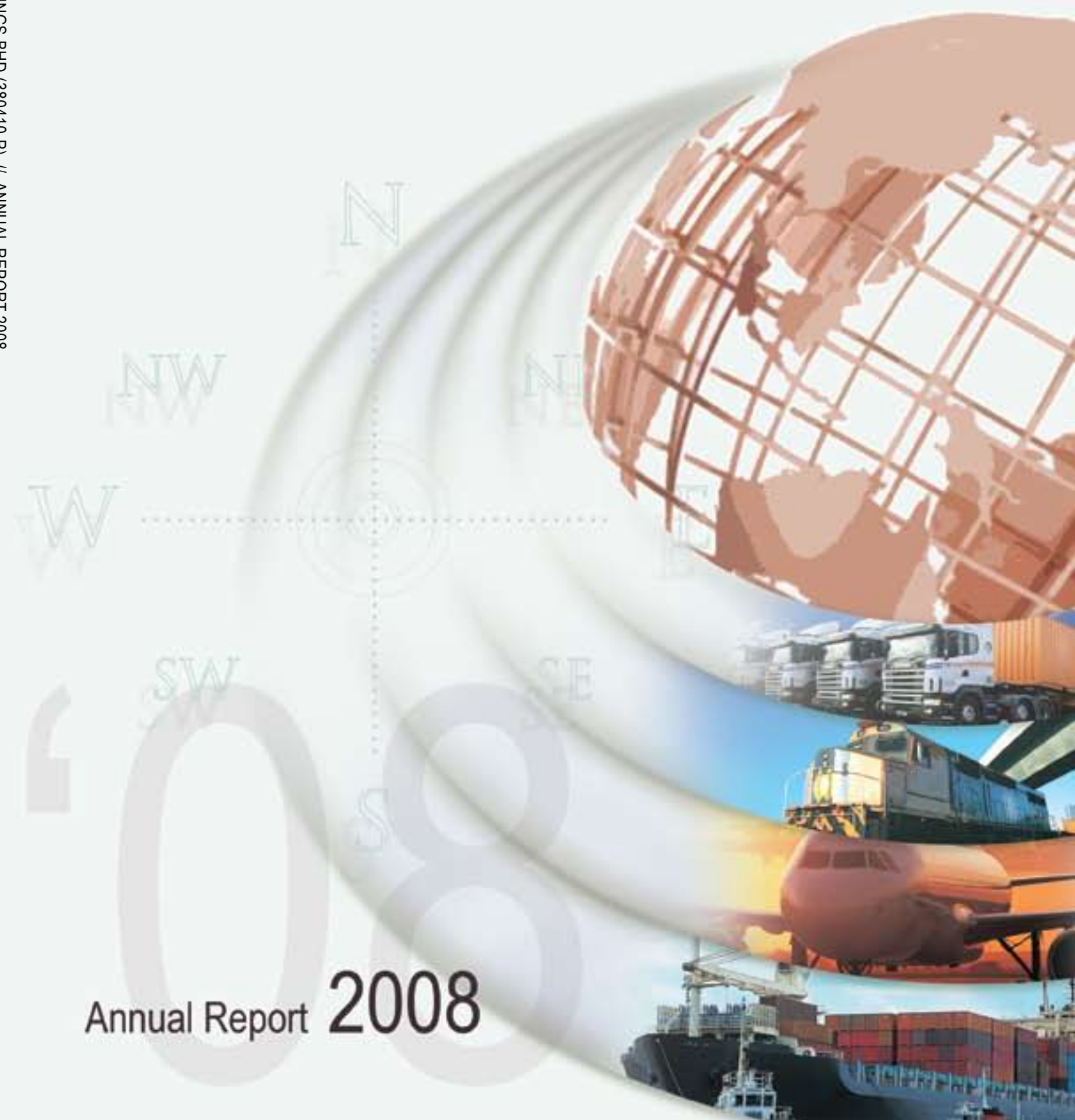


FREIGHT MANAGEMENT HOLDINGS BHD (380410-P) // ANNUAL REPORT 2008



Annual Report 2008

FREIGHT MANAGEMENT HOLDINGS BHD 380410-P

Wisma Freight Management,
Lot 37, Lebuhr Sultan Mohamed 1,
Kawasan Perindustrian Bandar Sultan Suleiman,
42000 Port Klang,
Selangor Darul Ehsan, Malaysia
Tel : 603 3176 1111
Fax : 603 3176 8634
E-mail : gen@fmmalaysia.com.my
Website : www.fmmalaysia.com.my

Financial Highlights

KEY PERFORMANCES & FINANCIAL INDICES OF FMH GROUP

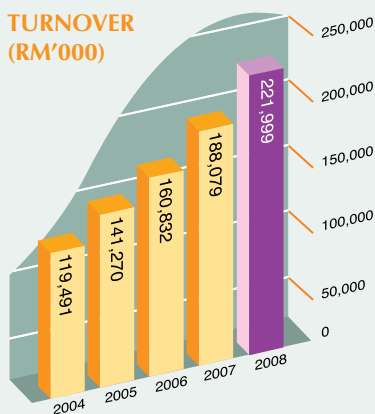
Consolidated Financial Results as at 30 June

INCOME STATEMENT (RM'000)	2004	2005	2006	2007	2008
Turnover	119,491	141,270	160,832	188,079	221,999
PBT	8,166	8,819	11,061	13,691	16,518
PAT after MI	5,819	6,625	7,740	9,688	12,166
Net EPS (sen)	6.83	7.78	9.08	11.37	10.00
Gross Dividend per share (sen)		4.00	4.00	4.00	4.50

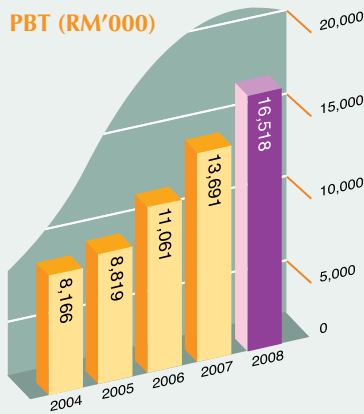
BALANCE SHEET (RM'000)	2005	2006	2007	2008
No. of shares in issue ('000)	85,200	85,200	85,200	121,714
Paid-up Share Capital	42,600	42,600	42,600	60,857
Shareholders' Funds	53,458	58,776	65,700	74,454
NTA per share (RM)	0.63	0.69	0.77	0.61

The table is a summary of proforma consolidated results of Freight Management Group for the past five (5) years, based on the audited financial statements of FMH and its subsidiaries prepared on the assumptions that the current structure of the Group has been in existence throughout the five (5) financial years ended 30 June 2004 to 30 June 2008.

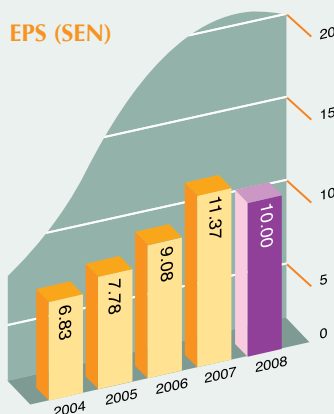
**TURNOVER
(RM'000)**



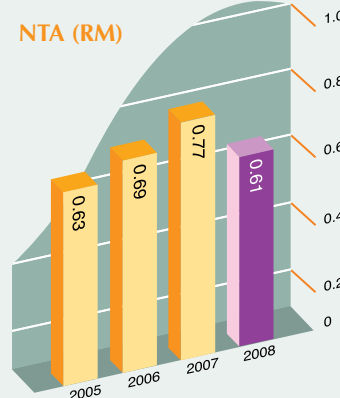
PBT (RM'000)



EPS (SEN)



NTA (RM)



REVENUE ANALYSIS (RM MILLION)

CONTRIBUTION BY SERVICE TYPE	2004	2005	2006	2007	2008
Seafreight	71.3	88.6	98.3	112.6	133.9
Railfreight	18.9	18.0	17.1	15.4	11.3
Airfreight	14.1	18.3	20.8	19.5	21.2
Tug & Barge	-	-	5.8	17.5	22.7
Warehouse & Distribution	5.8	6.6	6.2	5.6	8.5
Customs Brokerage	9.4	9.8	12.6	17.5	22.3
Haulage	-	-	-	-	2.1
TOTAL	119.5	141.3	160.8	188.1	222.0

FREIGHT REVENUE ANALYSIS

Import	32.2	37.9	49.4	47.1	52.0
Export	72.1	86.9	86.8	100.4	114.4
	104.3	124.8	136.2	147.5	166.4

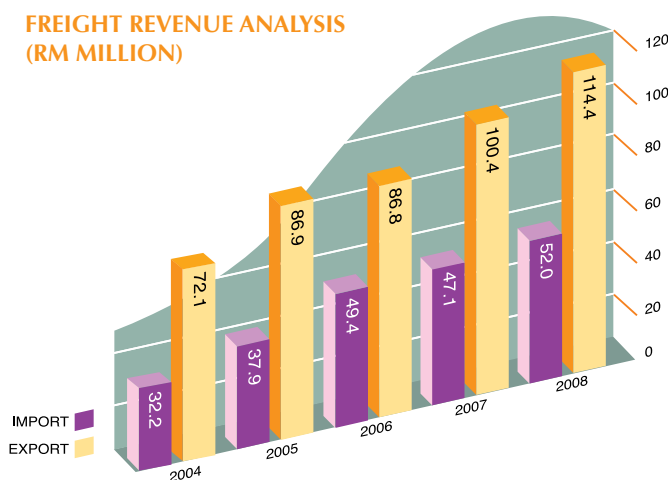
The above information includes Seafreight, Airfreight and Railfreight services

REVENUE BY CONTAINER MODE

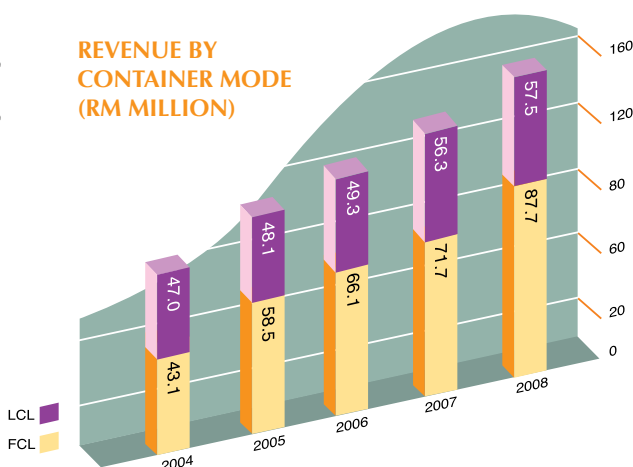
FCL	43.1	58.5	66.1	71.7	87.7
LCL	47.0	48.1	49.3	56.3	57.5
	90.1	106.6	115.4	128.0	145.2

This mode covers Seafreight and Railfreight services

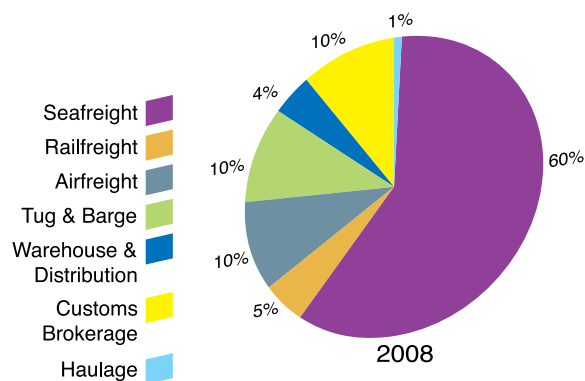
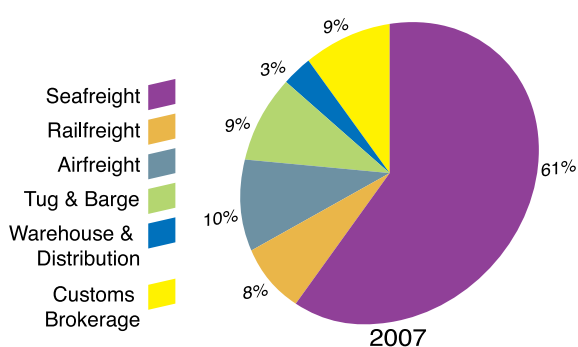
FREIGHT REVENUE ANALYSIS (RM MILLION)



REVENUE BY CONTAINER MODE (RM MILLION)



REVENUE CONTRIBUTION BY SERVICE TYPE





FREIGHT MANAGEMENT HOLDINGS BHD 380410-P

Services Offered by the Group

Freight Management Group of Companies is a leading international freight services provider based in Malaysia offering multimodal freight services that includes sea, land, air, tug & barge and rail. It differentiates itself from competitors by offering its own-operated freight services thereby minimizing outsourcing and enabling the Group to offer dedicated and reliable freight services to its diverse range of customers.



SEAFREIGHT SERVICES

As a seafreight specialist, the Group offers both export and import freight services for both LCL and FCL shipments. It offers direct LCL consolidation to over 40 major ports of the world. It also offers LCL consolidation to the major ports of Sabah & Sarawak. Its FCL services cover all the major ports of the world.

Through a network of 107 reliable agents covering 127 ports, the Group is able to offer quality and dependable services to its customers to meet their logistic needs. The range of seafreight services include port to port, port to door, and door to door deliveries.



AIRFREIGHT SERVICES

The Group handles both inbound and outbound shipments through Kuala Lumpur International Airport (KLIA) and Penang International Airport. It operates warehouses leased from Malaysian Airline, within the FCZ (Free Commercial Zone) in both KLIA and Penang International (Bayan Lepas) Airport.

The Group is also part of an established worldwide network of airfreight agents with representation in all the major airports in the world. Backed by more than 20 years of experience, the Group is equipped to handle all types of airfreight shipments. These include high value and sensitive shipments (e.g. electronic parts, pharmaceuticals, apparels), hazardous and perishable shipments.



RAILFREIGHT SERVICES

The Group is one of the pioneers in operating the containerized landbridge rail services between Malaysia and Thailand.

The fully chartered train service commenced in 1999, with one run per week. Today it operates four weekly services, accepting both FCL and LCL. The train route is from Port Klang to Lat Krabang, Bangkok with a stopover at Butterworth on its Northbound service and vice versa for its southbound service.

With special agreement obtained from the Royal Malaysian & Royal Thai Customs, no customs formality is required at the border in Padang Besar, thus allowing for clearance at the Port of Discharge, therefore making the process of customs clearance easier and more efficient for both exporters and importers.

FMH owns and operates a fleet of about 800 containers in 20 foot and 40 foot units.

Notes:

"FCL" Full Container Load

"LCL" Less than a Container Load

Services Offered by the Group Contd.

Your Connection to the world



TUG & BARGE SERVICES

The Group, through its subsidiary, TCH Marine Pte Ltd currently operates a fleet of eight pairs of tugs & barges with cargo carrying capacities ranging from 3,500 to 5,000 metric tonnes per barge. It specializes in the movement of dry bulk cargoes between South Thailand, the West Coast of Peninsular Malaysia and Singapore. The cargo includes gypsum, feldspar, limestone, granite aggregate and silica sand. Plans are being put in place to expand the fleet and area of coverage (currently operating within the Straits of Malacca), thereby offering more options to its customers which includes cement plants, gypsum board manufacturers, ceramic and mosaic manufacturers, and construction material trading companies.



WAREHOUSE SERVICES

The Group offers complete warehousing solutions to its customers in its newly built, state-of-the-art warehousing complex in Port Klang.

Measuring about 200,000 sq. ft., the facility has features that include temperature control storage, value added cold room and racking systems. It also offers 30 loading bays with motorized dock levelers and a raised road for conventional trucks to load and discharge. This facility offers both general and bonded storage. The Group also operates 50,000 sq. ft. Container Freight Stations (CFS) in its leased space at Klang Container Terminal (KCT), North Port and the Free Commercial Zone (FCZ) in Penang Port.

Storage space of approximately 7,000 sq ft is also available at the airport complex (MAS Cargo Complex) in KLIA and Penang Airport.



