



SWIFT HAULAGE BERHAD
200001030627 (533234-V)

INTERIM FINANCIAL REPORT

31 DECEMBER 2021

24 FEBRUARY 2022



SWIFT HAULAGE BERHAD (Registration No. 200001030627 (533234-V))

Interim report on unaudited consolidated results for the financial period ended 31 December 2021

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER/YEAR ENDED 31 DECEMBER 2021 ^(a)

	Quarter ended		Year to date	
	31.12.2021 Unaudited RM'000	31.12.2020 ^(b) Unaudited RM'000	31.12.2021 Unaudited RM'000	31.12.2020 Audited RM'000
Revenue	161,901	N/A	592,764	555,838
Cost of sales and services	(110,457)	N/A	(404,587)	(370,099)
Gross profit	51,444	N/A	188,177	185,739
Other income	5,682	N/A	19,251	29,335
Net (loss)/gain on impairment of financial instruments	(617)	N/A	(1,124)	3,888
Administrative and operating expenses	(36,908)	N/A	(117,816)	(135,373)
Finance costs	(6,862)	N/A	(26,778)	(29,562)
	12,739	N/A	61,710	54,027
Share of results of associates	367	N/A	(976)	(134)
Share of results of a joint venture	218	N/A	404	-
Profit before tax	13,324	N/A	61,138	53,893
Tax expense	1,160	N/A	(9,504)	(11,413)
Profit for the financial period/year	14,484	N/A	51,634	42,480
Other comprehensive income:				
Item that may be reclassified subsequently to profit or loss				
Foreign currency translations	281	N/A	671	(239)
Total comprehensive income for the financial period	14,765	N/A	52,305	42,241
Profit attributable to:				
Owners of the Company	15,180	N/A	50,580	41,686
Non-controlling interests	(696)	N/A	1,054	794
	14,484	N/A	51,634	42,480
Total comprehensive income attributable to:				
Owners of the Company	15,461	N/A	51,251	41,447
Non-controlling interests	(696)	N/A	1,054	794
	14,765	N/A	52,305	42,241
Earnings per share attributable to owners of the Company (Sen)^(c)				
Basic	2.01	N/A	7.98	9.54
Diluted	2.01	N/A	7.98	5.69



SWIFT HAULAGE BERHAD (Registration No. 200001030627 (533234-V))

Interim report on unaudited consolidated results for the financial period ended 31 December 2021

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER/YEAR ENDED 31 DECEMBER 2021 ^(a) (CONT'D)

Notes:

- (a) The basis of preparation of the Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income is disclosed in Note 1 of the notes to this interim financial report and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus of the Company dated 30 November 2021 ("Prospectus") and the accompanying explanatory notes attached in this interim financial report.
- (b) This is the second interim financial report on the Company's unaudited condensed consolidated financial results for the fourth (4th) quarter ended 31 December 2021 announced in compliance with the Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities"). There are no comparative figures for the preceding corresponding quarter as there is no interim financial report prepared for the comparative quarter concerned.
- (c) The basic earnings per share ("EPS") is computed based on the profit attributable to owners of the Company for the period divided by the weighted average number of ordinary shares in issue during the financial period under review. Diluted earnings per ordinary share for the financial period is calculated by dividing the profit for the financial period attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial period adjusted for the effects of dilutive potential ordinary shares.

N/A – Not applicable



SWIFT HAULAGE BERHAD (Registration No. 200001030627 (533234-V))

Interim report on unaudited consolidated results for the financial period ended 31 December 2021

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021 ^(a)

	As at 31.12.2021	As at 31.12.2020
	Unaudited	Audited
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	474,649	383,955
Investment properties	78,719	1,693
Right-of-use assets	433,721	496,280
Other investments	1,341	309
Investments in associates	19,210	20,186
Investment in a joint venture	10,954	-
Goodwill	68,813	68,813
Intangible assets	576	-
Deferred tax assets	9,934	2,513
	1,097,917	973,749
Current assets		
Inventories	15,808	10,959
Trade and other receivables	257,639	178,129
Current tax assets	8,334	4,605
Derivative financial asset	1,284	-
Short term fund	-	2,009
Cash and bank balances	64,732	32,891
	347,797	228,593
Non-current assets held for sale	17,194	10,000
TOTAL ASSETS	1,462,908	1,212,342
EQUITY AND LIABILITIES		
Equity attributable to owners of the company		
Share capital	384,714	121,180
Convertible redeemable loan stock	-	106,863
Retained earnings	253,500	202,920
Exchange translation reserve	106	(565)
	638,320	430,398
Non-controlling interests	416	(349)
TOTAL EQUITY	638,736	430,049
LIABILITIES		
Non-current liabilities		
Borrowings	398,596	366,512
Lease liabilities	53,234	96,117
Deferred tax liabilities	56,202	52,708
	508,032	515,337



SWIFT HAULAGE BERHAD (Registration No. 200001030627 (533234-V))

Interim report on unaudited consolidated results for the financial period ended 31 December 2021

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021
(CONT'D)^(a)**

	As at 31.12.2021	As at 31.12.2020
	Unaudited	Audited
	RM'000	RM'000
LIABILITIES (continued)		
Current liabilities		
Trade and other payables	102,240	110,790
Borrowings	177,151	112,805
Lease liabilities	35,783	41,945
Derivative financial liability	-	734
Current tax liabilities	966	682
	316,140	266,956
TOTAL LIABILITIES	824,172	782,293
TOTAL EQUITY AND LIABILITIES	1,462,908	1,212,342
NET ASSET PER SHARE (Sen)^(b)	71.78	590.23

Notes:

- (a) The basis of preparation of the Condensed Consolidated Statement of Financial Position is disclosed in Note 1 of the notes to this interim financial report and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus and the accompanying explanatory notes attached in this interim financial report.
- (b) The net asset per share attributable to owners of the Company is calculated based on net asset divided by the number of shares as at 31 December 2021 of 889,804,502 (31 December 2020: 72,860,830 shares).



