	0.59
23.	AllianceGroup Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Kheng Swe Yeat	225,000	0.56
24.	Lee Kook Fong @ Lee Kok Fong	225,000	0.56
25.	Yeap Khoo Soon Edwin	223,300	0.56
26.	Chai Mee Young	220,000	0.55
27.	Affin Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Cheah Bee Tin	207,600	0.52
28.	Kelvin Yu Toh Yao	200,000	0.50
29.	Soon Hoe Chuan	196,600	0.49
30.	RHB Nominees (Tempatan) Sdn. Bhd. - RHB Investment Management Sdn. Bhd. for Ling Sing Tiong	190,495	0.48
		28,181,143	70.29

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Fourteenth Annual General Meeting of the Company will be held at Maple Room, Level C, One World Hotel, First Avenue, Bandar Utama City Centre, 47800 Petaling Jaya, Selangor Darul Ehsan on Thursday, 12 May 2011 at 2:30 p.m. for the following purposes:

AGENDA

1. To receive the Audited Financial Statements for the financial year ended 31 December 2010 together with the Reports of the Directors and the Auditors thereon. (Resolution 1)

2. To approve the declaration of a Single Tier Final Dividend of 4.0 sen per share for the financial year ended 31 December 2010. (Resolution 2)

3. To approve the payment of Directors' Fees for the financial year ended 31 December 2010. (Resolution 3)

4. To re-elect the following Directors who retire pursuant to Article 82 of the Company's Articles of Association and being eligible, have offered themselves for re-election:

   (a) Yeap Khoo Soon Edwin (Resolution 4)
   (b) Soong Chee Keong (Resolution 5)
   (c) Dato' Yong Seng Yeow (Resolution 6)

5. To re-appoint Messrs. Deloitte & Touche as Auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration. (Resolution 7)

6. **As Special Business**

   To consider and, if thought fit, to pass the following resolutions as Ordinary Resolutions:

   Ordinary Resolution No. 1
   - Authority To Issue Shares Pursuant To Section 132D Of The Companies Act, 1965 (Resolution 8)

   "THAT subject to Section 132D of the Companies Act, 1965 and approvals of the relevant governmental/ regulatory authorities, the Directors be and are hereby empowered to issue and allot shares in the Company, at any time to such persons and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares issued pursuant to this Resolution does not exceed ten per centum (10%) of the issued and paid-up share capital of the Company for the time being and the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad; and that such authority shall commence immediately upon the passing of this resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company."

   Ordinary Resolution No. 2
   - Proposed Renewal of Shareholders' Mandate in respect of Recurrent Related Party Transactions of a Revenue or Trading Nature ("Proposed RPT Mandate") involving Dr Mohamed Amin bin Mohd Kassim and Jaafar Bin Mohamad (Resolution 9)

   "THAT approval be and is hereby given to the Company's subsidiary company, Century Total Logistics Sdn Bhd to enter into any of the category of recurrent related party transactions of a revenue or trading nature, as set out in Part A of the Circular to Shareholders dated 18 April 2011 with the related parties mentioned therein, namely Dr Mohamed Amin bin Mohd Kassim and Jaafar bin Mohamad, subject to the following:

   i) The transactions are in the ordinary course of business and are on terms not more favourable to the related parties than those generally available to the public;

NOTICE OF ANNUAL GENERAL MEETING

ii) The shareholders' mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year; and

iii) In a meeting to obtain shareholders' mandate, the interested directors, interested major shareholders or interested persons connected with a director or major shareholder; and where it involves the interest of an interested person connected with a director or major shareholder, such director or major shareholder must not vote on the resolution approving the transactions. An interested director or interested major shareholder must ensure that persons connected with him abstain from voting on the resolution approving the transactions.

AND THAT, such approval shall continue to be in force until:

i) The conclusion of the next Annual General Meeting ("AGM") of the Company following the forthcoming AGM at which such Proposed RPT Mandate was passed, at which time it will lapse, unless by resolution passed at an AGM whereby the authority is renewed; or

ii) The expiration of the period within which the next AGM of the Company subsequent to the date it is required to be held pursuant to Section 143(1) of the Companies Act, 1965 (the "Act") (but must not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or

iii) Revoked or varied by resolution passed by the shareholders in a general meeting,

whichever is the earlier."

Ordinary Resolution No. 3
- Proposed Renewal of Shareholders' Mandate in respect of Recurrent Related Party Transactions of a Revenue or Trading Nature involving Phua Sin Mo, Teow Choo Hing and Teow Choo Chuan (Resolution 10)

"THAT approval be and is hereby given to the Company's subsidiary company, Century Total Logistics Sdn Bhd to enter into any of the category of recurrent related party transactions of a revenue or trading nature, as set out in Part A of the Circular to Shareholders dated 18 April 2011 with the related parties mentioned therein, namely Phua Sin Mo, Teow Choo Hing and Teow Choo Chuan, subject to the following:

i) The transactions are in the ordinary course of business and are on terms not more favourable to the related parties than those generally available to the public;

ii) The shareholders' mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year; and

iii) In a meeting to obtain shareholders' mandate, the interested directors, interested major shareholders or interested persons connected with a director or major shareholder; and where it involves the interest of an interested person connected with a director or major shareholder, such director or major shareholder must not vote on the resolution approving the transactions. An interested director or interested major shareholder must ensure that persons connected with him abstain from voting on the resolution approving the transactions.