TRANSPORT & CUSTOMS BROKERAGE SERVICES

Transport Services

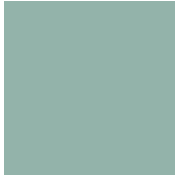
To complement its multimodal services, the Group operates a container haulage and conventional trucking service. The Group has initiated its container haulage service in January 2008, and target to operate the complete fleet of 30 prime movers and 150 trailers by end of 2008. This will enable the Group to offer door to port and port to door solutions for its FCL customers. For its LCL customers and also for non-containerised movements, the Group operates a fleet of more than 20 trucks, of various sizes. The Group also offers both short and long haul inter-state trucking.

Customs Brokerage

The Group, through its subsidiaries, offers customs brokerage at all the major gateways of Port Klang, Penang, Ipoh, Johore, KLIA and Penang Airport. This service enables us to support customers who requires a "One-Stop Solution" of freight, clearance and delivery. The Group has dedicated, experienced and trained staff at all its offices to ensure customs formalities are efficiently attended to. Through the implementation of a new customs brokerage software, we will be able to interface with the Malaysian Customs.



4



Corporate Structure



FREIGHT MANAGEMENT HOLDINGS BHD

380410-P



FREIGHT MANAGEMENT HOLDINGS BHD

PROVISION OF FREIGHT SERVICES

100%
FREIGHT MANAGEMENT
(M) SDN BHD

49%
FM DISTRIBUTION
SDN BHD

100%
FREIGHT MANAGEMENT
(IPOH) SDN BHD

100%
FM - HELLMANN
WORLDWIDE LOGISTICS
SDN BHD

100%
FM WORLDWIDE
LOGISTICS (PENANG)
SDN BHD

100%
ICON LINE (MALAYSIA)
SDN BHD

55%
ICON FREIGHT
SERVICES PTY LTD
Incorporated In Australia

100%
FREIGHT
MANAGEMENT (MELAKA)
SDN BHD

100%
FREIGHT
MANAGEMENT (PENANG)
SDN BHD

100%
CITRA
MULTIMODAL SERVICES
SDN BHD

100%
ADVANCE INTERNATIONAL
FREIGHT SDN BHD

PROVISION OF TUG & BARGE SERVICES

51%
TCH MARINE PTE LTD
Incorporated In Singapore

100%
FM MARINE PTE LTD
Incorporated In Singapore

INVESTMENT HOLDING

100%
PERSPEKTIF GEMILANG SDN BHD

100%
ICON FREIGHT INTERNATIONAL INC
Incorporated In British Virgin Islands

OTHER SERVICES

100%
FREIGHT MANAGEMENT
MSC SDN BHD

• Updated as at 23 October 2008



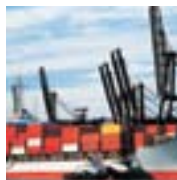
Annual Report 2008

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6



FREIGHT MANAGEMENT HOLDINGS BHD 380410-P

Corporate Information

DIRECTORS

Datuk Dr. Haji Noordin bin Haji Abd. Razak
Chairman/Independent Non-Executive Director

Chew Chong Keat
Group Managing Director

Yang Heng Lam
Executive Director

Gan Siew Yong
Executive Director

Ong Looi Chai
Executive Director

Aaron Sim Kwee Lein
Independent Non-Executive Director

Chua Tiong Hock
Non-Independent Non-Executive Director

Khua Kian Keong
(Alternate director to Chua Tiong Hock)

AUDIT COMMITTEE

Chairman
Datuk Dr. Haji Noordin bin Haji Abd. Razak
Independent Non-Executive Director

Member
Chua Tiong Hock
Non-Independent Non-Executive Director

Aaron Sim Kwee Lein
Independent Non-Executive Director

REMUNERATION & NOMINATION COMMITTEE

Chairman
Datuk Dr. Haji Noordin bin Haji Abd. Razak
Independent Non-Executive Director

Member
Aaron Sim Kwee Lein
Independent Non-Executive Director

COMPANY SECRETARIES

Lim Hooi Mooi (f) (MAICSA 0799764)
Tan Enk Purn (MAICSA 7045521)

REGISTERED OFFICE

Level 18, The Gardens North Tower, Mid Valley City,
Lingkaran Syed Putra, 59200 Kuala Lumpur.
Tel: +603 2264 8888
Fax: +603 2282 2733
Email: amskl@po.jaring.my

HEAD / MANAGEMENT OFFICE

Freight Management Holdings Bhd (380410-P)
Wisma Freight Management,
Lot 37, Lebuhr Sultan Mohamed 1,
Kawasan Perindustrian Bandar Sultan Suleiman,
42000 Port Klang, Selangor, Malaysia.
Tel : +603 3176 1111
Fax : +603 3176 8634
Email : gen@fmmalaysia.com.my
Website : www.fmmalaysia.com.my

PRINCIPAL BANKERS

EON Bank Berhad
HSBC Bank Malaysia Bhd
OCBC Bank (Malaysia) Bhd
United Overseas Bank (Malaysia) Bhd

AUDITORS

BDO Binder
(Firm No.: AF 0206)
Chartered Accountants

SOLICITORS

Wong Lu Peen & Tunku Alina
Advocate & Solicitor

REGISTRAR

Symphony Share Registrars Sdn Bhd
Level 26, Menara Multi-Purpose, Capital Square,
No 8, Jalan Munshi Abdullah, 50100 Kuala Lumpur.
Tel : +603 2721 2222
Fax : +603 2721 2530

STOCK EXCHANGE LISTING

MAIN BOARD
BURSA MALAYSIA SECURITIES BERHAD
Stock Code : FREIGHT
Stock No. : 7210
Listed on 2nd Board on 3 February 2005
Transferred to Main Board on 19 December 2007

Directors' Profile



**Datuk Dr. Haji Noordin
bin Haji Abd. Razak**
Aged 63, Malaysian
Independent Non-
Executive Chairman

Appointed on 22 July 2004, he is also the Chairman of the Audit Committee, Remuneration Committee and Nomination Committee.

He obtained his degree in Bachelor of Arts in Sociology and Master of Arts in Sociology from the University of Malaya in 1971 and 1989 respectively. He later obtained his Doctor of Philosophy ("PhD") from the Pacific Western University of USA in 1991. He is a fellow member of the British Institute of Management and a member of the Institute Management Consultant Malaysia. He is also a fellow member of the Institute Sultan Iskandar of Urban Habitat and Highrise.

He commenced his career as an Education Officer with the Ministry of Education in 1965. In 1972, he left the Ministry of Education to join the City Hall of Kuala Lumpur as Assistant Secretary. He was promoted to the position of Director General of City Hall of Kuala Lumpur in 1989 and assumed the post until his retirement in 2000. Besides contributing to more than 27 years in the socio-economic development, strategic planning and development of Kuala Lumpur, he also served in the Board of Directors of Urban Development Agency, PGK Sdn Bhd, Stadium Negara and Badan Seni Lukis Negara between 1988 and 2000.

He is presently involved primarily in non-governmental organisations, where he is the Chairman of various organisations such as University Malaya Alumni Association, Institut Pemikiran Kreatif Malaysia (INSPEK) and Malaysian Red Crescent of Kuala Lumpur. He sits as chairman of Yayasan PEMADAM and is a member of the Institute of Islamic Understanding Malaysia (IKIM).



Chew Chong Keat
Aged 47, Malaysian
Group Managing
Director

Mr Chew joined the Board on 20 March 1996 and is the Managing Director of the Group. He is one of the co-founders of the Group and serves on the board of all subsidiary and associated companies of the Group. He is principally responsible for managing the Group's business and corporate affairs. With more than 20 years of experience in the provision of freight and logistics services, he is also the key person in setting directions for the Group business strategies.

In 1984, he graduated from the University of Manchester, United Kingdom with a Bachelor degree in Economics. He also holds a Diploma in Business Education Council National and Diploma of Competence in Freight Forwarding from the International Federation of Freight Forwarders ("FIATA").



FREIGHT MANAGEMENT HOLDINGS BHD 380410-P

Directors' Profile Contd.



Gan Siew Yong
Aged 46, Malaysian
Executive Director

Ms Gan joined the Board on 20 March 1996 as Executive Director. She also serves on the board of several subsidiary companies of the Group.

In 1988, she joined Freight Management (M) Sdn Bhd as the Customers Service Manager. She is principally responsible for the export related services of the Group and is actively involved in rates negotiation and securing container space with the shipping lines. Equipped with more than 20 years experience, and together with the strong support from her team, she has been instrumental in the establishment of the Group's LCL consolidation business which has direct links to other independent agents located at various ports worldwide.



Aaron Sim Kwee Lein
Aged 42, Malaysian
Independent Non-
Executive Director

Mr Sim was appointed to the Board on 3 December 2004. He is a Fellow member of the Chartered Association of Certified Accountants (UK), a Chartered Accountant of the Malaysian Institute of Accountant, a member of CPA Australia and a Chartered Member of the Institute of Internal Auditors Malaysia. He is a member of FMH's Audit Committee, Remuneration Committee and Nomination Committee.

He commenced his career with an international accounting firm and gained professional exposure in stock-broking, trading, manufacturing and construction concerns. Thereafter, he joined a listed company on the Main Board of Bursa Securities, as an Internal Auditor where he was engaged in audit work of stock-broking, manufacturing, retail and distribution concerns. In addition, he was also involved in due diligence, operational rationalisation and strategic planning work of corporate acquisitions. Subsequently, he was the Finance & Administrative Manager in food retail franchise chain companies before becoming the Deputy General Manager of Corporate Strategies and Affairs of a glove manufacturing company. He is currently the Principal Consultant with Omni Biz Consulting, offering business and financial advisory services. Mr Sim also serves on the board of Excel Force MSC Berhad.



Yang Heng Lam
Aged 45, Malaysian
Executive Director



Mr Yang joined the Board on 20 March 1996 and also serves on the board of all subsidiary and associated companies of the Group. He is principally responsible for business development and operations of the Group, which includes exploring overseas market and overseeing the development of marketing and promotional strategies.

He has about 20 years experience in freight and logistics industry and has been instrumental in securing and maintaining major customers for the Group. His other responsibilities include nurturing and expanding the supporting services, such as customs brokerage, warehousing and distribution of the Group.



Directors' Profile Contd.



Ong Looi Chai
Aged 40, Malaysian
Executive Director

Mr Ong was appointed on 1 June 2006. He is also an executive director of Freight Management (Penang) Sdn Bhd (FMP), a fully owned subsidiary of the Group. He is responsible for the overall business and development of the northern region of West Malaysia.

Having joined Freight Management in 1989, he was attached to the Port Klang headquarter. In 1995, he took up the position of Branch Manager of FMP and has been instrumental in the growth and development of the Penang subsidiary since.



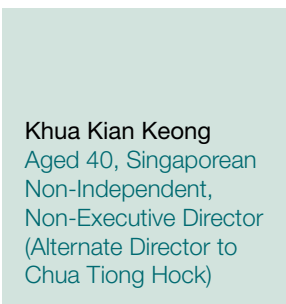
Chua Tiong Hock
Aged 55, Singaporean
Non-Independent,
Non-Executive Director

Mr Chua was appointed to the Board as a Director on 30 July 2007.

Mr Chua is also an Executive Director of Freight Links Express Holdings Limited, Singapore, a substantial shareholder of Freight Management Holdings Bhd.

He has wide-ranging experience in logistics, operations management and corporate development with various MNCs and local companies.

Mr Chua obtained his Bachelor of Arts degree from the former University of Singapore. He also holds a Graduate Diploma in Business Administration from the National University of Singapore and a Graduate Diploma in Personnel Management from the Singapore Institute of Personnel Management.



Khua Kian Keong
Aged 40, Singaporean
Non-Independent,
Non-Executive Director
(Alternate Director to
Chua Tiong Hock)



Mr Khua was appointed as Alternate Director to Mr Chua Tiong Hock on 30 July 2007.

He is the Chief Executive Officer of Freight Links Express Holdings Limited, Singapore, a substantial shareholder of Freight Management Holdings Bhd.

He obtained his Bachelor of Science in Electrical Engineering and graduated cum laude from University of the Pacific, USA in 1987.

He is the Vice-President of Singapore Metal and Machinery Association, and a Vice-President of Nanyang Kuah Si Association. He is a member of youth sub-committee of Singapore Ann Kway Association. He also serves as Vice-President of Pei Tong Primary School advisory committee.

ADDITIONAL INFORMATION

FAMILY RELATIONSHIPS

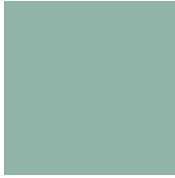
Gan Siew Yong is the spouse of Chew Chong Keat

DIRECTORSHIP OF PUBLIC COMPANIES

Save as disclosed above, none of the Directors has any directorship in other public listed companies

CONVICTIONS

None of the Directors has been convicted of offence within the past 10 years, Traffic offences not included.



FREIGHT MANAGEMENT HOLDINGS BHD 380410-P

Chairman's Statement



Dear Shareholders,

On behalf of the board of Freight Management Holdings Bhd ("FMH" or "the Company"), I have the pleasure of presenting to you the Annual Report and audited financial statements of the Company and its subsidiaries ("the Group") for the financial year ended 30 June 2008

Datuk Dr. Haji Noordin bin Haji Abd. Razak
(Chairman/Independent Non-Executive Director)

REVIEW OF OPERATIONS AND FINANCIAL RESULTS

The Group achieved another year of strong performance, with broad-based growth in most segments of its services. The Group's revenue grew by RM34.0 million or 18.0% from RM188.1 million to RM222.0 million. The growth was attributed primarily from seafreight services, tug and barge services and other services which reported an increase of RM21.3 million, RM5.2 million and RM7.5 million respectively.

Freight services continued to be the main contributor of the Group, posting 85% of the Group's total revenue with seafreight services contributing approximately 60%, railfreight services about 5%, airfreight 10% and tug and barge 10%. With the commissioning of the Group's internal haulage services



Chairman's Statement Contd.

for our customers in January 2008, the Group is glad to have a complete suite of services to meet all our customers' logistic requirements internally.

Of the total 30 'A' permits for haulage services approved, the Group, as of 30 June 2008 has acquired 16 units of prime movers, with the remaining 14 units expected to be delivered before the end of year 2008. Within the few months of operations, I am happy to report that this division had contributed

positively to the Group's performance.

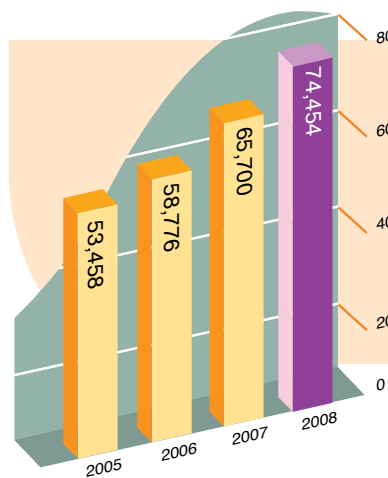
The Group achieved a profit before tax ("PBT") growth of 20.6% for FY08, an increase of RM2.8 million from RM13.7 million in FY07. The Group's PBT margin improved from 7.3% in FY07 to 7.5% in FY08. Consequently, the Group's Profit after Tax ("PAT") increased to RM12.2 million in FY08 from RM9.7 million in FY07. This increased the basic earnings per share to 10.0 sen in FY08 compared with 8.0 sen in FY07, after adjusting

for the increase in share capital from RM42.6 million to RM60.9 million.

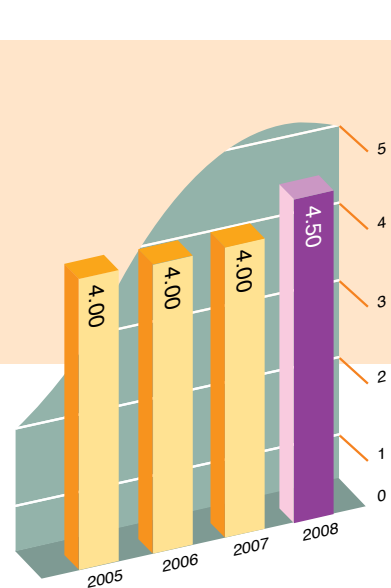
Once again, our performance surpassed the expected internal growth target of 12% to 15%, in spite of the economic challenges during the financial year. We credit this to the good business acumen and a robust business model which the Group has built.