SWIFT HAULAGE BERHAD (Registration No. 200001030627 (533234-V))

Interim report on unaudited consolidated results for the financial period ended 31 December 2021

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2021 ^(a)

	<i>(-----Non-distributable-----)</i>				<i>Distributable</i>			
	Ordinary Share capital RM'000	Convertible redeemable loan stock RM'000	Preference shares RM'000	Exchange translation reserve RM'000	Retained earnings RM'000	Total profit attributable to owners of the company RM'000	Non- controlling interests RM'000	Total equity RM'000
Balance as at 1 January 2021	102,785	106,863	18,395	(565)	202,920	430,398	(349)	430,049
Profit for the financial year	-	-	-	-	50,580	50,580	1,054	51,634
Other comprehensive income, net of tax	-	-	-	671	-	671	-	671
Total comprehensive income	-	-	-	671	50,580	51,251	1,054	52,305
Transactions with owners								
Dividend paid to non-controlling interest of a subsidiary	-	-	-	-	-	-	(289)	(289)
Issuance of shares	161,857	-	-	-	-	161,857	-	161,857
Listing expenses	(5,185)	-	-	-	-	(5,185)	-	(5,185)
Conversion of shares	125,257	(106,863)	(18,394)	-	-	-	-	-
Redemption of shares	-	-	(1)	-	-	(1)	-	(1)
Total transactions with owners	281,929	(106,863)	(18,395)	-	-	156,671	(289)	156,382
Balance as at 31 December 2021	384,714	-	-	106	253,500	638,320	416	638,736

Notes:

- (a) The basis of preparation of the Unaudited Condensed Consolidated Statement of Changes in Equity is disclosed in Note 1 of the notes to this interim financial report and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus and the accompanying explanatory notes attached to this interim financial report



SWIFT HAULAGE BERHAD (Registration No. 200001030627 (533234-V))

Interim report on unaudited consolidated results for the financial period ended 31 December 2021

AUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2020

	<i>(-----Non-distributable-----)</i>				<i>Distributable</i>			
	Ordinary Share capital RM'000	Convertible redeemable loan stock RM'000	Preference shares RM'000	Exchange translation reserve RM'000	Retained earnings RM'000	Total profit attributable to owners of the parents RM'000	Non- controlling interests RM'000	Total equity RM'000
Balance as at 1 January 2020	102,785	106,863	18,395	(326)	161,234	388,951	(502)	388,449
Profit for the financial year	-	-	-	-	41,686	41,686	794	42,480
Other comprehensive income, net of tax	-	-	-	(239)	-	(239)	-	(239)
Total comprehensive income	-	-	-	(239)	41,686	41,447	794	42,241
Transactions with owners								
Dividend paid to non-controlling interest of subsidiary	-	-	-	-	-	-	(308)	(308)
Additional investment in a subsidiary	-	-	-	-	-	-	(333)	(333)
Total transactions with owners	-	-	-	-	-	-	(641)	(641)
Balance as at 31 December 2020	102,785	106,863	18,395	(565)	202,920	430,398	(349)	430,049

Notes:

- (a) The basis of preparation of the Unaudited Condensed Consolidated Statement of Changes in Equity is disclosed in Note 1 of the notes to this interim financial report and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus and the accompanying explanatory notes attached to this interim financial report.



SWIFT HAULAGE BERHAD (Registration No. 200001030627 (533234-V))

Interim report on unaudited consolidated results for the financial period ended 31 December 2021

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2021 ^(a)

	Year to date	
	31.12.2021	31.12.2020
	<u>Unaudited</u> RM'000	<u>Audited</u> RM'000
Cash flows from operating activities		
Profit before tax	61,138	53,893
Adjustments for:		
Bad debts written off:		
- trade receivables	143	13
- other receivables	5	11
Depreciation of:		
- property, plant and equipment	31,295	30,190
- right-of-use assets	24,628	23,871
- investment properties	1,498	-
Dividend from other investment	(21)	-
Fair value gain on derivative	(2,018)	1,594
Fair value loss/(gain) on short term fund	-	3
Fair value loss on other investments	330	504
Gain from bargain purchase	-	(3,294)
Gain on disposal of property, plant and equipment	(3,426)	(371)
Gain on disposal of other investment	(377)	-
Gain on disposal of non-current assets held for sale	(2,436)	(568)
Impairment losses on:		
- amounts owing by associates	-	1,731
- goodwill	-	11,783
- other receivables	168	450
- property, plant and equipment	-	4,484
- trade receivables	4,681	2,929
Income distribution from short term fund	(18)	(52)
Interest expense	26,778	29,562
Interest income	(361)	(448)
Inventories written off	-	17
Loss on disposal of right-of-use assets	-	411
Net unrealised loss/(gain) on foreign exchange	2,000	(1,094)
Net waiver of debt	-	32
Property, plant and equipment written off	95	532
Reversal of impairment losses on:		
- investments in associates	-	(255)
- other receivables	(581)	(153)
- trade receivables	(3,144)	(8,845)
Right -of-use assets written off	-	140
Share of results of associates	976	134
Share of results of a joint venture	(404)	-
Operating profit before changes in working capital	<u>140,949</u>	<u>147,204</u>
<u>Changes in working capital:</u>		
Inventories	(4,849)	3,984
Trade and other receivables	(68,301)	30,701
Trade and other payables	7,517	(30,520)
Net cash generated from operations	<u>75,316</u>	<u>151,369</u>
Tax refunded	-	2,180
Income tax paid	(16,875)	(14,375)
Net cash flows from operating activities	<u>58,441</u>	<u>139,174</u>