AND THAT, such approval shall continue to be in force until:

i) The conclusion of the next AGM of the Company following the forthcoming AGM at which such Proposed RPT Mandate was passed, at which time it will lapse, unless by resolution passed at an AGM whereby the authority is renewed; or

ii) The expiration of the period within which the next AGM of the Company subsequent to the date it is required to be held pursuant to Section 143(1) of the Act (but must not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or

iii) Revoked or varied by resolution passed by the shareholders in a general meeting,

whichever is the earlier."

NOTICE OF ANNUAL GENERAL MEETING

Ordinary Resolution No. 4
- Proposed Renewal of Share Buy-Back Authority of Up to 10% of the Issued and Paid-Up Share Capital of the Company ("Proposed Share Buy-Back") (Resolution 11)

"THAT subject always to the Act, the provisions of the Memorandum and Articles of Association of the Company, Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements and the approvals of all relevant governmental and/or regulatory authorities, the Company be authorised, to the extent permitted by the law, to buy-back such amount of ordinary shares of RM1.00 each in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors deem fit and expedient in the interest of the Company provided that:

i) The aggregate number of shares bought-back does not exceed 10% of the total issued and paid-up share capital of the Company at any point in time;
ii) The maximum amount of funds to be allocated for the share buy-back shall not exceed the aggregate of the retained profits and/or share premium of the Company; and
iii) The shares purchased are to be treated in either of the following manner:
    (a) cancel the purchased ordinary shares; or
    (b) retain the purchased ordinary shares as treasury shares held by the Company; or
    (c) retain part of the purchased ordinary shares as treasury shares and cancel the remainder.

The treasury shares may be distributed as dividends to the shareholders and/or resold on Bursa Securities and/or subsequently cancelled;

AND THAT the authority conferred by this resolution shall commence upon the passing of this resolution until:

i) the conclusion of the next AGM of the Company, unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
ii) the expiration of the period within which the next AGM is required by law to be held; or
iii) revoked or varied by ordinary resolution passed by shareholders of the Company at a general meeting of the Company,

whichever occurs first;

AND THAT authority be and is hereby given to the Directors of the Company to take all such steps as are necessary or expedient (including without limitation, the opening and maintaining of central depository account(s) under the Securities Industry (Central Depositories) Act, 1991) and the entering into of all agreements, arrangements and guarantees with any party or parties) to implement, finalise and give full effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities and with full power to do all such acts and things thereafter (including without limitation, the cancellation or retention as treasury shares of all or any part of the shares bought-back) in accordance with the Act, the provisions of the Memorandum and Articles of Association of the Company, Bursa Securities Main Market Listing Requirements, and all other relevant governmental and/or regulatory authorities."

7. To transact any other ordinary business of which due notice has been given.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE OF DIVIDEND ENTITLEMENT

NOTICE IS ALSO HEREBY GIVEN that a Single Tier Final Dividend of 4.0 sen per share in respect of financial year ended 31 December 2010 will be payable on 10 June 2011 to depositors who are registered in the Record of Depositors at the close of business on 25 May 2011, if approved by shareholders at the forthcoming Fourteenth Annual General Meeting on Thursday, 12 May 2011.

A Depositor shall qualify for entitlement only in respect of:

(a) Shares transferred into the Depositor's Securities Account before 4.00 p.m. on 25 May 2011 in respect of ordinary transfers; and

(b) Shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of the Bursa Malaysia Securities Berhad.

By Order of the Board

CHUA SIEW CHUAN
(MAICSA 0777689)
Company Secretary

Kuala Lumpur
18 April 2011

Explanatory Notes To Special Business:

1. The above Ordinary Resolution 1, is primarily to give a renewal mandate to the Directors of the Company to issue and allot shares at any time to such persons in their absolute discretion without convening a general meeting provided that the aggregate number of shares issued does not exceed 10% of the issued share capital of the Company during the preceding twelve (12) months for the time being.

   The General Mandate will provide flexibility to the Company for allotment of shares for any possible fund raising activities, including but not limited to further placing of shares, for the purpose of funding future investment project(s), working capital and/or acquisition(s).

   As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the Thirteenth Annual General Meeting held on 20 May 2010 and which will lapse at the conclusion of the Fourteenth Annual General Meeting.

2. The proposed adoption of the Ordinary Resolutions 2 and 3 are to enable the Company's subsidiary to enter into any of the recurrent related party transactions of a revenue or trading nature which are necessary for the Group's day to day operations, subject to the transactions being in the ordinary course of business and on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company.

3. The proposed adoption of the Ordinary Resolution 4 is to enable your Directors to exercise the power of the Company to purchase not more than 10% of the issued and paid-up share capital of the Company any time within the time period stipulated in the Bursa Malaysia Securities Berhad Main Market Listing Requirements.