**SHAREHOLDERS' FUNDS
(RM'000)**



**GROSS DIVIDEND PER SHARE
(SEN)**





FREIGHT MANAGEMENT HOLDINGS BHD 380410-P

Chairman's Statement Contd.

CORPORATE DEVELOPMENT

The Board is pleased that the Company had, on 19 December 2007, been transferred to the Main Board with the completion of the 3 for 7 bonus issue that brought its paid up share capital to RM60,857,143. However, due to the unfavourable market conditions, the proposed placement of up to 10% of FMH's enlarged paid up share capital after the proposed bonus issue for working capital purposes was deferred. On 24 September 2008, we applied to the Securities Commission for an extension of time to implement the private placement. The Company has yet to receive approval from the Securities Commission.

In our efforts to further develop the Group's information technology platform for logistic solutions, on 21 November 2007, a subsidiary of the Group, Freight Management MSC Sdn Bhd was accorded the MSC status by Multimedia Development Corporation Sdn Bhd.

Also noteworthy to mention is that Freight Management (M) Sdn Bhd, a subsidiary of FMH was accorded an investment tax incentive under the Integrated Logistic Services (ILS2) by Malaysian Industrial Development Authority vide its letter dated 10 July 2008. This incentive is granted for a 5 years period and is expected to result in a significant tax savings for the Group.

The Group, through its subsidiary Icon Line (Malaysia) Sdn Bhd has also initiated its foray into the Indonesian market and had on 19 June 2008 entered into a joint venture arrangement with Ms Juliana Eddy, Mr Herman and Mr Eddy Chuwardi from Indonesia to provide integrated freight and logistic services under the entity, PT Icon Freight Indonesia.



Chairman's Statement Contd.

DIVIDENDS

In line with the Group's policy of rewarding shareholders, the Board of Directors has recommended a final gross dividend of 2.5 sen per ordinary share subject to shareholders' approval during the forthcoming Annual General Meeting on 25th November 2008.

This is in addition to the interim dividend of 2.0 sen per share declared by the Board and paid during the year. This would aggregate the full-year's gross dividend to 4.5 sen per share.

OUTLOOK AND PROSPECTS

Moving ahead, the Group would undertake a two-pronged growth plans, focusing on organic expansion locally and replicating FMH's business model overseas. These plans would further help to consolidate the Group's multi-faceted logistic services and provide growth opportunities in other emerging markets.

Freight services will continue to be the core business driver of the Group and is envisaged to remain its focus. The Group will continue to be aggressive in expanding its customer base, seek new independent agents and to expand its network coverage globally. The growth in volume is expected to generate complementary business for its supporting services. The Group envisaged that all suite of services will generate growth, except for the railfreight services which will remain relatively flat.

In an effort to recoup the 'loss' volume from the railfreight services, the Group intends to launch its cross-border LCL/FCL service by trucks between Malaysia and Thailand. This service will be packaged attractively to customers who will benefit from the fast transit

and hassle free customs clearance at the border. This service will be another extension of FMH's multi-modal suite of services.

The Group has embarked on its expansion plan in the ASEAN region with its first foray into Indonesia. The Group intends to start with five branches, namely Jakarta, Surabaya, Cikarang, Belawan and Bandung. With the approval for foreign investment ('PMA') granted by the Capital Investment Coordinating Board, Indonesia on 18 September 2008, the operations in Indonesia is expected to step up once Icon Line (M) Sdn Bhd has fully subscribed to the 49% shares in PT Icon Freight Indonesia. Essentially, the business model will be replicated from the Malaysian model, focusing primarily on seafreight services.

In summary, the Group is confident of charting continuous growth in the coming years, and strengthening and expanding the freight services. We will maintain our growth projections of 12% to 15% for next year, but are cautious over the current global financial crisis that could affect import and export volume. However, the management is always working hard to exceed the targets set as in prior years.

ACKNOWLEDGEMENT

The Board of Directors of FMH would like to record our gratitude to our customers and business associates, the regulatory authorities, investors and shareholders for their continuing support, which has enabled the Group to achieve another successful year.

We would also like to thank the management and staff for their continued dedication, resourcefulness, contribution, commitment and unwavering loyalty towards the Group.





FREIGHT MANAGEMENT HOLDINGS BHD 380410-P

Corporate Social Responsibility

The Group is committed towards good corporate social responsibility practices in the community, workplace and environment.

THE COMMUNITY

The Group has been giving its support to the under-privileged and the needy children by contributing funds to various charitable organisations. During the year, we have donated RM7,000 to Shepherd's Centre Foundation.

THE WORKPLACE

The Group recognizes that human capital is an important asset to the organisation. Employees were provided with adequate medical benefits including hospitalisation and personal accident insurances. This year, the Group paid a token subsidy monthly to each employee to help cushion the impact of rising costs as a result of fuel price increase. In addition to this, a total of 50 employees received their 10 years long-service award in recognition of employees' loyalty and commitment.



As part of our human capital developments, the Group arranged training programs, both in-house and also those conducted externally. The training focus is on job related and management development programs.

Through the Sports Club, other non-work related activities were carried out to foster good working relationship and to build strong team spirit among the employees. There were regular birthday meals organised for all employees, annual dinner and festive celebrations. Annual staff outing to domestic destinations are also organised to help bridge communication and bonding between the management and the staff.



THE ENVIRONMENT

The Group continues to promote environmental awareness in its workplace. Pollution within the workplace is minimised by using gas powered forklifts and industrial sweepers to minimize dusts in the warehouse.

Employees were requested to use recycled papers. As part of the Group's effort to reduce wastage on use of utilities, employees were encouraged to switch off power during breaks.

Audit Committee Report

FORMATION

The Audit Committee was formed by the Board of Directors on 3 December 2004.

MEMBERS

The Audit Committee consists of the following members during the financial year: -

Chairman: Datuk Dr Hj Noordin Bin Hj Abd. Razak
(Independent Non-Executive Director)

Members: Aaron Sim Kwee Lein
(Independent Non-Executive Director)

Chua Tiong Hock
(Non-Independent Non-Executive Director)

MEETINGS AND ATTENDANCE

The Audit Committee held five meetings during the financial year. The attendance of the Committee members is as follows: -

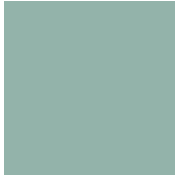
Name of Audit Committee Member	Total meetings attended	Percentage of attendance (%)
Datuk Dr Hj Noordin Bin Hj Abd. Razak	5/5	100
Aaron Sim Kwee Lein	5/5	100
Chua Tiong Hock (Appointed on 9.10.2007)	3/4	75
Yang Heng Lam (Resigned on 9.10.2007)	1/1	100

The Audit Committee meetings were attended by the Committee members and Senior Management. The Managing Director and Executive Directors were also present at certain meetings as invitees. The Company Secretary acted as Secretary at the meetings to record and maintains minutes for the proceedings of the meetings.

TERMS OF REFERENCE

1.0 Composition of the Audit Committee

- 1.1 The Audit Committee shall comprise at least 3 directors.
- 1.2 Alternate director shall not be appointed as members of the Audit Committee.
- 1.3 Majority of the Audit Committee shall be independent directors.
- 1.4 All members of the audit committee must be non-executive directors.



Audit Committee Report Contd.

- 1.5 All members of the Audit Committee should be financially literate and at least one member of the audit committee:-
- i) must be a member of the Malaysian Institute of Accountants; or
 - ii) if he is not a member of the Malaysian Institute of Accountants, he must have at least 3 years' working experience and:-
 - (aa) he must have passed the examinations specified in Part I of the 1st Schedule of the Accountants Act 1967; or
 - (bb) he must be a member of one of the associations of accountants specified in Part II of the 1st Schedule of the Accountants Act, 1967; or
 - iii) fulfils such other requirements as prescribed or approved by the Exchange.
- 1.6 Members of the Audit Committee shall elect a Chairman from among their members who shall be an independent director.

2.0 DUTIES OF THE AUDIT COMMITTEE

The duties of the Audit Committee shall include the following:-

To review the following and report the same to the Board of Directors;

- 2.1 To consider the appointment of the external auditor, the audit fee and any question of resignation or dismissal;
- 2.2 To discuss with the external auditor before the audit commences, the nature and scope of the audit, and ensure co-ordination where more than one audit firm is involved;
- 2.3 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.
- 2.4 To discuss problems and reservations arising from the interim and final audits, and any matter the auditor may wish to discuss (in the absence of management where necessary);
- 2.5 To review the external auditor's management letter and management's responses;
- 2.6 To do the following, in relation to the internal audit function:-
 - 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;
 - Review any appraisal or assessment of the performance of members of the internal audit function;
 - Approve any appointment or termination of senior staff members of the internal audit function;
 - Take cognizance of resignations of internal audit staff members and provide the resigning staff member an opportunity to submit his reasons for resigning.

Audit Committee Report Contd.

- 2.7 To consider any related-party transactions that may arise within the company or group;
- 2.8 To consider the major findings of internal investigations and management's response;
- 2.9 To consider other topics as defined by the Board;
- 2.10 Review and verify the allocation of options under the Company's share scheme for employees ("ESOS") to ensure consistent compliance with the criteria as set out in the scheme by the ESOS Committee; and
- 2.11 Report promptly to Bursa Malaysia Securities Berhad on any matter the Audit Committee had reported to the Board of Directors, which was not satisfactorily resolved and/or resulted in a breach of the Listing Requirement of Bursa Malaysia Securities Berhad.

3.0 Rights of the Audit Committee

For the performance of its duties, the Audit Committee shall:-

- (a) have authority to investigate any matter within its terms of reference;
- (b) have the resources which are required to perform its duties and full access to information;
- (c) have direct communication channels with the external auditors and the persons carrying out the internal audit function;
- (d) be able to obtain external/independent professional or other advice at a cost to be approved by the Board of Directors and to invite outsiders with relevant experience to attend, if necessary;
- (e) be able to convene meetings with the external auditors, the internal auditors or both, excluding the attendance of other directors and employees of the listed issuer whenever deemed necessary.

4.0 Procedure of the Audit Committee

The Audit Committee shall regulate its own procedures as follows:-

- 4.1 the Audit Committee shall hold at least 4 meetings each financial year with due notice of issues to be discussed, and should record its conclusions in discharging its duties and responsibilities;
- 4.2 the finance director, the head of internal audit and a representative of the external auditors should normally attend meetings. Other board members may attend meetings upon the invitation of the Audit Committee. However, the committee should meet with the external auditors without executive board members present at least twice a year.
- 4.3 a member of the Audit Committee may at any time summon a meeting of the Audit Committee;
- 4.4 Notice calling for a meeting of the Audit Committee shall be given to all its members at least 7 Days before the meeting or at shorter notice as the Audit Committee shall determine;
- 4.5 The Chairman of the Audit Committee should engage on a continuous basis with senior management, such as the chairman, the chief executive officer, the finance director, the head of internal audit and the external auditors in order to be kept informed of matters affecting the Company.



Audit Committee Report Contd.

- 4.6 The quorum necessary for the transaction of business at an Audit Committee meeting shall be two, the majority of members present must be independent directors;
- 4.7 Questions arising at any Audit Committee meeting shall be decided by the majority votes of its members present. In case of an equality of votes, the chairman of the meeting shall have a second or casting vote;
- 4.8 Minutes of each Audit Committee meeting shall be kept by the Secretary of the Audit Committee;
- 4.9 The Company Secretary shall be the Secretary of the Audit Committee and the Secretary's duties amongst others shall include:
- (a) the custody, production and availability of inspection of such minutes;
 - (b) the maintenance of particulars required for the preparation of the Audit Committee Report.

5.0 Internal Audit

- The internal audit function which is established should be independent of the activities it audits.
- Must reports directly to the audit committee.

SUMMARY OF ACTIVITIES

During the financial year, the activities of the Audit Committee include the following:-

- reviewed the audited financial statements for the financial year ended 30 June 2008 before recommending them for the Board of Directors' approval;
- adopted the proposed schedule of Audit Committee meetings during the financial year ended 30 June 2008;
- reviewed the quarterly unaudited financial results before recommending them for the Board's approval;
- reviewed all recurrent related party transactions entered into by the Group during the same financial quarters as above;
- reviewed the audit reports prepared by the Internal Auditors, considered their material findings and assess the Management's responses and actions thereto;
- reviewed and discussed with the external auditors the nature and scope of their audit plan for the financial year ended 30 June 2008 before the commencement of audit, and
- reviewed the Company's compliance in the particular year's financial statement with the listing requirements of Bursa Securities, FRS and other relevant legal regulatory requirements.

INTERNAL AUDIT FUNCTION AND SUMMARY OF ACTIVITIES

The internal audit function for the Group has been outsourced to an external consultant who has performed an independent review of the Group's various departments during the financial year.

The Internal Auditors of the Group reports directly to the Audit Committee and assists the Board in monitoring and managing risks and internal control system. The Audit Committee approves the internal audit plan and the scope of Internal Audit covering the relevant departments within the Group from time to time.

The Board is of the view that there is no significant breakdown or weaknesses in the systems of internal controls of the Group that may result in material losses incurred by the Group for the financial year ended 30 June 2008.

Statement on Corporate Governance

The Board of Directors ("the Board") of Freight Management Holdings Bhd ("FMH") is committed to ensure that the highest standards of corporate governance are practised throughout the Group as a fundamental part of discharging its responsibilities to enhance shareholders' value and the financial performance of the Group.

The Board is pleased to report on how the Group has applied the principles and best practices for corporate governance mentioned in the Malaysian Code of Corporate Governance ("the Code").

1. THE BOARD OF DIRECTORS

Board Responsibilities

The Group acknowledges the important role played by the Board in the stewardship of its direction and operations, and ultimately enhancement of long-term shareholder value. To fulfil this role, the Board is responsible for the overall corporate governance of the Group, including its strategic direction and overall well-being. The Board is normally involved in matters concerning the Group strategy and direction, acquisition and divestment policy, approval of capital expenditure, consideration of significant financial matters and the review of financial and operating performance of the Group.

Board Composition and Balance

The Board currently consists of seven (7) Directors as listed below:-

- One (1) Chairman /Independent Non-Executive Director
- One (1) Independent Non-Executive Director
- Four (4) Executive Directors
- One (1) Non-Independent Non-Executive Director

The Board is of the opinion that the current composition of the Board fairly reflects the investment of minority shareholders. The independent directors are individuals of calibre, credibility and have the necessary skills and experiences to provide independent and unbiased view and advice on the strategy, performance, resources and standards of conduct of the Group. In addition, due to active participation of all the Directors, no individual or small group of individuals dominate the Board's decision making process. The profiles of the members of the Board are set out on pages 7 to 9 in this Annual Report.

Board Meeting

The Board meets at least four times a year and has a formal schedule of matters reserved for it. Additional meetings are held as and when necessary. The Board deliberated upon and considered various issues including the Group's financial results, performance of the Group's business, business plan and policies and strategic issues affecting the Group's business.

Details of attendance of the Directors at Board Meetings held during the financial year are as follows:-

	Total Number of Meetings	Number of Meetings Attended
Datuk Dr Hj Noordin Bin Hj Abd. Razak	4	3
Chew Chong Keat	4	4
Yang Heng Lam	4	4
Gan Siew Yong	4	4
Aaron Sim Kwee Lein	4	4
Ong Looi Chai	4	4
Chua Tiong Hock	4	4
Khua Kian Keong (Alternate Director to Chua Tiong Hock)	N/A	N/A



Statement on Corporate Governance Contd.

Supply of Information

Board papers are provided to the Board members in sufficient time prior to a Board meeting to enable the Directors to review and consider the agenda items to be discussed at the Board meeting. The Board reports, among others, include the following:-

- Minutes of meetings of all Committees of the Board
- Quarterly performance report of the Group
- Business plans and budgets
- Updates on statutory regulations and requirements affecting the Group
- Relevant market information for decision making

In addition, there is a schedule of matters reserved specifically for the Board's decision including the approval of the annual company plans, major acquisitions or disposal of a business or assets and changes to management and control structure of the Group, namely, key policies and authority limits.