SWIFT HAULAGE BERHAD (Registration No. 200001030627 (533234-V))

Interim report on unaudited consolidated results for the financial period ended 31 December 2021

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2021 ^(a) (CONT'D)

	Year to date	
	31.12.2021	31.12.2020
	Unaudited RM'000	Audited RM'000
Cash flows from investing activities		
Acquisition of subsidiaries, net of cash acquired	(10,000)	(8,838)
Additional investment in an associate	-	(50)
Acquisition of shares from non-controlling interests	-	(333)
Advances from/ (Repayments to) related parties	-	411
Repayments from/ (Advances to) associates	-	(2,843)
Purchase of property, plant and equipment	(90,584)	(31,804)
Purchase of right-of-use assets	(81,889)	(889)
Purchase of other investments	(3,140)	-
Withdrawal of deposits with licensed banks and restricted cash	2,655	766
Withdrawal of short term fund	2,027	-
Acquisition of a joint venture	(10,550)	-
Advances to associates	(1,925)	-
Proceeds from:		
- disposal of a subsidiary, net of cash disposed	-	(31)
- disposal of property, plant and equipment	2,314	3,431
- disposal of right-of-use assets	-	3,128
- disposal of non-current assets held for sale	12,500	7,564
- disposal of other investments	2,156	-
Placement of short-term fund	-	(800)
Dividend from other investment	21	-
Interest received	361	448
Net cash flows used in investing activities	<u>(176,054)</u>	<u>(29,840)</u>
Cash flows from financing activities		
Dividend paid to non-controlling interests of a subsidiary	(289)	(308)
Net repayment of revolving credits	-	(38,000)
Net drawdown/(repayment) of trade financing	93,083	(125,761)
Net drawdown/(repayment) of term loans	36,405	(93,067)
Net repayment of lease liabilities	(100,278)	(126,825)
Drawdown of unrated Islamic medium term notes	-	300,000
Proceeds from shares issuance	161,857	-
Listing expenses	(5,185)	-
Redemption of redeemable preference shares	(1)	-
Interest paid	(25,973)	(27,427)
Net cash flows from/ (used in) financing activities	<u>159,619</u>	<u>(111,388)</u>
Net increase/ (decrease) in cash and cash equivalents	42,006	(2,054)
Effect of exchange rate changes on cash and cash equivalents	671	(84)
Cash and cash equivalents at the beginning of the financial period	<u>18,353</u>	<u>20,491</u>
	<u>61,030</u>	<u>18,353</u>



SWIFT HAULAGE BERHAD (Registration No. 200001030627 (533234-V))

Interim report on unaudited consolidated results for the financial period ended 31 December 2021

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2021 ^(a) (CONT'D)

	Year to date	
	31.12.2021	31.12.2020
	Unaudited	Audited
	RM'000	RM'000
Cash and cash equivalents at the end of the financial period comprises:		
Cash and bank balances	64,732	32,891
Bank overdrafts	-	(8,181)
Deposits with licensed banks with maturity of over 3 months	(2,039)	(4,616)
Restricted cash	(1,663)	(1,741)
Cash and cash equivalents included in the condensed consolidated statement of cash flows	<u>61,030</u>	<u>18,353</u>

Notes:

- (a) The basis of preparation of the Unaudited Condensed Consolidated Statement of Cash Flows is disclosed in Note 1 of the notes to this interim financial report and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus and the accompanying explanatory notes attached to this interim financial report.



SWIFT HAULAGE BERHAD (Registration No. 200001030627 (533234-V))

Interim report on unaudited consolidated results for the financial period ended 31 December 2021

Notes to the Interim Financial Report

1. Basis of Preparation

The interim financial report of Swift Haulage Berhad (“the Company”) and its subsidiaries (collectively, the “Group”) is unaudited and has been prepared in accordance with the requirements of MFRS 134: *Interim Financial Reporting* and paragraph 9.22 as well as Appendix 9B of the Main Market Listing Requirements of Bursa Securities.

This is the second interim financial report of unaudited condensed consolidated financial results for the fourth quarter ended 31 December 2021 being announced by the Group in compliance with the Listing Requirements of Bursa Securities. As such, there are no comparative figures for the preceding corresponding quarter.

This interim financial report should be read in conjunction with the Accountants’ Report as disclosed in the Prospectus and the accompanying explanatory notes attached to this interim financial report.

2. Significant Accounting Policies

The significant accounting policies and presentations adopted by the Group in this interim financial report are consistent with those adopted in the preparation of the Accountants’ Report as disclosed in the Prospectus except for the adoption of following Amendments to MFRSs:

Amendments to MFRSs effective for annual periods beginning on or after 1 January 2021

- Amendment to MFRS 9 *Financial Instruments*, MFRS 139 *Financial Instruments: Recognition and Measurement*, MFRS 7 *Financial Instruments: Disclosures*, MFRS 4 *Insurance Contracts*, MFRS 16 *Leases – Interest Rate Benchmark Reform – Phase 2*
- Amendment to MFRS 16 *Leases: Covid-19-Related Rent Concessions beyond 30 June 2021*

The adoption of the above amendments to MFRSs did not have any significant effect on the financial statements of the Group and did not result in significant changes to the Group’s existing accounting policies.