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. *A member of the Company entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote in his stead. A proxy may but need not be a member of the Company and the provision of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.*

2. *Where a holder appoints two or more proxies, the appointment shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy.*

3. *The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under the common seal or under the hand of an officer or attorney so authorised.*

4. *The instrument appointing a proxy must be deposited at the Registered Office of the Company at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur not less than 48 hours before the time for holding the Meeting or at any adjournment thereof.*

Statement Accompanying Notice of Annual General Meeting Pursuant to Paragraph 8.27(2) of Bursa Malaysia Securities Berhad Main Market Listing Requirements

1. The following are the Directors standing for re-election at the Fourteenth Annual General Meeting:-

   (a) Yeap Khoo Soon Edwin
   (b) Soong Chee Keong
   (c) Dato' Yong Seng Yeow

2. Attendance of Directors at Board Meetings held during the financial year ended 31 December 2010 is set out in the Corporate Governance Report of the Annual Report.

3. The Fourteenth Annual General Meeting of the Company will be held at Maple Room, Level C, One World Hotel, First Avenue, Bandar Utama City Centre, 47800 Petaling Jaya, Selangor Darul Ehsan on Thursday, 12 May 2011 at 2:30 p.m.

4. Further details of Directors seeking re-election at the Fourteenth Annual General Meeting can be found in the section on Profile of Directors in the Annual Report. Their shareholdings in the Company are stated in the section on Analysis of Shareholdings in the Annual Report.

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CENTURY LOGISTICS HOLDINGS BERHAD

(Company No. 424341-A)
(Incorporated in Malaysia)

PROXY FORM

*I/We...(NRIC/Company No...)

of..

being a *Member/Members of CENTURY LOGISTICS HOLDINGS BERHAD ("Company"), do hereby appoint...

....(NRIC No...) of ....

....or failing *him/her, ...(NRIC No..)

of ....or failing *him/her, the CHAIRMAN OF THE MEETING, as *my/our proxy to vote and act for *me/us, and on *my/our behalf at the Fourteenth Annual General Meeting of the Company to be held at Maple Room, Level C, One World Hotel, First Avenue, Bandar Utama City Centre, 47800 Petaling Jaya, Selangor Darul Ehsan on Thursday, 12 May 2011 at 2:30 p.m. and at any adjournment thereof.

Please indicate with an "X" in the space provided below how you wish your votes to be casted. If no specific direction as to voting is given, the proxy will vote or abstain at his/her discretion.

No.	Resolutions	For	Against
1	To receive the Audited Financial Statements for the financial year ended 31 December 2010 together with the Reports of the Directors and the Auditors thereon.		
2	To approve the declaration of a Single Tier Final Dividend of 4.0 sen per share for the financial year ended 31 December 2010.		
3	To approve the payment of Directors' Fees for the financial year ended 31 December 2010.		
4	To re-elect the Director, Yeap Khoo Soon Edwin who retires pursuant to Article 82 of the Company's Articles of Association.		
5	To re-elect the Director, Soong Chee Keong who retires pursuant to Article 82 of the Company's Articles of Association.		
6	To re-elect the Director, Dato' Yong Seng Yeow who retires pursuant to Article 82 of the Company's Articles of Association.		
7	To re-appoint Messrs. Deloitte & Touche as Auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration.		
8	As Special Business Ordinary Resolution No. 1 Authority to issue shares pursuant to Section 132D of the Companies Act, 1965		
9	Ordinary Resolution No. 2 Proposed Renewal of Shareholders' Mandate in respect of Recurrent Related Party Transactions of a Revenue or Trading Nature involving Dr Mohamed Amin Bin Mohd Kassim and Jaafar Bin Mohamad		
10	Ordinary Resolution No. 3 Proposed Renewal of Shareholders' Mandate in respect of Recurrent Related Party Transactions of a Revenue or Trading Nature involving Phua Sin Mo, Teow Choo Hing and Teow Choo Chuan		
11	Ordinary Resolution No. 4 Proposed Renewal of Share Buy-Back Authority of Up to 10% of the Issued and Paid-Up Share Capital of the Company		

* Strike out whichever not applicable.

As witness my/our hand this .... day of .... 2011.

NUMBER OF SHARES HELD	
CDS ACCOUNT NO.	

....

Signature of Member/Common Seal

***Notes*:**

1. *A member of the Company entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote in his stead. A proxy may but need not be a member of the Company and the provision of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.*
2. *Where a holder appoints two or more proxies, the appointment shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy.*
3. *The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under the common seal or under the hand of an officer or attorney so authorised.*
4. *The instrument appointing a proxy must be deposited at the Registered Office of the Company at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur not less than 48 hours before the time for holding the Meeting or at any adjournment thereof.*

FOLD THIS FLAP FOR SEALING

FOLD HERE

Affix stamp

COMPANY SECRETARY
CENTURY LOGISTICS HOLDINGS BERHAD (424341-A)
Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur
Malaysia

FOLD HERE