All Directors have access to the advice and services of the Company Secretary.

Appointment and Re-election of Directors

The Nomination Committee shall nominate or consider candidates nominated for appointment to the Board and Board Committees. The Board shall review and deliberate on the candidates proposed prior to approving the appointment of board member.

Article 109 of the Articles of Association provides that one-third of the Directors shall retire from office at each Annual General Meeting and all Directors shall retire from office at least once every three years but may offer themselves for re-election. This will provide an opportunity for shareholders to renew their mandates. To assist shareholders in their decision, sufficient information such as the personal profile and the meetings attendance of each Director are furnished in the Annual Report.

Directors' Training

All Directors of the Company have attended the Mandatory Accreditation Programme (MAP) to comply with the Bursa Malaysia Listing Requirements. Directors are encouraged and required to attend continuous education programmes and seminars to keep abreast with developments in the market place.

2. BOARD COMMITTEES

The Board has established and delegated certain responsibilities to the Board Committees, namely Audit Committee, Nomination Committee and Remuneration Committee, which operates within defined terms of reference and operating procedures, details of which are set out in this Statement.

Audit Committees

The composition, terms of reference and summary of activities of the Audit Committee are disclosed in the Audit Committee Report on pages 15 to 18 of this Annual Report.



Statement on Corporate Governance Contd.

Nomination Committee

The Nomination Committee ("NC") was established on 24 February 2005 and comprises the following members who are exclusively non-executive independent directors:-

- Datuk Dr Hj Noordin bin Hj Abd. Razak (Chairman of the Committee)
- Aaron Sim Kwee Lein (Member of the Committee)

The NC is empowered by the Board to bring to the Board recommendations on the appointment of new Directors and to review the Board structure, size and composition as well as those of Board Committees.

The duties and functions of the Nomination Committee encompass the following:-

- Recommend to the Board, candidates nominated by shareholders or the Board for directorships to be filled;
- Recommend to the Board, directors to fill seats on board committees;
- Review annually the required skills and experience and other qualities and core competencies non-executive directors should bring to the Board; and
- Assess annually the effectiveness of the Board as a whole and the contribution of each individual director.

The decision on new appointment of directors rests with the Board after considering the recommendation of the Nomination Committee.

During the financial year, the Committee met three (3) times to conduct the annual review on the Directors' core competencies, contribution and effectiveness and to consider the nomination of new Director to the Board.

Remuneration Committee

The Remuneration Committee was established on 24 February 2005 to assist the Board in determining and developing a remuneration policy for Directors. The members of the Remuneration Committee are:-

- Datuk Dr Hj Noordin bin Hj Abd. Razak (Chairman of the Committee)
- Aaron Sim Kwee Lein (Member of the Committee)

The role of the Remuneration Committee, in accordance with its Term of Reference, include:-

- The annual review of the various types of components of remuneration such as fees, allowances, basic salary, bonus and other benefits in kind for directors;
- Ensuring that a transparent and formal procedure is established in the assessment of the level of compensation that would be sufficient to attract and keep good calibre directors;
- Ensuring that the remuneration package is linked to performance, responsibility level and is comparable with market norm.

The Remuneration Committee is authorized by the Board to draw from outside advice as and when necessary in forming its recommendations to the Board on the remuneration of the Executive Directors. The remuneration of the non-executive Directors are determined by the Board as a whole with individual Directors abstaining from deliberation on his remuneration.

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



Statement on Corporate Governance Contd.

Remuneration Committee (continued)

Details of the remuneration packages for the Directors of the Group for the financial year ended 30 June 2008 are as follows:-

	Executive Directors RM	Non-Executive Directors RM
* Fees	180,000	120,000
Salaries & other emoluments	20,000	19,000

* Subject to the approval of shareholders.

The number of Directors of the Company whose income falls within the following bands is set out as follows:-

	Number of Directors	
	Executive	Non-Executive
RM50,000 and below	1	2
RM50,001 to RM100,000	3	1

3. SHAREHOLDERS

The Group communicates with its shareholders and investors primarily through timely release of financial results on a quarterly basis, press release and announcements which gives the shareholders an overview of the Group's performance and operation. The Annual General Meeting (AGM) is the principal forum for dialogue with shareholders who are encouraged to enquire about the Group's activities and prospects.

The Group maintains frequent dialogues with financial analysts and fund managers as a means of maintaining and improving investors relation. A press conference is normally held after the AGM.

Shareholders and members of the public can obtain information on the Company through the Bursa Securities website at www.bursamalaysia.com.

4. ACCOUNTABILITY AND AUDIT

Financial Reporting

In presenting the annual financial statements and the quarterly announcements to shareholders, the Board has taken reasonable steps to ensure the financial statements are true and fair reflection of the Group's position and prospects. This also applies to circulars to shareholders and other documents that are submitted to the authorities and regulators. The Directors' responsibility statement is set out on page 26 of this Annual Report.

Internal Control

Information on the Group's system of internal control is presented in the Statement on Internal Control set out on pages 23 to 24 of this Annual Report.

Relation with Auditors

The role of the Audit Committee in relation to the external auditors is disclosed in the Audit Committee Report set out on pages 15 to 18 of this annual report. The Company maintains a close and transparent relationship with its auditors in seeking professional advice and ensuring compliance with the approved accounting standards in Malaysia.

Statement on Internal Control

The Malaysian Code on Corporate Governance requires listed companies to maintain a sound system of internal control to safeguard shareholders' investments and the Group's assets. The Listing Requirements of Bursa Malaysia Securities Berhad requires Directors of the Board to make a statement about the state of internal control of the listed entity as a Group.

The Board of Directors' Statement on Internal Control set out below has been prepared with reference to Bursa Malaysia Securities Berhad – Statement on Internal Control : Guidance for Directors of Public Listed Companies.

RESPONSIBILITY

The Board acknowledges its overall responsibility for the Group's system of internal control and for reviewing its effectiveness whilst the role of management is to implement the Board's policies on risk and control. It should be noted that due to the inherent limitations in any system of internal control, the system of internal control is designed to manage rather than eliminate all risks that may impede the achievement of the Group's business objectives. Accordingly, in pursuing these objectives, internal controls can only provide reasonable and not absolute assurance against material misstatement or loss.

RISK MANAGEMENT FRAMEWORK

The Board maintains an on-going commitment to strengthen the Group's internal control environment and processes as well as its risk management framework. The Board has engaged a professional service of Internal Auditor to assist the Group in the development of the Group's key risk profile and a risk management framework that is responsive to changes in the business and operating environment. Apart from the above mentioned exercise, the on-going Board and management meeting discuss, deliberate and address risks which are associated with strategic, financial and operational issues as part of the decision making processes. This is the manner adopted by the Group for identifying and managing risks prior to the implementation of a structured risk management framework as mentioned above.

INTERNAL CONTROL MECHANISM

The responsibility to review the adequacy and integrity of the internal control system has been delegated by the Board to the Audit Committee. The Audit Committee, in turn, assess the adequacy and integrity of the internal control system through independent reviews conducted on reports it receives from external auditors, the outsourced internal audit function and the management. As part of the process, the external auditors provide assurance in the form of their annual statutory audit of the financial statements of the Group. Any areas of improvement identified during the course of the statutory audit by the external auditors are being brought to the attention of the Audit Committee through Audit Review Memorandum.

INTERNAL AUDIT FUNCTIONS AND EFFECTIVENESS OF INTERNAL CONTROLS

The outsourced Internal Auditors had reviewed the Group's system of internal controls and had reported the internal audit activities carried within the year to the Audit Committee on a quarterly basis.

Internal Auditors had adopted a risk-based approach in undertaking the internal audits for the Group which involved the establishment of a comprehensive audit plan formulated through a risk assessment process. In doing so, the internal auditor had planned the engagement through conducting necessary consultation sessions with the senior management and staff in order to identify the relevant risks faced by the Group. With the necessary understanding of these risks, it had facilitated the internal auditor to develop comprehensive audit programs in order to identify any lapses in the system of internal controls.

At the same time, the Board had ensured that relevant control measures were implemented so as to address the control weaknesses identified during the course of internal audits and enhance the integrity of the Group's system of internal controls ultimately. This was carried out via necessary consultation with the internal auditor and senior management.

Statement on Internal Control Contd.

Indeed, the Board recognises that the development of good system of internal controls for the Group is a continuous process. Hence, the Board encourages interactive discussions of audit findings through the Audit Committee taking into consideration possible establishment of additional control measures in managing its risks within the Group from time to time.

KEY ELEMENTS OF INTERNAL CONTROL SYSTEM

The key elements of the Group's internal control system are described below:-

- Organisation structure with clearly defined delegation of responsibilities to the Board;
- Regular meetings are held at operational and management levels to identify and resolve business, financial, operational and management issues;
- Three subsidiaries were accredited ISO 9001:2000 certification on quality management system. Documented internal procedures and standard operating procedures have been put in place and surveillance audits are conducted by assessors of the ISO certification bodies on a yearly or biannual basis to ensure that the system is adequately implemented;
- Documented guidelines on operating procedures have been put in place for relevant departments;
- Regular information is provided by the management to the Board on financial performance and key business indicators;
- Monthly monitoring of results by the management through financial reports;
- Regular internal audit visits and other specific assignments, if the need arises, assigned by the Audit Committee and/or the Board who monitors compliance with procedures and assesses the integrity of financial information provided; and
- Audit Committee holds regular meetings with the management on the actions taken on internal control issues, identified through reports prepared by the internal auditors, external auditors and/or the management.

SUMMARY

During the year under review, the Board is not aware of any issues which would result in any material losses, contingencies or uncertainties that would require separate disclosure in this Annual Report. Notwithstanding this, the Board will continue to take adequate measures to strengthen the control environment in which the Group operates. This Statement is made in accordance with the resolution of the Board of Directors dated 23 October 2008.

Additional Compliance Information

1. Utilisation of Proceeds

The Company did not raise any funds from any corporate proposals during the financial year.

2. Share Buyback

The Company did not enter into any share buyback transactions during the financial year ended 30 June 2008.

3. Options, Warrant or Convertible Securities

The Company has not issued any options, warrants or convertible securities during the financial year.

4. American Depositary Receipt ("ADR") or Global Depositary Receipt ("GDR") Programme

The Company did not sponsor any ADR or GDR programme during the financial year.

5. Sanctions and / or Penalties

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

6. Non-Audit Fees

During the financial year, an amount of RM41,800 was paid for professional services rendered in connection with the corporate exercises on transfer to the Main Board of Bursa Malaysia Securities Berhad, a due diligence report and review of internal control statement.

7. Variation in Results

The Group's audited results for the financial year ended 30 June 2008 did not vary by 10% or more from the unaudited results which were announced to Bursa Malaysia Securities Berhad on 26 August 2008.

8. Profit Guarantee

There were no profit guarantees given by the Group during the financial year ended 30 June 2008.

9. Material Contracts

Save as disclosed below, there were no material contracts entered into by the Company and its subsidiaries which involve Directors' or Substantial Shareholders' interests either still subsisting at the end of the financial year ended 30 June 2008.

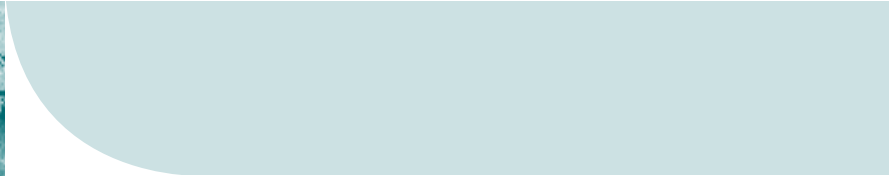
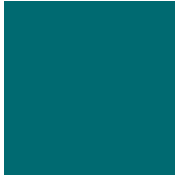
- i. Sale and Purchase Agreement dated 17 November 2006 between FMH and Ng Boon Let, Ng Boon Huat and Ng Boon Pin (collectively, "Purchasers") whereby FMH agreed to sell and the Purchasers agreed to purchase a piece of vacant industrial land held under HS(D) 71692 PT 67124, Mukim Klang, Daerah Klang, Negeri Selangor at a cash consideration of RM2,025,115, upon the terms and subject to the conditions contained in the Agreement.
- ii. On 19 June 2008, Icon Line (Malaysia) Sdn Bhd, a wholly owned subsidiary entered into a Joint Venture arrangement with Ms Juliana Eddy, Mr Herman, and Mr Eddy Chuwardi from Indonesia under the proposed entity, PT. Icon Freight Indonesia. Icon Line (Malaysia) Sdn Bhd received approval from Badan Koordinasi Penanam Modal ("BKPM") on 18 September 2008 for the change of status of PT. Icon Freight Indonesia from a Non Penanaman Modal Asing to a Penanaman Modal Asing ("PMA") Company, with an intended issued and paid-up capital of IRP4,500,000,000.

10. Recurrent Related Party Transactions

All recurrent related party transactions entered into by the Group during the financial year are disclosed in Note 35 of the financial statement in pages 86 to 88 of this annual report.

11. Revaluation Policy

The Group and the Company do not adopt a policy of regular revaluation on its landed properties as such exercises would only be carried out when deemed appropriate by the directors.



Statement on Directors' Responsibilities

The Directors are responsible for ensuring that the financial statements of the Company and Group are drawn up in accordance with the requirements of the applicable approved accounting standards in Malaysia, the provisions of the Companies Act, 1965 and the Listing Requirements of Bursa Malaysia Securities Berhad.

In preparing the financial statements, the Directors have:

- Adopted appropriate accounting policies and applied them consistently;
- Ensured that applicable approved Accounting Standards in Malaysia and the provisions of the Companies Act, 1965 have been followed; and
- Considered the going concern basis used as being appropriate.

The Directors are also responsible for ensuring that proper accounting records are kept which disclose with reasonable accuracy the financial position of the Company and of the Group to enable them to ensure that the financial statements comply with the Companies Act, 1965.

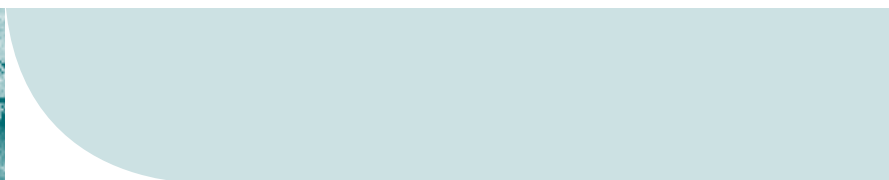
The Directors have general responsibilities for taking such steps as are reasonably open to them to safeguard the assets of the Company and of the Group and to prevent and detect fraud and other irregularities.

This statement is made in accordance with a resolution by the Board of Directors dated 23 October 2008.



financial statements

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FREIGHT MANAGEMENT HOLDINGS BHD 380410-P

Directors' Report

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 30 June 2008.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are disclosed in Note 9 to the financial statements.

There have been no significant changes in the nature of these activities during the financial year, except for the acquisition of a subsidiary as disclosed in Note 9 to the financial statements.

RESULTS

	Group RM	Company RM
Profit for the financial year	13,388,581	3,877,398
Attributable to:		
Equity holders of the Company	12,166,408	3,877,398
Minority interest	1,222,173	-
	13,388,581	3,877,398

DIVIDENDS

Dividends paid since the end of the previous financial year were as follows:

	Company RM
In respect of the financial year ended 30 June 2007:	
Final dividend of 2.0 sen per ordinary share, less tax of 26%, paid on 18 January 2008	1,801,370
In respect of the financial year ended 30 June 2008:	
Interim dividend of 2.0 sen per ordinary share, less tax of 26%, paid on 28 July 2008	1,801,370
	3,602,740

The Directors proposed a final dividend of 2.5 sen per ordinary share, less tax of 25%, amounting to RM2,282,143, in respect of the financial year ended 30 June 2008, subject to the approval of members at the forthcoming Annual General Meeting.

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 financial year, the issued and fully paid-up share capital of the Company was increased from RM42,600,000 to RM60,857,143 by way of the bonus issue of 36,514,286 new ordinary shares of RM0.50 each on the basis of three (3) new ordinary shares for every seven (7) existing ordinary shares held by way of capitalisation of RM3,669,731 from the share premium and RM14,587,412 from retained earnings.