3. Auditors' Report on Preceding Annual Financial Statements

The Accountants’ Report of the Group as disclosed in the Prospectus for the financial statements for the financial year ended 31 December 2020, 2019 and 2018 were not subject to any qualification.

4. Seasonal or Cyclical Factors

The business operations of the Group during the current quarter under review have not been materially affected by any seasonal or cyclical factors.

5. Unusual Items

There were no unusual items or incidence which may or has substantially affect the value of assets, liabilities, equity, net income or cash flows of the Group for the current quarter under review.

6. Material Changes in Estimates

There were no material changes in estimates that may have material effect in the current quarter under review.



SWIFT HAULAGE BERHAD (Registration No. 200001030627 (533234-V))

Interim report on unaudited consolidated results for the financial period ended 31 December 2021

Notes to the Interim Financial Report (Cont'd)

7. Debt and Equity Securities

Save as disclosed below, there were no issuance, cancellations, repurchases, resale and repayment of debt or equity securities, share buy backs, share cancellations, share held as treasury shares and resale of treasury shares during the financial period under review.

	Number of ordinary shares '000	Amount RM'000
Issued share capital as at 1 January 2021	72,861	102,785
Conversion of redeemable convertible preference shares	7,242	18,394
Conversion of convertible redeemable loan stock	42,007	106,863
Subdivision of share capital ^(a)	610,552	-
Issuance of new shares ^(b)	157,143	161,857
Listing expenses	-	(5,185)
Issued share capital as at 31 December 2021	<u>889,805</u>	<u>384,714</u>

Notes:

- (a) On 15 November 2021, the Company carried out a subdivision of the entire issued share capital of RM228,042,131 comprising 122,110,267 ordinary shares into RM228,042,131 comprising 732,661,602 ordinary shares.
- (b) On 17 December 2021, the Company issued a total of 157,142,900 new ordinary shares in relation to the IPO and the Company's Shares were listed on the Main Market of Bursa Malaysia Securities Berhad on 21 December 2021.

8. Dividend Paid

No dividend was paid in the financial quarter under review.



SWIFT HAULAGE BERHAD (Registration No. 200001030627 (533234-V))

Interim report on unaudited consolidated results for the financial period ended 31 December 2021

Notes to the Interim Financial Report (Cont'd)

9. Segmental Information

The Group is mainly involved in provision of integrated logistics services comprising container haulage, land transportation, warehousing and container depot, and freight forwarding.

Analysis of the Group's revenue and results for the 12 months financial period ended 31 December 2021 is as follows:

	Container haulage RM'000	Land transportation RM'000	Warehousing and container depot RM'000	Freight forwarding RM'000	Others RM'000	Elimination RM'000	Group Results RM'000
Revenue							
External sales	272,094	180,380	77,289	62,396	605	-	592,764
Inter-segment sales	48,593	28,354	7,722	-	15,872	(100,541)	-
Total revenue	320,687	208,734	85,011	62,396	16,477	(100,541)	592,764
Interest income	74	20	16	87	164	-	361
Depreciation of property, plant and equipment	(16,555)	(8,709)	(4,312)	(976)	(743)	-	(31,295)
Depreciation of right-of-use assets	(8,381)	(4,923)	(9,285)	(551)	(1,488)	-	(24,628)
Depreciation of investment properties	-	-	(1,473)	-	(25)	-	(1,498)
Finance costs	(4,498)	(3,646)	(3,365)	(1,931)	(13,338)	-	(26,778)
Share of loss of associates	-	-	-	-	(976)	-	(976)
Share of profit of a joint venture	-	-	-	-	404	-	404
Profit /(loss) before tax	32,103	11,866	10,978	27,716	(21,281)	(244)	61,138
Tax expense	-	-	-	-	-	-	(9,504)
Segment assets	356,028	212,334	435,608	199,740	259,198	-	1,462,908
Segment liabilities	72,267	76,672	83,043	94,235	497,955	-	824,172



SWIFT HAULAGE BERHAD (Registration No. 200001030627 (533234-V))

Interim report on unaudited consolidated results for the financial period ended 31 December 2021

Notes to the Interim Financial Report (Cont'd)

9. Segmental Information (Cont'd)

The Group is mainly involved in provision of integrated logistics services comprising container haulage, land transportation, warehousing and container depot and freight forwarding.

Analysis of the Group's revenue and results for the 12 months financial period ended 31 December 2020 is as follows:

	Container haulage RM'000	Land transportation RM'000	Warehousing and container depot RM'000	Freight forwarding RM'000	Others RM'000	Elimination RM'000	Group Results RM'000
Revenue							
External sales	252,664	176,021	71,510	54,195	1,448	-	555,838
Inter-segment sales	35,760	16,565	2,862	(358)	25,188	(80,017)	-
Total revenue	288,424	192,586	74,372	53,837	26,636	(80,017)	555,838
Interest income	85	54	31	119	159	-	448
Depreciation of property, plant and equipment	(16,123)	(9,087)	(3,489)	(806)	(685)	-	(30,190)
Depreciation of right-of-use assets	(9,654)	(5,245)	(6,960)	(642)	(1,370)	-	(23,871)
Finance costs	(6,579)	(3,626)	(3,812)	(1,254)	(14,291)	-	(29,562)
Share of loss of associates	-	-	-	-	(134)	-	(134)
Profit/(loss) before tax	30,249	13,369	9,574	25,450	(24,519)	(230)	53,893
Tax expense	-	-	-	-	-	-	(11,413)
Segment assets	370,137	179,933	319,481	147,032	195,759	-	1,212,342
Segment liabilities	121,210	92,507	88,697	31,664	448,215	-	782,293