The newly issued shares rank *pari passu* in all respects with the existing shares of the Company. There were no other issues of shares during the financial year.

There were no issues of debentures during the financial year.

OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up unissued shares of the Company during the financial year.

DIRECTORS

The Directors who held office since the date of the last report are:

Datuk Dr. Haji Noordin bin Haji Abd. Razak

Chew Chong Keat

Yang Heng Lam

Gan Siew Yong

Aaron Sim Kwee Lein

Ong Looi Chai

Chua Tiong Hock

Khua Kian Keong (Alternate Director to Chua Tiong Hock)

Directors' Report Contd.

DIRECTORS' INTERESTS

The Directors holding office at the end of the financial year and their beneficial interests in the shares of the Company during the financial year ended 30 June 2008 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 RM0.50 each				Balance as at 30.6.2008
	Balance as at 1.7.2007	Bonus issue	Bought	Sold	
Shares in the Company					
Direct interests					
Chew Chong Keat	23,731,818	10,170,779	-	-	33,902,597
Gan Siew Yong	3,716,782	1,584,860	-	(20,000)	5,281,642
Yang Heng Lam	15,593,222	6,682,809	-	-	22,276,031
Ong Looi Chai	1,000,950	428,978	-	-	1,429,928
Indirect interests					
Khua Kian Keong	17,040,000	7,302,857	-	-	24,342,857
Chua Tiong Hock	17,040,000	7,302,857	-	-	24,342,857
Yang Heng Lam	122,500	52,500	-	-	175,000*

* Interest of spouse by virtue of Section 134 (12) (c) of the Companies Act 1965.

By virtue of Section 6A of the Companies Act 1965, Chew Chong Keat, Yang Heng Lam, Khua Kian Keong and Chua Tiong Hock are deemed to have interests in the shares of all the subsidiaries to the extent the Company has an interest.

Other than as stated above, none of the other Directors holding office at the end of the financial year held any interest in shares of the Company or of its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the Directors have received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the Directors as shown in the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest except for any benefits which may be deemed to have arisen by virtue of the significant related party transactions as disclosed in Note 35 to the financial statements.

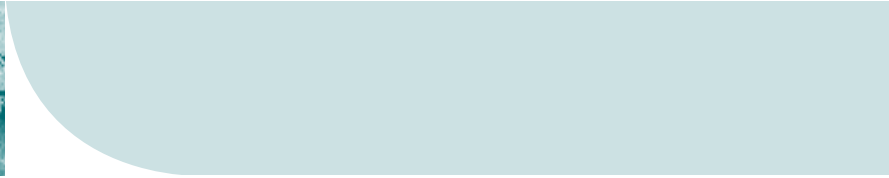
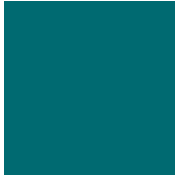
There were no arrangements during and at the end of the financial year, to which the Company is a party, which had the object of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY**(I) AS AT THE END OF THE FINANCIAL YEAR**

- (a) Before the income statements and balance sheets of the Group and of the Company were made out, the Directors took reasonable steps:
 - (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and
 - (ii) to ensure that any current assets other than debts, which were unlikely to realise their book values in the ordinary course of business had been written down to their estimated realisable values.
- (b) In the opinion of the Directors, the results of the 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.

(II) FROM THE END OF THE FINANCIAL YEAR TO THE DATE OF THIS REPORT

- (c) The Directors are not aware of any circumstances:
 - (i) which would render the amounts written off for bad debts or the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any material extent; or
 - (ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; and
 - (iii) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (d) In the opinion of the Directors:
 - (i) there has not arisen any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made; and
 - (ii) 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 will or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due.



FREIGHT MANAGEMENT HOLDINGS BHD 380410-P

Directors' Report Contd.

OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY (CONTD.)

(III) AS AT THE DATE OF THIS REPORT

- (e) There are no charges on the assets of the Group and of the Company which have arisen since the end of the financial year to secure the liabilities of any other person.
- (f) There are no contingent liabilities of the Group and of the Company which have arisen since the end of the financial year.
- (g) The Directors are not aware of any circumstances not otherwise dealt with in the report or financial statements which would render any amount stated in the financial statements of the Group and of the Company misleading.

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

- (a) On 11 September 2007, the Company proposed the following corporate exercises:
 - (i) Bonus issue of 36,514,286 new ordinary shares of RM0.50 each in Freight Management Holdings Bhd. ("FMH") on the basis of three (3) bonus shares for every seven (7) existing ordinary shares of RM0.50 each in FMH. ("Proposed Bonus Issue");
 - (ii) Proposed transfer of the listing of and quotation for the entire enlarged issued and paid-up share capital of FMH from the Second Board to the Main Board of Bursa Malaysia Securities Berhad ("Bursa Malaysia") upon completion of the Proposed Bonus Issue; and
 - (iii) Proposed placement of up to 12,171,428 new FMH Shares ("Placement Shares") representing up to 10% of the enlarged issued and paid-up share capital of FMH after the Proposed Bonus Issue ("Proposed Placement").

On 19 December 2007, the entire issued and paid-up share capital of RM60,857,143 comprising 121,714,286 ordinary shares of RM0.50 each were transferred from the Second Board to the Main Board of Bursa Malaysia pursuant to the Rules of Bursa Malaysia.

On 25 March 2008, the Company applied to Security Commission ("SC") for an extension of time of up to and including 12 October 2008 to implement the Proposed Placement.

On 21 April 2008, SC approved the Company's application for the extension of time up to and including 12 October 2008 to implement the Proposed Placement.

**SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (CONTD.)**

- (b) On 29 November 2007, the Company announced that the application for Multimedia Super Corridor ("MSC") status for its proposed subsidiary, Freight Management MSC Sdn. Bhd. ("FMMS") had been approved by the Approval Committee of Multimedia Development Corporation Sdn. Bhd. ("MDEC").

On 13 December 2007, the Company acquired two (2) ordinary shares of RM1 each comprising the entire issued and paid-up share capital of FMMS, a company incorporated in Malaysia for a cash consideration of RM2. FMMS is engaged in the business of developing, provision and maintaining IT software application solutions.

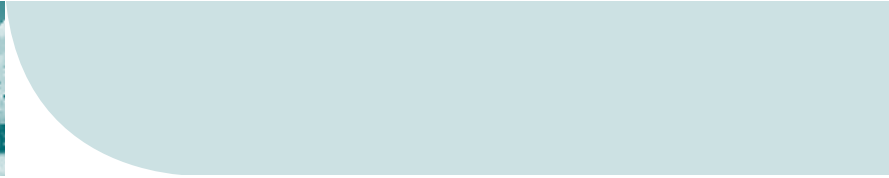
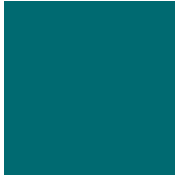
On 11 January 2008, FMMS increased its paid-up capital from RM2 to RM100,000 comprising of 100,000 ordinary shares of RM1 each by the issuance of 99,998 new ordinary shares of RM1 each, which were fully subscribed by FMH for a cash consideration of RM99,998.

- (c) On 19 June 2008, Icon Line (Malaysia) Sdn. Bhd. ("ILSB"), a wholly-owned subsidiary of the Company, entered into a Joint Venture arrangement with three (3) individuals from Indonesia to provide integrated freight and logistic services under the proposed entity, PT. Icon Freight Indonesia.

SIGNIFICANT EVENTS SUBSEQUENT TO THE BALANCE SHEET DATE

- (a) On 30 July 2008, the Company announced that the application by its wholly-owned subsidiary, Freight Management (M) Sdn. Bhd. for Investment Tax Incentives for a period of five (5) years under the Integrated Logistics Services had been approved by Malaysian Industrial Development Authority ("MIDA") via letter dated 10 July 2008.
- (b) On 27 August 2008, the Company incorporated a wholly-owned company limited by shares known as Icon Freight International Inc. ("IFI"), in British Virgin Islands. The authorised share capital of IFI is USD50,000 comprising 50,000 ordinary shares of USD1 each and current paid-up capital is USD100. IFI is currently dormant and its principal activity is intended to be investment holding.
- (c) On 18 September 2008, ILSB received approval from Badan Koordinasi Penanaman Modal ("BKPM") for change of status of PT. Icon Freight Indonesia from a Non Penanaman Modal Asing to a Penanaman Modal Asing ("PMA") Company. The intended issued and paid-up capital of PT. Icon Freight Indonesia on becoming a PMA Company will be IDR4,500,000,000. ILSB has yet to subscribe to the shares of PT. Icon Freight Indonesia.
- (d) On 24 September 2008, the Company proposed a further extension of time for a period of 6 months up to 12 April 2009, to implement the Proposed Placement.

On 17 October 2008, SC approved the Company's application for the extension of time up to and including 12 April 2009, to implement the Proposed Placement.



FREIGHT MANAGEMENT HOLDINGS BHD 380410-P

Directors' Report Contd.

AUDITORS

The auditors, BDO Binder, have expressed their willingness to continue in office.

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

Chew Chong Keat

Director

Port Klang

23 October 2008

Yang Heng Lam

Director

Statement by Directors

In the opinion of the Directors, the financial statements set out on pages 38 to 100 have been drawn up in accordance with applicable approved Financial Reporting Standards and the provisions of 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 30 June 2008 and of their financial performance and cash flows for the financial year then ended.

On behalf of the Board,

Chew Chong Keat

Director

Port Klang

23 October 2008

Yang Heng Lam

Director

Statutory Declaration

I, Chew Chong Keat, being the Director primarily responsible for the financial management of Freight Management Holdings Bhd., do solemnly and sincerely declare that the financial statements set out on pages 38 to 100 are, to the best of my knowledge and belief, 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.

Subscribed and solemnly)	Chew Chong Keat
declared by the abovenamed at)	
Kuala Lumpur this)	
23 October 2008)	

Before me:
PESURUHJAYA SUMPAH
S. IDERAJU
W 451
COMMISSIONER FOR OATHS



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FREIGHT MANAGEMENT HOLDINGS BHD 380410-P

Independent Auditors' Report

To The Members of Freight Management Holdings Bhd. (380410-P)
(Incorporated in Malaysia)

Report on the Financial Statements

We have audited the financial statements of Freight Management Holdings Bhd., which comprise the balance sheets as at 30 June 2008 of the Group and of the Company, and the income statements, statements of changes in equity and cash flow statements of the Group and of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 38 to 100.

Directors' Responsibility for the Financial Statements

The Directors of the Company are responsible for the preparation and fair presentation of these financial statements in accordance with applicable approved Financial Reporting Standards and the provisions of the Companies Act 1965 in Malaysia. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. 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 our judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation and fair presentation of the financial statements 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 Company'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 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 applicable approved Financial Reporting Standards and the provisions of 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 30 June 2008 and of their financial performance and cash flows for the financial year then ended.

Independent Auditors' Report Contd.

Report on Other Legal and Regulatory Requirements

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

- (a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.
- (b) We have considered the financial statements and the auditors' reports of all the subsidiaries of which we have not acted as auditors, which are indicated in Note 9 to the financial statements.
- (c) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purpose of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.
- (d) The audit reports on the financial statements of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

Other Matters

This report is made solely to the members of the Company, 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 to any other person for the content of this report.

BDO Binder

AF : 0206
Chartered Accountants

Kuala Lumpur
23 October 2008

Law Kian Huat

2855/07/10 (J)
Partner

Balance Sheets

As At 30 June 2008

			Group		Company
	Note	2008 RM	2007 RM	2008 RM	2007 RM
ASSETS					
Non-current assets					
Property, plant and equipment	7	59,388,049	44,478,569	-	-
Prepaid lease payments for land	8	11,301,495	11,434,043	-	-
Investments in subsidiaries	9	-	-	35,928,410	35,828,410
Investment in an associate	10	115,293	137,209	-	-
Other investment	11	2,776	2,776	-	-
Amounts owing by subsidiaries	12	-	-	14,495,076	15,031,382
Deferred tax assets	23	78,816	-	-	-
Goodwill on consolidation	13	1,674,226	1,674,226	-	-
		72,560,655	57,726,823	50,423,486	50,859,792
Current assets					
Trade receivables	14	39,561,873	34,710,600	-	-
Other receivables, deposits and prepayments	15	3,515,466	2,367,975	5,670	6,272
Amounts owing by subsidiaries	12	-	-	10,449,436	14,466,686
Amount owing by an associate	16	200,989	441,150	-	-
Current tax asset		1,218,907	1,426,531	683,291	5,445,832
Cash and bank balances	17	18,384,663	15,512,854	7,840,022	6,201,549
		62,881,898	54,459,110	18,978,419	26,120,339
Non-current asset classified as held for sale					
	18	5,266,066	5,266,066	-	-
		68,147,964	59,725,176	18,978,419	26,120,339
TOTAL ASSETS		140,708,619	117,451,999	69,401,905	76,980,131

Balance Sheets
Contd.

	Note	Group 2008 RM	2007 RM	Company 2008 RM	2007 RM
EQUITY AND LIABILITIES					
Equity attributable to equity holders of the Company					
Share capital	19	60,857,143	42,600,000	60,857,143	42,600,000
Reserves	20	13,596,467	23,100,322	4,545,046	22,933,306
		74,453,610	65,700,322	65,402,189	65,533,306
Minority interest		5,944,982	4,396,423	-	-
TOTAL EQUITY		80,398,592	70,096,745	65,402,189	65,533,306
LIABILITIES					
Non-current liabilities					
Hire purchase and lease creditors	21	4,560,907	631,926	-	-
Term loans - secured	22	16,407,279	15,063,162	-	-
Deferred tax liabilities	23	3,021,600	2,797,800	-	4,900,000
		23,989,786	18,492,888	-	4,900,000
Current liabilities					
Trade payables	24	12,893,099	14,474,615	-	-
Other payables and accruals	25	10,200,716	5,702,049	471,158	365,968
Amounts owing to subsidiaries	12	-	-	1,727,188	4,752,905
Hire purchase and lease creditors	21	1,422,124	409,966	-	-
Term loans - secured	22	3,138,130	1,624,088	-	-
Bankers' acceptances - secured	26	2,236,622	1,257,292	-	-
Revolving credit - secured	27	1,500,000	-	-	-
Bank overdrafts - secured	28	2,510,646	3,293,390	-	-
Dividends payable		1,801,370	1,427,952	1,801,370	1,427,952
Current tax payable		617,534	673,014	-	-
		36,320,241	28,862,366	3,999,716	6,546,825
TOTAL LIABILITIES		60,310,027	47,355,254	3,999,716	11,446,825
TOTAL EQUITY AND LIABILITIES		140,708,619	117,451,999	69,401,905	76,980,131

The accompanying notes form an integral part of the financial statements.



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FREIGHT MANAGEMENT HOLDINGS BHD 380410-P

Income Statements

For The Financial Year Ended 30 June 2008

			Group		Company
	Note	2008 RM	2007 RM	2008 RM	2007 RM
Revenue	29	221,998,688	188,079,313	7,841,000	27,124,500
Cost of sales		(173,017,509)	(148,158,206)	-	-
Gross profit		48,981,179	39,921,107	7,841,000	27,124,500
Other income		3,190,658	2,474,121	396,000	168,137
Administrative expenses		(34,044,332)	(27,508,010)	(3,006,071)	(2,669,973)
Finance costs		(1,587,600)	(1,211,680)	(38,332)	(19,322)
Share of (loss)/profit in an associate		(21,916)	15,453	-	-
Profit before tax	30	16,517,989	13,690,991	5,192,597	24,603,342
Tax expense	31	(3,129,408)	(2,979,283)	(1,315,199)	(6,598,970)
Profit for the financial year		13,388,581	10,711,708	3,877,398	18,004,372
Attributable to:					
Equity holders of the Company		12,166,408	9,687,600	3,877,398	18,004,372
Minority interest		1,222,173	1,024,108	-	-
		13,388,581	10,711,708	3,877,398	18,004,372
Earnings per ordinary share attributable to equity holders of the Company (sen):					
Basic earnings per ordinary share	33	10.00	7.96		

The accompanying notes form an integral part of the financial statements.