SWIFT HAULAGE BERHAD (Registration No. 200001030627 (533234-V))

Interim report on unaudited consolidated results for the financial period ended 31 December 2021

Notes to the Interim Financial Report (Cont'd)

10. Significant Events Subsequent to the End of the Interim Financial Period

Save as disclosed below, there are no other significant events subsequent to the end of the interim financial period:

On 19 April 2021, the Group entered into a Sale and Purchase Agreement (“SPA”) with a third party for the sale of buildings and leasehold land under PN7671 and PT 345, Mukim 13, Daerah Seberang Perai Tengah, Pulau Pinang for a total sale consideration of RM18.2 million. The transaction has been completed on 14 January 2022.

11. Changes in the Composition of the Group

On 28 May 2021, the Group entered into conditional Share Sale Agreement with a third party to acquire the entire equity interest of the ordinary shares comprising 10,000,000 ordinary shares in Ann Joo Properties Sdn. Bhd. for a purchase consideration of RM10,000,000. The transaction has been completed on 15 July 2021.

12. Contingent liabilities

	As at 31.12.2021 RM'000
Secured Guarantees	
Bank guarantees utilised ^(a)	<u>15,106</u>

Note:

(a) Arrangement between our Group and our customers and suppliers (inclusive of port authorities and Customs).

As part of the contractual obligation with our customers mainly from oil, gas and petrochemical industry and government agencies, we are required to provide performance guarantee to our customers to ensure that we fulfil the contractual obligation.

Bank guarantee is provided to our suppliers to ensure that our Group will fulfil the obligation of paying for services rendered by our suppliers.

13. Capital Commitments

Capital commitments for the purchase of property, plant and equipment not provided for at the end of the reporting period are as follows: -

	As at 31.12.2021 RM'000	As at 31.12.2020 RM'000
Approved but not contracted for	4,155	83,455
Contracted but not provided for	<u>41,276</u>	<u>41,794</u>
	<u>45,431</u>	<u>125,249</u>



SWIFT HAULAGE BERHAD (Registration No. 200001030627 (533234-V))

Interim report on unaudited consolidated results for the financial period ended 31 December 2021

Notes to the Interim Financial Report (Cont'd)

14. Significant related party transactions

	Quarter ended		Year to date	
	31.12.2021	31.12.2020 ^(a)	31.12.2021	31.12.2020 ^(a)
	RM'000	RM'000	RM'000	RM'000
With holding company,				
Persada Bina Sdn. Bhd.				
Purchase of office space	-	N/A	-	4,950
Purchase of furniture and fittings	-	N/A	-	550
Rental of office	-	N/A	-	477
Management fee paid/payable	-	N/A	175	420
With related party,				
Kaypi Technologies Sdn. Bhd.				
Purchase of office equipment	-	N/A	83	137
Rental of office equipment	-	N/A	7	73
With related party,				
Pelikan Asia Sdn. Bhd.				
Purchase of stationery	187	N/A	511	364
Forwarding income	9	N/A	63	17
Warehouse income	49	N/A	197	211
With related party,				
SM Security (M) Sdn. Bhd.				
Security services	57	N/A	229	229
With associate,				
BLG Swift Logistics Sdn. Bhd.				
Transportation income	-	N/A	-	2,844
Storage income	-	N/A	-	2
Forwarding income	-	N/A	-	3
Interest income	-	N/A	-	23
Rental income	18	N/A	72	72
Warehouse income	276	N/A	1,199	1,972
With associate,				
Swift Mega Carriers Sdn. Bhd.				
Rental income	15	N/A	60	-
Repair and maintenance	7	N/A	83	-

Note:

- (a) This is the second interim financial report announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding corresponding quarter as there is no interim financial report prepared for the comparative quarter concerned.

N/A – Not applicable



SWIFT HAULAGE BERHAD (Registration No. 200001030627 (533234-V))

Interim report on unaudited consolidated results for the financial period ended 31 December 2021

Notes to the Interim Financial Report (Cont'd)

15. Group Performance Review

The Group recorded revenue of RM161.9 million, gross profit of RM51.4 million and profit before tax of RM13.3 million for the current financial quarter ended 31 December 2021 (“4Q2021”). The 4Q2021 revenue is primarily contributed by container haulage of RM68.9 million and land transportation of RM52.4 million which represents 74.9% of our Group’s revenue for 4Q2021. Other business segments namely warehousing and container depot and freight forwarding business contributed RM21.7 million and RM18.8 million respectively for 4Q2021.

The Group’s revenue for the financial year-to-date ended 31 December 2021 (“YTD2021”) of RM592.8 million, gross profit of RM188.2 million and profit before tax of RM61.1 million is mainly contributed by container haulage of RM272.1 million and land transportation of RM180.4 million which represents 76.3% of our Group’s total revenue. Whilst our warehousing and container depot and freight forwarding business contributed RM77.3 million and RM62.4 million respectively to the total Group’s revenue for YTD2021.

The Group had incurred one-off listing expenses of approximately RM4.3 million in 4Q2021 and YTD2021 respectively.

The COVID-19 pandemic together with the introduction of Movement Control Order by the Government of Malaysia to curb the COVID-19 spread have impacted some of our customers. In view of the said factors, our Group encountered lower growth in business activities namely in Container Haulage, Land Transportation and Freight Forwarding, however we are able to sustain our gross profit margin through better management of our operating cost.