Statements of Changes In Equity

For The Financial Year Ended 30 June 2008

GROUP	Attributable to equity holders of the Company					
	Share capital RM	Share premium RM	Exchange translation reserve RM	Retained earnings RM	Total RM	Minority interest RM
Balance as at 1 July 2006	42,600,000	4,075,506	20,869	12,079,865	58,776,240	3,457,245
Foreign currency translations	-	-	(91,646)	-	(91,646)	(84,930)
Income and expense recognised directly in equity	-	-	(91,646)	-	(91,646)	(84,930)
Profit for the financial year	-	-	-	9,687,600	9,687,600	1,024,108
Total recognised income and expense for the financial year	-	-	(91,646)	9,687,600	9,595,954	939,178
Dividends paid (Note 32)	-	-	-	(2,671,872)	(2,671,872)	-
Balance as at 30 June 2007	42,600,000	4,075,506	(70,777)	19,095,593	65,700,322	4,396,423
Foreign currency translations	-	-	595,395	-	595,395	326,386
Income and expense recognised directly in equity	-	-	595,395	-	595,395	326,386
Profit for the financial year	-	-	-	12,166,408	12,166,408	1,222,173
Total recognised income and expense for the financial year	-	-	595,395	12,166,408	12,761,803	1,548,559
Dividends paid (Note 32)	-	-	-	(3,602,740)	(3,602,740)	-
Share issue expenses	-	(405,775)	-	-	(405,775)	-
Bonus issue (Note 19)	18,257,143	(3,669,731)	-	(14,587,412)	-	-
Balance as at 30 June 2008	60,857,143	-	524,618	13,071,849	74,453,610	5,944,982

The accompanying notes form an integral part of the financial statements.

Statements of Changes In Equity Contd.

COMPANY	Share capital RM	Share premium RM	Retained earnings RM	Total equity RM
Balance as at 1 July 2006	42,600,000	4,075,506	3,525,300	50,200,806
Profit for the financial year	-	-	18,004,372	18,004,372
Dividends (Note 32)	-	-	(2,671,872)	(2,671,872)
Balance as at 30 June 2007	42,600,000	4,075,506	18,857,800	65,533,306
Profit for the financial year	-	-	3,877,398	3,877,398
Dividends (Note 32)	-	-	(3,602,740)	(3,602,740)
Share issue expenses	-	(405,775)	-	(405,775)
Bonus issue (Note 19)	18,257,143	(3,669,731)	(14,587,412)	-
Balance as at 30 June 2008	60,857,143	-	4,545,046	65,402,189

The accompanying notes form an integral part of the financial statements.

Cash Flow Statements

For The Financial Year Ended 30 June 2008

		Group		Company	
	Note	2008 RM	2007 RM	2008 RM	2007 RM
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before tax		16,517,989	13,690,991	5,192,597	24,603,342
Adjustments for:					
Allowance for doubtful debts		795,883	797,751	-	-
Allowance for doubtful debts no longer required		(347,481)	(427,446)	-	-
Amortisation of prepaid lease payments for land	8	132,548	155,430	-	-
Bad debts recovered		(13,504)	(17,956)	-	-
Bad debts written off		86,612	4,180	-	-
Depreciation of property, plant and equipment	7	3,740,233	2,699,119	-	-
Dividend income		-	-	(5,901,000)	(25,944,500)
Gain on disposal of property, plant and equipment		(1,314,715)	(130,097)	-	-
Interest expense		1,587,600	1,211,680	38,332	19,322
Interest income		(249,017)	(251,015)	(396,000)	(160,287)
Loss on disposal of other investment		-	22,792	-	-
Loss on disposal of prepaid lease payments for land		-	78,016	-	-
Property, plant and equipment written off	7	79,489	56,627	-	-
Share of loss/(profit) in an associate	10	21,916	(15,453)	-	-
Unrealised gain on foreign currency transactions		(76,969)	(11,424)	-	-
Operating profit/(loss) before working capital changes		20,960,584	17,863,195	(1,066,071)	(1,482,123)
Increase in trade receivables		(5,057,514)	(2,549,550)	-	-
(Increase)/Decrease in other receivables, deposits and prepayments		(1,063,434)	70,818	602	18,190
(Decrease)/Increase in trade payables		(1,661,186)	1,034,722	-	-
Increase/(Decrease) in other payables and accruals		2,768,875	(1,710,002)	105,190	58,907
Decrease in amount owing by an associate		240,161	18,156	-	-
Cash generated from/(used in) operations		16,187,486	14,727,339	(960,279)	(1,405,026)



Cash Flow Statements Contd.

	Note	Group 2008 RM	Group 2007 RM	Company 2008 RM	Company 2007 RM
CASH FLOWS FROM OPERATING ACTIVITIES (CONTD.)					
Interest paid		(276,179)	(186,891)	-	-
Tax paid		(2,942,285)	(3,298,042)	-	(20,287)
Tax refunded		112,432	-	81,602	-
Net cash from/(used in) operating activities		13,081,454	11,242,406	(878,677)	(1,425,313)
CASH FLOWS FROM INVESTING ACTIVITIES					
Acquisition of subsidiaries		-	-	(100,000)	(7)
Additional investment in subsidiary		-	-	-	(2,240,993)
Purchase of prepaid lease payments for land		-	(112,491)	-	-
Repayments from subsidiaries		-	-	4,553,556	1,152,539
Dividend received		-	-	4,366,740	5,275,710
Interest received		249,017	251,015	396,000	160,287
Overpayment made for the purchase of prepaid lease payments for land		-	131,900	-	-
Placements of fixed deposits pledged to licensed banks		(678,581)	(748,234)	-	-
Proceeds from disposal of prepaid lease payments for land		-	2,025,115	-	-
Proceeds from disposal of other investments		-	1,125,229	-	-
Proceeds from disposal of property, plant and equipment		2,141,234	233,333	-	-
Purchase of property, plant and equipment	7	(6,860,161)	(13,640,725)	-	-
Net cash (used in)/from investing activities		(5,148,491)	(10,734,858)	9,216,296	4,347,536

Cash Flow Statements
Contd.

	Note	Group 2008 RM	Group 2007 RM	Company 2008 RM	Company 2007 RM
CASH FLOWS FROM FINANCING ACTIVITIES					
(Repayments to)/Advances from subsidiaries		-	-	(3,025,717)	3,620,829
Dividend paid		(3,229,322)	(1,243,920)	(3,229,322)	(1,243,920)
Drawdown of term loans		-	13,000,000	-	-
Drawdown of bankers' acceptances		979,330	1,257,292	-	-
Drawdown of revolving credit		1,500,000	-	-	-
Share issue expenses		(405,775)	-	(405,775)	-
Repayments of term loans		(1,688,779)	(1,606,710)	-	-
Repayments of hire purchase and lease creditors		(858,600)	(585,627)	-	-
Interest paid		(1,311,421)	(1,024,789)	(38,332)	(19,322)
Net cash (used in)/from financing activities		(5,014,567)	9,796,246	(6,699,146)	2,357,587
Net increase in cash and cash equivalents		2,918,396	10,303,794	1,638,473	5,279,810
Cash and cash equivalents at beginning of financial year		8,888,324	(1,380,647)	6,201,549	921,739
Effect of changes in foreign exchange		57,574	(34,823)	-	-
Cash and cash equivalents at end of financial year	34	11,864,294	8,888,324	7,840,022	6,201,549

The accompanying notes form an integral part of the financial statements.



FREIGHT MANAGEMENT HOLDINGS BHD 380410-P

Notes To The Financial Statements

30 June 2008

1. CORPORATE INFORMATION

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

The registered office of the Company is located at Level 18, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur.

The principal place of business of the Company is located at Lot 37, Lebuhraya Sultan Mohamed 1, Kawasan Perindustrian Bandar Sultan Suleiman, 42000 Port Klang, Selangor Darul Ehsan.

The financial statements are presented in Ringgit Malaysia (RM), which is also the Company's functional currency.

The financial statements were authorised for issue in accordance with a resolution by the Board of Directors on 23 October 2008.

2. PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are disclosed in Note 9 to the financial statements.

There have been no significant changes in the nature of these activities during the financial year, except for the acquisition of a subsidiary as disclosed in Note 9 to the financial statements.

3. BASIS OF PREPARATION

The financial statements of the Group and of the Company have been prepared in accordance with applicable approved Financial Reporting Standards ('FRS') and the provisions of the Companies Act 1965 in Malaysia.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 Basis of accounting

The financial statements of the Group and of the Company have been prepared under the historical cost convention except as otherwise stated in the financial statements.

The preparation of financial statements requires the Directors to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses and disclosure of contingent assets and liabilities. In addition, the Directors are also required to exercise their judgement in the process of applying the accounting policies. The areas involving such judgements, estimates and assumptions are disclosed in Note 6 to the financial statements. Although these estimates and assumptions are based on the Directors' best knowledge of events and actions, actual results could differ from those estimates.

Notes To The Financial Statements Contd.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

4.2 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and all its subsidiaries made up to the end of the financial year using the purchase method of accounting.

Under the purchase method of accounting, the cost of business combination is measured at the aggregate of fair value at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued plus any costs directly attributable to the business combination.

At the acquisition date, the cost of business combination is allocated to identifiable assets acquired, liabilities assumed and contingent liabilities in the business combination which are measured initially at their fair value at the acquisition date. The excess of the cost of business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities is recognised as goodwill (see Note 4.7 to the financial statements on goodwill). If the cost of business combination is less than the interest in the net fair value of the identifiable assets, liabilities and contingent liabilities, the Group will:

- (a) reassess the identification and measurement of the acquiree's identifiable assets, liabilities and contingent liabilities and the measurement of the cost of the combination; and
- (b) recognise immediately in profit or loss any excess remaining after the reassessment.

Where a business combination includes more than one exchange transaction, any adjustment to the fair values of the subsidiary's identifiable assets, liabilities and contingent liabilities relating to previously held interests of the Group is accounted for as a revaluation.

Subsidiaries are consolidated from the acquisition date, which is the date on which the Group effectively obtains control, until the date on which the Group ceases to control the subsidiaries. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the existence and effect of potential voting rights that are currently or convertible exercisable are taken into consideration.

Intragroup balances, transactions and unrealised gains and losses on intragroup transactions are eliminated in full. Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. If a subsidiary uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to its financial statements in preparing the consolidated financial statements.

The gain or loss on disposal of a subsidiary, which is the difference between the net disposal proceeds and the Group's share of its net assets as of the date of disposal including the carrying amount of goodwill and the cumulative amount of any exchange differences that relate to the subsidiary, is recognised in the consolidated income statement.

Minority interest is that portion of the profit or loss and net assets of a subsidiary attributable to equity interests that are not owned, directly or indirectly through subsidiaries, by the Group. It is measured at the minority's share of the fair value of the subsidiaries' identifiable assets and liabilities at the acquisition date and the minority's share of changes in the subsidiaries' equity since that date.



Notes To The Financial Statements Contd.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

4.2 Basis of consolidation (contd.)

Where losses applicable to the minority in a subsidiary exceed the minority's interest in the equity of that subsidiary, the excess and any further losses applicable to the minority are allocated against the Group's interest except to the extent that the minority has a binding obligation and is able to make additional investment to cover the losses. If the subsidiary subsequently reports profits, such profits are allocated to the Group's interest until the minority's share of losses previously absorbed by the Group has been recovered.

Minority interest is presented in the consolidated balance sheet within equity and is presented in the consolidated statement of changes in equity separately from equity attributable to equity holders of the Company.

Minority interest in the results of the Group is presented in the consolidated income statement as an allocation of the total profit or loss for the financial year between the minority interest and equity holders of the Company.

Transactions with minority interests are treated as transactions with parties external to the Group. Disposals to minority interests result in gains and losses for the Group that are recorded in the income statement. Purchases from minority interests result in goodwill, being the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary.

4.3 Property, plant and equipment and depreciation

All items of property, plant and equipment are initially measured at cost. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when the cost is incurred and it is probable that the future economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. The carrying amount of parts that are replaced is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in the income statement as incurred. Cost also comprises the initial estimate of dismantling and removing the asset and restoring the site on which it is located for which the Group is obligated to incur when the asset is acquired, if applicable.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the asset and which has different useful life, is depreciated separately.

After initial recognition, property, plant and equipment except for freehold land are stated at cost less any accumulated depreciation and any accumulated impairment losses.

Notes To The Financial Statements Contd.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

4.3 Property, plant and equipment and depreciation (contd.)

Depreciation is calculated to write off the cost or valuation of the assets to their residual values on a straight line basis over their estimated useful lives. The principal depreciation rates are as follows:

Buildings	2%
Machinery, furniture and fittings	7.5% - 100%
Office equipment	7.5% - 100%
Renovations	10% - 25%
Motor vehicles	10% - 20%
Forklifts	20%
Storage containers	10%
Tug boats and barges	5%
Prime movers and trailers	10%

Freehold land is not depreciated. Construction-in-progress represents machinery under installation and renovation-in-progress and is stated at cost. Construction-in-progress is not depreciated until such time when the asset is available for use.

At each balance sheet date, the carrying amount of an item of property, plant and equipment is assessed for impairment when events or changes in circumstances indicate that its carrying amount may not be recoverable. A write down is made if the carrying amount exceeds the recoverable amount (see Note 4.8 to the financial statements on impairment of non-financial assets).

The residual values, useful lives and depreciation method are reviewed at each financial year end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment. If expectations differ from previous estimates, the changes are accounted for as a change in an accounting estimate.

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any, and the carrying amount is included in profit or loss.

4.4 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. For this to be the case, the asset must be available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets and its sale must be highly probable.

Immediately before the initial classification as held for sale, the carrying amounts of the non-current assets are measured in accordance with applicable FRS. On initial classification as held for sale, non-current assets are measured at the lower of carrying amount immediately before the initial classification as held for sale and fair value less costs to sell. The differences, if any, are recognised in profit or loss as impairment loss.

Notes To The Financial Statements Contd.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

4.4 Non-current assets held for sale (contd.)

Non-current assets held for sale are classified as current assets on the face of the balance sheet and are stated at the lower of carrying amount immediately before initial classification and fair value less costs to sell and are not depreciated. Any cumulative income or expense recognised directly in equity relating to the non-current asset classified as held for sale is presented separately.

If the Group has classified an asset as held for sale but subsequently the criteria for classification is no longer met, the Group ceases to classify the asset as held for sale. The Group measures a non-current asset that ceases to be classified as held for sale at the lower of:

- (a) its carrying amount before the asset was classified as held for sale, adjusted for any depreciation, amortisation or revaluations that would have been recognised had the asset not been classified as held for sale; and
- (b) its recoverable amount at the date of the subsequent decision not to sell.

4.5 Leases and hire purchase

(a) Finance leases and hire purchase

Assets acquired under finance leases and hire purchase which transfer substantially all the risks and rewards of ownership to the Group are recognised initially at amount equal to the fair value of the leased asset, or if lower, the present value of the minimum lease payments, each determined at the inception of the lease. The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the leases, if this is practicable to determine; if not, the Group's incremental borrowing rate is used. Any initial direct costs incurred by the Group are added to the amount recognised as an asset. The assets are capitalised as property, plant and equipment and the corresponding obligations are treated as liabilities. The property, plant and equipment capitalised are depreciated on the same basis as owned assets.

The minimum lease payments are apportioned between the finance charges and the reduction of the outstanding liability. The finance charges are recognised in profit or loss over the period of the lease term so as to produce a constant periodic rate of interest on the remaining lease and hire purchase liabilities.

(b) Operating leases

Lease payments under operating leases are recognised as an expense on a straight-line basis over the lease term.

(c) Leases of land

Leasehold land that normally has an indefinite economic life and where the lease does not transfer substantially all the risk and rewards incidental to ownership is treated as an operating lease. The lump-sum upfront lease payment made on entering into or acquiring leasehold land is accounted as prepaid lease payments and is amortised over the lease term on a straight line basis.