No comparative figures for the preceding corresponding quarter are available as this is the second interim financial report on the consolidated results for the fourth quarter ended 31 December 2021 announced by the Company in compliance with the Listing Requirements.

16. Comparison with Immediate Preceding Quarter's Results

	Current quarter 31.12.2021 ("4Q 2021") RM'000	Immediate preceding quarter 30.09.2021 ("3Q 2021") RM'000	Variance RM	%
Revenue	161,901	139,246	22,655	16.3
Profit before tax (<i>before one off listing expenses</i>)	17,609	15,716	1,893	12.0
One off listing expenses	(4,285)	-	(4,285)	(100.0)
Profit before tax	<u>13,324</u>	<u>15,716</u>	(2,392)	(15.2)

The Group’s revenue for the current quarter has increased by RM22.6 million or 16.3% to RM161.9 million in current quarter 31 December 2021 (“4Q2021”) from RM139.2 million in the preceding quarter ended 30 September 2021 (“3Q2021”). The increase in revenue mainly due to all of our business segment namely container haulage, land transportation, warehousing and container depot and freight forwarding recorded an increase in revenue for the 4Q2021 as compared to 3Q2021. This is in line with our expectation as most states entering phase 4 in the month from October 2021 onward, thus the resumption of our customers operation to 100% has improved our performance for the current quarter.

The Group recorded profit before tax of RM13.3 million in the 4Q2021 which a decrease by RM2.4 million or 15.2% from RM15.7 million in 3Q2021. The decrease in profit before tax mainly contributed by one-off listing expenses of approximately RM4.3 million incurred in 4Q2021. Excluding the one-off listing expenses, the Group recorded profit before tax of RM17.6 million in which it is an increase by RM1.9 million or 12.0% from RM15.7 million in 3Q2021 which is attributed from higher revenue and gross profit from all of our business segment namely container haulage, land transportation, warehousing and container



SWIFT HAULAGE BERHAD (Registration No. 200001030627 (533234-V))

Interim report on unaudited consolidated results for the financial period ended 31 December 2021 depot and freight forwarding.

Notes to the Interim Financial Report (Cont'd)

17. Prospects for the Group for the next financial year

Given the extent of the COVID-19 outbreak as well as domestic and global uncertainties, the outlook is very much driven by the hope that the vaccine will eventually lead us into a new normal. Nonetheless, the Group is cautiously optimistic that our integrated logistics services is poised to flourish as the domestic and global economic activities recovers. The Group continues its focus on expanding its customer base domestically and regionally with the improvement in warehouse capacity and at the same time improve cost management of its operations. The expansion of our warehouse capacity namely 200,000 sq ft in Tebrau, Johor targeted in first quarter of FY2022 (“1Q2022”), 109,000 sq ft in Seberang Perai, Penang targeted in second quarter of FY2022 (“2Q2022”) and 178,000 sq ft new warehouse in Port Klang Free Zone, Selangor scheduled to be completed in third quarter of FY2022 (“3Q2022”) will contribute positively to our FY2022 topline and bottom-line. Overall, our warehouse capacity will increase by approximately 46.0% in end of FY2022 as part of our growth journey.

The Malaysian Government had gradually eased restrictions and businesses were allowed to be operated under strict standard operating procedures and the economy is showing sign of recovery. Bank Negara Malaysia (“BNM”) has reported that Malaysian economy registered a positive growth of 3.6% in the fourth quarter of 2021. Growth was supported mainly by an improvement in domestic demand as economic activity normalized following the easing of containment measure under the National Recovery Plan (“NRP”). BNM expects Malaysia’s growth trajectory for 2022 to improve given resumption of economic activities, further improvement in the labour market, continued policy support and expansion in external demand.

In this regard, barring any unforeseen surprises, we are cautiously confident of our financial performance for the next financial year. We will continue to maintain our strategy to focus on servicing our customers with innovative logistics solutions and expand our logistics capacity, which includes merger and acquisition, to enhance shareholders' value.

18. Profit Forecast

The Group has not issued any profit forecast or profit guarantee in any form of public documentation and announcement in relation to the financial quarter under review and the financial period to date.

19. Note to the Profit Before Tax

Profit before tax is arrived after charging/(crediting):

	Quarter ended		Year to date	
	31.12.2021	31.12.2020 ^(a)	31.12.2021	31.12.2020
	RM'000	RM'000	RM'000	RM'000
Depreciation of:				
- property, plant and equipment	6,528	N/A	31,295	30,190
- right-of-use assets	9,253	N/A	24,628	23,871
- investment properties	814	N/A	1,498	-
Bad debts written off:				
- trade receivables	62	N/A	143	13
- other receivables	-	N/A	5	11
Fair value loss on other investment	262	N/A	330	700
Fair value loss on short term fund	-	N/A	-	3
Loss on disposal of property, plant and equipment	-	N/A	36	424
Loss on disposal of				



SWIFT HAULAGE BERHAD (Registration No. 200001030627 (533234-V))

Interim report on unaudited consolidated results for the financial period ended 31 December 2021

right-of-use assets	-	N/A	-	470
---------------------	---	-----	---	-----

Notes to the Interim Financial Report (Cont'd)

19. Note to the Profit Before Tax (Cont'd)

Profit before tax is arrived after charging/(crediting):

	Quarter ended		Year to date	
	31.12.2021	31.12.2020 ^(a)	31.12.2021	31.12.2020
	RM'000	RM'000	RM'000	RM'000
Loss on foreign exchange:				
- realised	-	N/A	80	226
- unrealised	718	N/A	2,020	-
Impairment losses on:				
- amounts owing by associates	-	N/A	-	1,731
- goodwill	-	N/A	-	11,783
- trade receivables	2,292	N/A	4,681	2,929
- other receivables	105	N/A	168	450
- property, plant and equipment	-	N/A	-	4,484
Management fees	-	N/A	175	420
Waiver of debt	-	N/A	-	48
Interest expense	6,862	N/A	26,778	29,562
Dividend from other investment	(10)	N/A	(21)	-
Gain on foreign exchange:				
- realised	(95)	N/A	(57)	(86)
- unrealised	(1)	N/A	(20)	(1,094)
Gain on disposal of property, plant and equipment	(299)	N/A	(3,462)	(795)
Gain on disposal of non-current assets held for sale	-	N/A	(2,436)	(568)
Gain on disposal of other investment	(99)	N/A	(377)	-
Gain on disposal of right-of-use assets	-	N/A	-	(59)
Fair value gain on other investment	-	N/A	-	(196)
Interest income	(135)	N/A	(361)	(448)
Income distribution from short term fund	-	N/A	(18)	(52)
Reversal of impairment losses on:				
- investments in associates	-	N/A	-	(255)
- trade receivables	(1,526)	N/A	(3,144)	(8,845)
- other receivables	(254)	N/A	(581)	(153)
Management income	-	N/A	-	(97)
Waiver of debt	-	N/A	-	(16)

Note:

- (a) This is the second interim financial report announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding corresponding quarter as there is no interim financial report prepared for the comparative quarter concerned.



SWIFT HAULAGE BERHAD (Registration No. 200001030627 (533234-V))

Interim report on unaudited consolidated results for the financial period ended 31 December 2021

N/A – Not applicable



SWIFT HAULAGE BERHAD (Registration No. 200001030627 (533234-V))

Interim report on unaudited consolidated results for the financial period ended 31 December 2021

Notes to the Interim Financial Report (Cont'd)

20. Taxation

	Quarter ended		Year to date	
	31.12.2021 RM'000	31.12.2020 ^(a) RM'000	31.12.2021 RM'000	31.12.2020 ^(a) RM'000
Income tax current period	4,857	N/A	12,334	12,266
Deferred taxation	(3,612)	N/A	(641)	352
Real property gains tax	523	N/A	739	65
	<u>1,768</u>	<u>N/A</u>	<u>12,432</u>	<u>12,683</u>
(Over)/Under-provision in prior year:				
Income tax	14	N/A	14	146
Deferred tax	(2,942)	N/A	(2,942)	(1,416)
Total income tax expense	<u>(1,160)</u>	<u>N/A</u>	<u>9,504</u>	<u>11,413</u>

Income tax is calculated at the Malaysian statutory tax rate of 24% of the estimated assessable profit for the financial period.

The effective tax rate of the Group for the current and previous corresponding periods were lower than the statutory tax rate of the respective periods mainly due to the qualifying capital expenditure claimed under the Investment Tax Allowance claimed during the financial period.

Note:

- (a) This is the second interim financial report announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding corresponding quarter as there is no interim financial report prepared for the comparative quarter concerned.

N/A – Not applicable

21. Status of Corporate Proposals

The Company launched its IPO and issued its prospectus in relation to the IPO on 30 November 2021 and the Company's Shares were listed on the Main Market of Bursa Malaysia Securities Berhad on 21 December 2021. The IPO involves the offering of 314,142,900 ordinary shares in Swift Haulage Berhad ("IPO Shares") in conjunction with the listing of and quotation for the entire 889,804,502 shares on the Main Market of Bursa Securities comprising a public issue of 157,142,900 new shares ("Issue Shares") and an offer for sale of 157,000,000 existing shares ("Offer Shares") involving:

- i) Institutional offering of 275,209,400 IPO shares to institutional and selected investors, including Bumiputera investors approved by the Ministry of International Trade and Industry at the institutional price determined by way of book building; and
- ii) Retail offering of 38,933,500 Issue Shares to the eligible Directors, employees and person who have contributed to the success of the Group and the Malaysian public, at the retail price of RM1.03 per IPO Share, payable in full upon application.



SWIFT HAULAGE BERHAD (Registration No. 200001030627 (533234-V))

Interim report on unaudited consolidated results for the financial period ended 31 December 2021

Notes to the Interim Financial Report (Cont'd)

22. Utilisation of proceeds from the Public Issue

As at the date of this interim report, the utilisation of proceeds from IPO is as follows:

	Proposed utilisation RM'000	Actual utilisation RM'000	Balance unutilised RM'000	Estimated time frame for utilisation upon Listing
Capital expenditure:				
- Construction of a new warehouse	28,565	13,174	15,391	Within 18 months
- Purchase of land	41,560	41,560	-	Within 18 months
- Purchase of prime movers	12,000	11,408	592	Within 18 months
Repayment of bank borrowings	69,732	69,732	-	Within 6 months
Estimated listing expenses	<u>10,000</u>	<u>9,470</u>	<u>530</u>	Within 3 months
	<u>161,857</u>	<u>145,344</u>	<u>16,513</u>	

The use of proceeds as disclosed above should be read in conjunction with the Company's Prospectus dated 30 November 2021.