Notes To The Financial Statements Contd.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

4.6 Investments

(a) Subsidiaries

A subsidiary is an entity in which the Group and the Company has power to control the financial and operating policies so as to obtain benefits from its activities. 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.

An investment in subsidiary, which is eliminated on consolidation, is stated in the Company's separate financial statements at cost less impairment losses, if any. On disposal of such an investment, the different between the net disposal proceeds and its carrying amount is included in profit or loss.

(b) Associate

An associate is an entity over which the Group and the Company has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

In the Company's separate financial statements, an investment in associate is stated at cost less impairment losses, if any.

An investment in associate is accounted for in the consolidated financial statements using the equity method of accounting. The investment in associate in the consolidated balance sheet is initially recognised at cost and adjusted thereafter for the post acquisition change in the Group's share of net assets of the investment.

The interest in the associate is the carrying amount of the investment in the associate under the equity method together with any long-term interest that, in substance, form part of the Group's net interest in the associate.

The Group's share of the profit or loss of the associate during the financial year is included in the consolidated financial statements, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases. Distributions received from the associate reduce the carrying amount of the investment. Adjustments to the carrying amount may also be necessary for changes in the Group's proportionate interest in the associate arising from changes in the associate's equity that have not been recognised in the associate's profit or loss. Such changes include those arising from the revaluation of property, plant and equipment and from foreign exchange translation differences. The Group's share of those changes is recognised directly in equity of the Group.

Unrealised gains and losses on transactions between the Group and the associate are eliminated to the extent of the Group's interest in the associate.



Notes To The Financial Statements Contd.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

4.6 Investments (contd.)

(b) Associate (contd.)

When the Group's share of losses in the associate equals or exceeds its interest in the associate, the carrying amounting of that interest is reduced to nil and the Group does not recognise further losses unless it has incurred legal or constructive obligations or made payments on its behalf.

The most recent available financial statements of the associate are used by the Group in applying the equity method. Where the reporting dates of the financial statements are not coterminous, the share of results is arrived at using the latest audited financial statements for which the difference in reporting dates is no more than three months. Adjustments are made for the effects of any significant transactions or events that occur between the intervening period.

Upon disposal of an investment in associate, the difference between the net disposal proceeds and its carrying amount is included in profit or loss.

(c) Other investments

Investment in shares, unit trust and debentures held as long term investments are stated at cost and an allowance for diminution in value is made where, in the opinion of the Directors, there is a decline other than temporary in the value of such investments. Where there has been a decline other than temporary in the value of an investment, such a decline is recognised as an expense in the period in which the decline is identified.

All current investments are carried at the lower of cost and market value, determined on an aggregate portfolio basis by category of investments.

Upon disposal of such investment, the difference between net disposal proceeds and its carrying amount is recognised in the profit or loss.

4.7 Goodwill

Goodwill acquired in a business combination is recognised as an asset at the acquisition date and is initially measured at cost being the excess of the cost of business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities. After initial recognition, goodwill is measured at cost less accumulated impairment losses, if any. Goodwill is not amortised but instead tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill arising on acquisition of an associate is the excess of cost of investment over the Group's share of the net fair value of net assets of the associates' identifiable assets, liability and contingent liabilities at the date of acquisition.

Goodwill relating to the associate is included in the carrying amount of the investment and is not amortised. The excess of the Group's share of the net fair value of the associate's identifiable assets, liabilities and contingent liabilities over the cost of investment is included as income in the determination of the Group's share of the associate's profit or loss in the period in which the investment is acquired.

Notes To The Financial Statements Contd.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

4.8 Impairment of non-financial assets

The carrying amounts of assets, except for financial assets (excluding investments in subsidiaries and associates), deferred tax assets and non-current asset held for sale, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

Goodwill and intangible assets that have an indefinite useful life are tested annually for impairment or more frequently if events or changes in circumstances indicate that the goodwill or intangible asset might be impaired.

The recoverable amount of an asset is estimated for an individual asset. Where it is not probable to estimate the recoverable amount of the individual asset, the impairment test is carried out on the cash generating unit (CGU) to which the asset belongs. Goodwill acquired in a business combination is from the acquisition date, allocated to each of the Group's CGU or groups of CGU that are expected to benefit from the synergies of the combination giving rise to the goodwill irrespective of whether other assets or liabilities of the acquiree are assigned to those units or groups of units.

The recoverable amount of an asset or CGU is the higher of its fair value less cost to sell and its value in use.

In estimating the value in use, the estimated future cash inflows and outflows to be derived from continuing use of the asset and from its ultimate disposal 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 for which the future cash flow estimates have not been adjusted. An impairment loss is recognised in the income statement when the carrying amount of the asset or the CGU, including the goodwill or intangible asset, exceeds the recoverable amount of the asset or the CGU. The total impairment loss is allocated, first, to reduce the carrying amount of any goodwill allocated to the CGU and then to the other assets of the CGU on a pro-rata basis of the carrying amount of each asset in the CGU.

The impairment loss is recognised in the income statement immediately.

An impairment loss on goodwill is not reversed in subsequent periods. An impairment loss for other assets is reversed if, and only if, there has been a change in the estimates used to determine the assets' recoverable amount since the last impairment loss was recognised.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Such reversals are recognised as income immediately in profit or loss.

Notes To The Financial Statements Contd.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

4.9 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one enterprise and a financial liability or equity instrument of another enterprise.

A financial asset is any asset that is cash, an equity instrument of another enterprise, a contractual right to receive cash or another financial asset from another enterprise, or a contractual right to exchange financial assets or financial liabilities with another enterprise under conditions that are potentially favourable to the Group.

A financial liability is any liability that is a contractual obligation to deliver cash or another financial asset to another enterprise, or a contractual obligation to exchange financial assets or financial liabilities with another enterprise under conditions that are potentially unfavourable to the Group.

4.9.1 Financial instruments recognised on the balance sheets

Financial instruments are recognised on the balance sheets when the Group has become a party to the contractual provisions of the instrument.

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. Interest, dividends and losses and gains relating to a financial instrument or a component that is a financial liability shall be recognised as income or expense in profit or loss. Distributions to holders of an equity instrument are debited directly to equity, net of any related tax effect. Financial instruments are offset when the Group has a legally enforceable right to offset and intends to settle on a net basis or to realise the asset and settle the liability simultaneously.

(a) Receivables

Receivables including amounts owing by related parties are carried at anticipated realisable value. Known bad debts are written off and specific allowances are made for debts considered to be doubtful of collection.

Receivables are not held for trading purposes.

(b) Cash and cash equivalents

Cash and cash equivalents include cash and bank balances, bank overdrafts, deposits and other short term, highly liquidity investments which are readily convertible to cash and are subject to insignificant risk of changes in value.

(c) Payables

Liabilities for trade and other amount payable, including amounts owing to related parties are recognised at fair value of the consideration to be paid in the future for goods and services received and subsequently measured at cost.

Notes To The Financial Statements Contd.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

4.9 Financial instruments (contd.)

4.9.1 Financial instruments recognised on the balance sheets (contd.)

(d) Interest bearing loans and borrowings

Interest bearing loans and borrowings are recorded at the amount of proceeds received and interest accrued.

(e) Equity instruments

Ordinary shares are recorded at the nominal value and proceeds in excess of the nominal value of shares issued, if any, are accounted for as share premium. Both ordinary shares and share premium are classified as equity. Transaction costs of an equity transaction are accounted for as a deduction from equity, net of any related income tax benefit. Otherwise, they are charged to the income statement.

Dividends to shareholders are recognised in equity in the period in which they are declared.

If the Company reacquires its own equity instruments, the consideration paid, including any attributable transaction costs is deducted from equity as treasury shares until they are cancelled. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Where such shares are issued by resale, the difference between the sales consideration and the carrying amount is shown as a movement in equity.

4.9.2 Financial instruments not recognised on the balance sheets

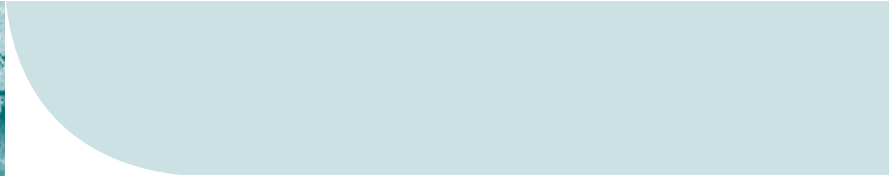
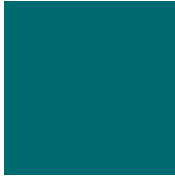
There are no financial instruments not recognised on the balance sheets.

4.10 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset is capitalised as part of the cost of the asset until when substantially all the activities necessary to prepare the asset for its intended use or sale are completed, after which such expense is charged to the income statement. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. Capitalisation of borrowing cost is suspended during extended periods in which active development is interrupted.

The amount of borrowing costs eligible for capitalisation is the actual borrowing costs incurred on the borrowing during the period less any investment income on the temporary investment of the borrowing.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.



Notes To The Financial Statements Contd.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

4.11 Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the financial statements.

A contingent asset is a possible asset that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group. The Group does not recognise contingent asset but discloses its existence where inflows of economic benefits are probable, but not virtually certain.

In the acquisition of subsidiaries by the Group under business combinations, contingent liabilities assumed are measured initially at their fair value at the acquisition date, irrespective of the extent of any minority interest.

4.12 Provisions

Provisions are recognised when there is a present obligation, legal or constructive, as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the effect of the time value of money is material, the amount of provision will be discounted to its present value at a pre-tax rate that reflect current market assessments of the time value of money and the risks specific to the liability.

4.13 Employee benefits

4.13.1 Short term employee benefits

Wages, salaries, social security contributions, paid annual leave, paid sick leave, bonuses and non-monetary benefits are recognised as an expense in the financial year when employees have rendered their services to the Group.

Short term accumulating compensated absences such as paid annual leave are recognised as an expense when employees render services that increase their entitlement to future compensated absences. Short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

Bonuses are recognised as an expense when there is a present, legal or constructive obligation to make such payments, as a result of past events and when a reliable estimate can be made of the amount of the obligation.

4.13.2 Defined contribution plans

The Company and subsidiaries incorporated in Malaysia make contributions to a statutory provident fund and foreign subsidiaries make contributions to their respective countries' statutory pension schemes. The contributions are recognised as a liability after deducting any contribution already paid and as an expense in the period in which the employees render their services.

Notes To The Financial Statements Contd.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

4.14 Income taxes

Income taxes include all domestic and foreign taxes on taxable profit.

Taxes in the income statement comprises current tax and deferred tax.

(a) Current tax

Current tax is the amount of income taxes payable or receivable in respect of the taxable profit or loss for a period.

Current tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that have been enacted or substantively enacted by the balance sheet date.

(b) Deferred tax

Deferred tax is recognised in full using the liability method on temporary differences arising between the carrying amount of an asset or liability in the balance sheet and its tax base.

Deferred tax is recognised for all temporary differences, unless the deferred tax arises from goodwill or the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of transaction, affects neither accounting profit nor taxable profit.

A deferred tax asset is recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. The carrying amount of a deferred tax asset is reviewed at each balance sheet date. If it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of the deferred tax asset to be utilised, the carrying amount of the deferred tax asset will be reduced accordingly. When it becomes probable that sufficient taxable profit will be available, such reductions will be reversed to the extent of the taxable profit.

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 the deferred income taxes relate to the same taxation authority.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

4.15 Foreign currencies

4.15.1 Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Ringgit Malaysia, which is the Company's functional and presentation currency.

Notes To The Financial Statements Contd.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

4.15 Foreign currencies (contd.)

4.15.2 Foreign currency transactions and balances

Transactions in foreign currencies are converted into Ringgit Malaysia at rates of exchange ruling at the transaction dates. Monetary assets and liabilities in foreign currencies at the balance sheet date are translated into Ringgit Malaysia at rates of exchange ruling at that date unless hedged by forward foreign exchange contracts, in which case the rates specified in such forward contracts are used. All exchange differences arising from the settlement of foreign currency transactions and from the translation of foreign currency monetary assets and liabilities are included in the profit or loss in the period in which they arise. Non-monetary items initially denominated in foreign currencies, which are carried at historical cost are translated using the historical rate as of the date of acquisition, and non-monetary items which are carried at fair value are translated using the exchange rate that existed when the values were determined for presentation currency purposes.

4.15.3 Foreign operations

Financial statements of foreign operations are translated at financial year end exchange rates with respect to the assets and liabilities, and at exchange rates at the dates of the transactions with respect to the income statement. All resulting translation differences are taken to reserves.

In the consolidated financial statements, exchange differences arising from the translation of net investment in foreign operations are taken to shareholders' equity. When a foreign operation is partially disclosed or sold, exchange differences that were recorded in equity are recognised in the income statement as part of the gain or loss on sale.

Goodwill and fair value adjustments to the assets and liabilities arising from the acquisition of foreign operations are treated as assets and liabilities of the acquired entity and translated at the exchange rate ruling at the balance sheet date.

4.16 Revenue recognition

Revenue is measured at the fair value of the net consideration received or receivable.

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 amount of revenue and the cost incurred or to be incurred in respect of the transaction can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

(a) Revenue from services rendered

Revenue from freight and forwarding is recognised in the income statement when the services are rendered. Income is recognised in the income statement on an accrual basis.

(b) Management fees

Management fees in respect of the rendering of management and consultation services to the subsidiaries are recognised on an accrual basis.

Notes To The Financial Statements Contd.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

4.16 Revenue recognition (contd.)

(c) Dividend income

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

(d) Interest income

Interest income is recognised as it accrues, using the effective interest method.

(e) Rental income

Rental income is accounted for on a straight line basis over the lease term of an ongoing lease.

4.17 Segment reporting

Segment reporting is presented for enhanced assessment of the Group's risks and returns. Business segments provide products or services that are subject to risks and returns that are different from those of other business segments. Geographical segments provide products or services within a particular economic environment that is subject to risks and returns that are different from those components operating in other economic environments.

Segment revenue, expense, assets and liabilities are those amounts resulting from the operating activities of a segment that are directly attributable to the segment and the relevant portion that can be allocated on a reasonable basis to the segment. Segment revenue, expense, assets and liabilities are determined before intragroup balances and intragroup transactions are eliminated as part of the consolidation process, except to the extent that such intragroup balances and transactions are between Group enterprises within a single segment.

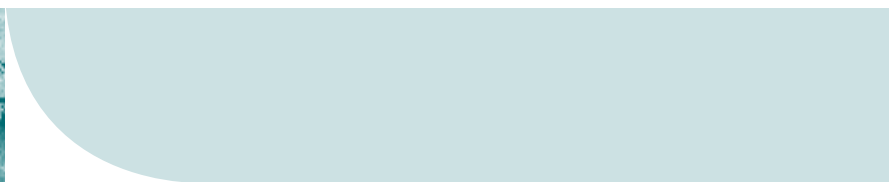
5. ADOPTION OF NEW FRS AND AMENDMENTS TO FRS

5.1 New FRS and amendments to FRS adopted

- (a) FRS 6 Exploration for and Evaluation of Mineral Resources is mandatory for annual periods beginning on or after 1 January 2007. FRS 6 is not relevant to the Group's operations.
- (b) FRS 119₂₀₀₄ Amendment to FRS 119₂₀₀₄ Employee Benefits – Actuarial Gains and Losses, Group Plans and Disclosures is mandatory for annual periods beginning on or after 1 January 2007.

This amendment permits any systematic method that results in recognition of actuarial gains and losses in the period in which they occur provided that the same basis is applied to both, gains and losses and the basis is applied consistently from period to period.

FRS 119₂₀₀₄ Amendment to FRS 119₂₀₀₄ Employee Benefits – Actuarial Gains and Losses, Group Plans and Disclosures is not relevant to the Group's operations.



Notes To The Financial Statements

Contd.

5. ADOPTION OF NEW FRS AND AMENDMENTS TO FRS (CONTD.)

5.1 New FRS and amendments to FRS adopted (contd.)

- (c) Amendment to FRS 121 The Effects of Changes in Foreign Exchange Rates – Net Investment in a Foreign Operation is mandatory for annual periods beginning on or after 1 July 2007.