SWIFT HAULAGE BERHAD (Registration No. 200001030627 (533234-V))

Interim report on unaudited consolidated results for the financial period ended 31 December 2021

Notes to the Interim Financial Report (Cont'd)

23. Group's Borrowings

The tenure of Group's borrowings, classified as short and long term as well as secured and unsecured, are as follows:

	As at 31.12.2021 RM'000	As at 31.12.2020 RM'000
Current		
Term loan (secured)	24,994	79,676
Unrated Islamic medium term notes (secured)	40,125	6,000
Trade financing (secured)	92,513	18,948
Bank overdrafts (secured)	-	8,181
Revolving credits (secured)	19,519	-
	177,151	112,805
Non-current		
Term loan (secured)	81,721	72,512
Unrated Islamic medium term notes (secured)	316,875	294,000
	398,596	366,512
	As at 31.12.2021 RM'000	As at 31.12.2020 RM'000
Total borrowings		
Term loan (secured)	106,715	152,188
Unrated Islamic medium term notes (secured)	357,000	300,000
Trade financing (secured)	92,513	18,948
Bank overdrafts (secured)	-	8,181
Revolving credits (secured)	19,519	-
	575,747	479,317

The Group's borrowings in Ringgit Malaysia ("RM") equivalent analysed by currency are as follows:

	As at 31.12.2021 RM'000	As at 31.12.2020 RM'000
Ringgit Malaysia	536,054	438,194
United States Dollar	33,335	39,777
Thai Baht	6,358	1,346
	575,747	479,317



SWIFT HAULAGE BERHAD (Registration No. 200001030627 (533234-V))

Interim report on unaudited consolidated results for the financial period ended 31 December 2021

Notes to the Interim Financial Report (Cont'd)

24. Derivatives

Outstanding derivatives as at the date of the consolidated statement of financial position are as follows:

	Notional/Contract Value		Fair value	
	As at 31 December 2021 RM'000	As at 31 December 2020 RM'000	As at 31 December 2021 RM'000	As at 31 December 2020 RM'000
Cross-currency interest rate swap contract				
- 1 year to 3 years	31,375	38,875	1,284	(734)

During the financial year ended 31 December 2018, the Group entered into cross-currency interest rate swap contract to manage exposure to foreign currency and interest rate risks of a term loan of USD15,000,000. There were no changes in the overall risks and policies relating to the outstanding derivatives as disclosed in the Accountants' Report as disclosed in the Prospectus.

25. Fair value information

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1 fair value measurement are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 fair value measurement are those derived from inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
As at 31 December 2021				
Financial assets				
Fair value through profit or loss				
- Derivative financial asset	-	1,284	-	1,284
- Club memberships	-	43	-	43
- Equity securities	1,260	-	38	1,298



SWIFT HAULAGE BERHAD (Registration No. 200001030627 (533234-V))

Interim report on unaudited consolidated results for the financial period ended 31 December 2021

Notes to the Interim Financial Report (Cont'd)

25. Fair value information (Cont'd)

	Level 1	Level 2	Level 3	Total
	RM'000	RM'000	RM'000	RM'000
As at 31 December 2020				
Financial assets				
Fair value through profit or loss				
- Short term fund	2,009	-	-	2,009
- Club memberships	-	43	-	43
- Equity securities	266	-	-	266
	<hr/>	<hr/>	<hr/>	<hr/>
Financial liabilities				
Fair value through profit or loss				
- Derivative financial liability	-	734	-	734
	<hr/>	<hr/>	<hr/>	<hr/>

No transfers between any levels of the fair value hierarchy took place during the current period and the comparative period. There were also no changes in the purpose of any financial instruments that subsequently caused a change in classification of those instruments.

26. Material litigations

There are no material litigation or arbitration which have a material effect on the financial position of the Group. The Board of Directors is not aware of any pending proceedings or of any fact likely to give rise to any proceedings as at the date of this interim financial report.

27. Dividend

The Board of Directors has declared a first interim single tier dividend of 1.8 sen per ordinary share, in respect of the financial year ending 31 December 2021. The dividend will be paid on 24 March 2022 to holders of ordinary shares whose names appear in the Record of Depositors at the close of business on 10 March 2022.



SWIFT HAULAGE BERHAD (Registration No. 200001030627 (533234-V))

Interim report on unaudited consolidated results for the financial period ended 31 December 2021

Notes to the Interim Financial Report (Cont'd)

28. Earnings Per Share ^(a)

	Quarter ended		Year to date	
	31.12.2021 RM'000	31.12.2020 ^(c) RM'000	31.12.2021 RM'000	31.12.2020 RM'000
<u>Basic</u>				
Profit attributable to owners of the Company (RM'000)	15,180	N/A	50,580	41,686
Weighted average number of ordinary shares in issue ('000) ^(b)	756,575	N/A	633,801	437,165
Basic earnings per ordinary share (Sen)	2.01	N/A	7.98	9.54
<u>Diluted</u>				
Profit attributable to owners of the Company (RM'000)	15,180	N/A	50,580	41,686
Weighted average number of ordinary shares in issue ('000) ^(b)	756,575	N/A	633,801	732,662
Diluted earnings per ordinary share (Sen)	2.01	N/A	7.98	5.69

Notes:

- (a) The basic earnings per share ("EPS") is computed based on the profit attributable to owners of the Company for the period divided by the weighted average number of ordinary shares in issue during the financial period under review. Diluted earnings per ordinary share for the financial period is calculated by dividing the profit for the financial period attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial period adjusted for the effects of dilutive potential ordinary shares.
- (b) For comparative purpose, the earnings per share for the period ended 31 December 2020 has been restated to reflect the share split of 6 shares for every 1 existing ordinary shares which was completed on 15 November 2021.
- (c) This is the second interim financial report announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding corresponding quarter as there is no interim financial report prepared for the comparative quarter concerned.

N/A – Not applicable

By Order of the Board of Directors
Company Secretary
24 February 2022