This amendment results in exchange differences arising from a monetary item that forms part of the Group's net investment in a foreign operation to be recognised in equity irrespective of the currency in which the monetary item is denominated and if whether the monetary item results from a transaction with the Company or any of its subsidiaries. Previously, exchange differences arising from such transactions between the Company and its subsidiaries would be accounted for in the income statement or in equity depending on the currency of the monetary item.

The adoption of this amendment does not have any impact on the Group's financial statements.

- (d) The following FRSs are mandatory for annual periods beginning on or after 1 July 2007:

FRS 107	Cash Flow Statements
FRS 111	Construction Contracts
FRS 112	Income Taxes
FRS 118	Revenue
FRS 120	Accounting for Government Grants and Disclosure of Government Assistance
FRS 134	Interim Financial Reporting

These amendments align the MASB's FRS with the equivalent International Accounting Standards ('IAS'), both in terms of form and content. The adoption of these standards will only impact the form and content of disclosures presented in the financial statements.

- (e) The following IC Interpretations are mandatory for annual periods beginning on or after 1 July 2007:

IC Interpretation 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
IC Interpretation 2	Members' Shares in Co-operatives Entities and Similar Instruments
IC Interpretation 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
IC Interpretation 6	Liabilities arising from Participating in a Specific Market – Waste Electrical and Electronic Equipment
IC Interpretation 7	Applying the Restatement Approach under FRS 129 ₂₀₀₄ Financial Reporting in Hyperinflationary Economies
IC Interpretation 8	Scope of FRS 2 Share-based Payment

These IC Interpretations are not relevant to the Group's operations.

Notes To The Financial Statements Contd.

5. ADOPTION OF NEW FRS AND AMENDMENTS TO FRS (CONTD.)

5.1 New FRS and amendments to FRS adopted (contd.)

- (f) Framework for the Preparation and Presentation of Financial Statements ('Framework') is effective for annual periods beginning on or after 1 July 2007.

The Framework sets out the concepts that underlie the preparation and presentation of financial statements for external users. It is not a MASB approved accounting standard as defined in paragraph 11 of FRS 101 and hence, does not define standards for any particular measurement or disclosure issue.

5.2 FRS and amendments to FRS not adopted

The Group has not adopted FRS 139 Financial Instruments: Recognition and Measurement and the consequential amendments resulting from FRS 139 which effective date is for annual periods beginning 1 January 2010 as announced by MASB. FRS 139 establishes the principles for the recognition and measurement of financial assets and financial liabilities including circumstances under which hedge accounting is permitted. By virtue of the exemption provided under paragraph 103AB of FRS 139, the impact of applying FRS 139 on its financial statements upon first adoption of the standard as required by paragraph 30(b) of FRS 108 is not disclosed.

6. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

6.1 Changes in estimates

FRS 116 Property, Plant and Equipment requires the review of the residual value and remaining useful lives of an item of property, plant and equipment at least at each year end. During the financial year, the Group revised the useful lives of certain property, plant and equipment from 5 to 10 years.

The revisions were accounted for prospectively as a change in accounting estimate and as a result, the depreciation expenses in current and future periods will be as follows:

Year	Decrease in depreciation expenses RM
2008	263,955
2009	227,814
2010	205,217
2011	144,819
2012	33,900

Notes To The Financial Statements Contd.

6. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTD.)

6.2 Critical judgements made in applying accounting policies

The following is the judgement made by management in the process of applying the Group's accounting policies that have the most significant effect on the amounts recognised in the financial statements.

(a) Non-current asset held for sale

Certain non-current asset has been classified as non-current asset held for sale as the management firms the commitment to sell off the assets and is actively searching for potential buyers for the property as at the balance sheet date. As such, the Directors are of the opinion that it is appropriate to classify this property as non-current asset held for sale.

6.3 Key sources of estimation uncertainty

The following are key assumptions 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.

(a) Impairment of goodwill on consolidation

The Group determines whether goodwill on consolidation is impaired at least on an annual basis. This requires an estimation of the value-in-use of the subsidiaries to which goodwill is allocated. Estimating a value-in-use amount requires management to make an estimate of the expected future cash flows from the subsidiaries and also to choose a suitable discount rate in order to calculate the present value of those cash flows. Further details are disclosed in Note 13 to the financial statements.

(b) Deferred tax assets

Deferred tax assets are recognised for all unused tax losses and unabsorbed capital allowances to the extent that it is probable that taxable profit will be available against which the losses and capital allowances can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

(c) Income tax

The Group has exposure to income taxes in numerous jurisdictions. Significant judgement is involved in determining the group-wide provision for income taxes. There are certain transactions and computations for which the final tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due.



Notes To The Financial Statements Contd.

6. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTD.)

6.3 Key sources of estimation uncertainty (contd.)

(d) Depreciation of property, plant and equipment

The Group estimates the useful lives of property, plant and equipment based on the period over which the assets are expected to be available for use. The estimated useful lives of property, plant and equipment are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the relevant assets. It is possible that future results of operations could be materially affected by changes in the estimates brought about by changes in factors mentioned above. The amount and timing of recorded expenses for any period would be affected by changes in these factors and circumstances. A reduction in the estimated useful lives of the property, plant and equipment would increase the recorded expenses and decrease the non-current assets.

(e) Allowance for doubtful debts

The Group makes allowance for doubtful debts based on an assessment of the recoverability of receivables. Allowances are applied to receivables where events or changes in circumstances indicate that the carrying amounts may not be recoverable. The management specifically analyses historical bad debt, customer concentration, customer creditworthiness, current economic trends and changes in customer payment terms when making a judgment to evaluate the adequacy of allowance for doubtful debts. Where expectations differ from the original estimates, the differences will impact the carrying value of receivables.



7. PROPERTY, PLANT AND EQUIPMENT

Group	Balance as at 1.7.2007 RM	Additions RM	Disposals RM	Written off RM	Depreciation charge for the year RM	Translations adjustments RM	Balance as at 30.6.2008 RM
2008							
Carrying amount							
Freehold land	236,467	-	-	-	-	-	236,467
Buildings	25,159,023	665,794	-	-	(516,192)	-	25,308,625
Machinery, furniture and fittings	1,782,716	776,777	-	(32,510)	(259,802)	3,627	2,270,808
Office equipment	2,322,180	935,835	(1,216)	(25,692)	(719,184)	6,018	2,517,941
Renovations	275,695	74,738	-	(14,022)	(33,184)	272	303,499
Motor vehicles	1,679,984	837,567	(2,505)	(7,265)	(662,846)	10,823	1,855,758
Forklifts	6,442	350,000	-	-	(6,872)	-	349,570
Storage containers	1,639,332	202,014	(158,237)	-	(265,428)	-	1,417,681
Tug boats and barges	11,376,730	8,499,911	(664,561)	-	(1,072,573)	671,395	18,810,902
Prime movers and trailers	-	6,520,950	-	-	(204,152)	-	6,316,798
	44,478,569	18,863,586	(826,519)	(79,489)	(3,740,233)	692,135	59,388,049
						At 30.6.2008	
						Accumulated depreciation amount RM	Carrying amount RM
Freehold land					236,467	-	236,467
Buildings					26,152,554	843,929	25,308,625
Machinery, furniture and fittings					3,219,793	948,985	2,270,808
Office equipment					5,348,390	2,830,449	2,517,941
Renovations					419,139	115,640	303,499
Motor vehicles					5,642,282	3,786,524	1,855,758
Forklifts					411,891	62,321	349,570
Storage containers					2,773,204	1,355,523	1,417,681
Tug boats and barges					22,504,958	3,694,056	18,810,902
Prime movers and trailers					6,520,950	204,152	6,316,798
					73,229,628	13,841,579	59,388,049

	At 30.6.2007	
	Cost RM	Accumulated depreciation RM
		Carrying amount RM
Freehold land	236,467	-
Buildings	25,486,759	327,736
Machinery, furniture and fittings	2,592,095	809,379
Office equipment	4,622,611	2,300,431
Renovations	418,176	142,481
Motor vehicles	5,304,870	3,624,886
Forklifts	301,125	294,683
Storage containers	2,971,697	1,332,365
Tug boats and barges	14,790,111	3,413,381
	56,723,911	12,245,342
		44,478,569

Notes To The Financial Statements Contd.

7. PROPERTY, PLANT AND EQUIPMENT (CONTD.)

- (a) During the financial year, the Group made the following cash payments to purchase property, plant and equipment:

	2008 RM	Group 2007 RM
Purchase of property, plant and equipment	18,863,586	16,659,736
Financed by hire purchase and lease arrangements	(5,783,987)	(666,644)
Financed by term loans	(4,546,938)	(2,352,367)
Other payables	(1,672,500)	-
Cash payments on purchase of property, plant and equipment	6,860,161	13,640,725

- (b) As at 30 June 2008, the net carrying amount of the Group's property, plant and equipment under hire purchase and lease arrangements are as follows:

	2008 RM	Group 2007 RM
Motor vehicles	1,414,541	1,295,894
Office equipments	171,855	192,855
Forklifts	344,439	-
Prime movers and trailers	4,619,304	-
	6,550,139	1,488,749

- (c) Property, plant and equipment pledged as securities for banking facilities granted to the Group are as follows:

	2008 RM	Group 2007 RM
Carrying amount		
Freehold land	236,467	236,467
Buildings	25,308,625	25,159,023
Barges	11,648,919	7,744,823
	37,194,011	33,140,313

Details of the terms and conditions of the hire purchase and lease arrangements are disclosed in Note 21 and Note 39 to the financial statements respectively.

Notes To The Financial Statements
Contd.

8. PREPAID LEASE PAYMENTS FOR LAND

Group	Balance as at 1.7.2007 RM	Amortisation charge for the year RM	Balance as at 30.6.2008 RM
Carrying amount			
Long term leasehold land	11,434,043	(132,548)	11,301,495

Group	Balance as at 1.7.2006 RM	Addition RM	Disposal RM	Reclassified as non-current asset held for sale RM	Over payment RM	Amortisation charge for the year RM	Balance as at 30.6.2007 RM
Carrying amount							
Long term leasehold land	14,368,320	112,491	(2,103,131)	(656,307)	(131,900)	(155,430)	11,434,043

(a) Prepaid lease payments for land has been pledged as securities for banking facilities granted to the Group.

(b) The title deeds for long term leasehold land of a subsidiary have yet to be issued by the relevant authorities.

9. INVESTMENTS IN SUBSIDIARIES

	Company 2008 RM	2007 RM
Unquoted equity shares, at cost	35,928,410	35,828,410

The details of the subsidiaries are as follows:

Name of company	Country of incorporation	Interest in equity held by Company		Principal activities
		2008	2007	
Citra Multimodal Services Sdn. Bhd.	Malaysia	100%	100%	Provision of freight services
FM-Hellmann Worldwide Logistics Sdn. Bhd.	Malaysia	100%	100%	Provision of freight services
FM Worldwide Logistics (Penang) Sdn. Bhd.	Malaysia	100%	100%	Provision of freight services
Freight Management (Ipoh) Sdn. Bhd.	Malaysia	100%	100%	Provision of freight services
Freight Management (M) Sdn. Bhd.	Malaysia	100%	100%	Provision of freight services
Freight Management (Melaka) Sdn. Bhd.	Malaysia	100%	100%	Provision of freight services



Notes To The Financial Statements Contd.

9. INVESTMENTS IN SUBSIDIARIES (CONTD.)

Name of company	Country of incorporation	Interest in equity held by Company		Principal activities
		2008	2007	
Freight Management (Penang) Sdn. Bhd.	Malaysia	100%	100%	Provision of freight services
Advance International Freight Sdn. Bhd.	Malaysia	100%	100%	Provision of freight services
Perspektif Gemilang Sdn. Bhd.	Malaysia	100%	100%	Investment holding
#Freight Management MSC Sdn. Bhd.	Malaysia	100%	-	Developing, provision and maintaining IT software application solutions
#TCH Marine Pte. Ltd.	Singapore	51%	51%	Charterers of barges and tugboats
#FM Marine Pte. Ltd.	Singapore	100%	100%	Charterers of barges and tugboats
Icon Line (Malaysia) Sdn. Bhd.	Malaysia	100%	100%	Provision of freight services
Subsidiary of Icon Line (Malaysia) Sdn. Bhd.				
#Icon Freight Services Pty. Ltd.	Australia	55%	55%	Provision of integrated freight and logistic services

Subsidiaries not audited by member firms of BDO International.

During the financial year, the Company acquired 100% equity interest in Freight Management MSC Sdn. Bhd. comprising two (2) ordinary shares of RM1 each for cash consideration of RM2. The Company thereafter increased its paid-up capital from RM2 to RM100,000 comprising of 100,000 ordinary shares of RM1 each by the issuance of 99,998 new ordinary shares of RM1 each.

The effect of this acquisition has no material impact to the financial statements of the Group.

10. INVESTMENT IN AN ASSOCIATE

	Group	
	2008 RM	2007 RM
Unquoted equity shares, at cost	49,000	49,000
Share of post acquisition reserves	66,293	88,209
	115,293	137,209

Notes To The Financial Statements
Contd.**10. INVESTMENT IN AN ASSOCIATE (CONTD.)**

The detail of the associate, which was incorporated in Malaysia, is as follows:

Name of company	Interest in equity held by Group		Principal activity
	2008	2007	
FM Distribution Sdn. Bhd.	49%	49%	Provision of warehouse services

The summarised financial information of the associate is as follows:

	2008 RM	2007 RM
Assets and liabilities		
Non-current asset	2,117	2,397
Current assets	353,541	664,365
Total assets	355,658	666,762
Current liabilities	259,864	526,244
Total liabilities	259,864	526,244
Results		
Revenue	1,085,164	1,601,984
(Loss)/Profit for the financial year	(44,726)	31,536

11. OTHER INVESTMENT

	Group	
	2008 RM	2007 RM
Unquoted shares in Malaysia, at cost	2,776	2,776

Notes To The Financial Statements Contd.

12. AMOUNTS OWING BY/(TO) SUBSIDIARIES

Company

Non-current

The amounts owing by subsidiaries represents advances which are unsecured and repayable after 12 months. Amount owing by subsidiaries are interest-free, except for an amount of RM334,476 (2007: RM870,782) which bears interest at a rate of 7.75% (2007: 7.75%) per annum.

Current

The amounts owing by/(to) subsidiaries represent advances and payments made on behalf which are unsecured and repayable on demand. Amounts owing by subsidiaries are interest-free, except for an amount of RM406,400 (2007: RM435,694) which bears interest at a rate of 7.75% (2007: 7.75%) per annum.

13. GOODWILL ON CONSOLIDATION

Group

The recoverable amount of goodwill as at the end of the financial year was determined based on a value in use calculation by discounting the future cash flows generated from the continuing use of the cash-generating unit ("CGU") and was based on the following assumptions:

- (a) Pre-tax cash flow projections based on the most recent financial budgets covering a five (5) years period.
- (b) Pre-tax discount rate of 9.78% was applied in determining the recoverable amount of CGU. The discount rate was estimated based on the Group's weighted average cost of debts.

The management believes that no reasonably possible change in any of the above key assumptions would cause the carrying values of the units to materially exceed their recoverable amounts.

14. TRADE RECEIVABLES

	Group	
	2008	2007
	RM	RM
Third parties	40,569,227	35,345,199
Less: Allowance for doubtful debts	(1,007,354)	(634,599)
	39,561,873	34,710,600

Notes To The Financial Statements

Contd.

14. TRADE RECEIVABLES (CONTD.)

- (a) Trade receivables are non-interest bearing and the normal trade credit terms granted range from 7 to 70 days from date of invoice.
- (b) Included in trade receivables is an amount of RM408,199 (2007 : RM610,448) owing by a company in which a Director of the Company is the common director.
- (c) The allowance for doubtful debts is net of bad debts written off as follows:

	2008 RM	Group 2007 RM
Bad debts written off	88,341	173,771

- (d) Information on financial risks of trade receivables is disclosed in note 39 to the financial statements.
- (e) The currency exposure profile of trade receivables are as follows:

	2008 RM	Group 2007 RM
Ringgit Malaysia	30,841,039	28,449,120
Singapore Dollar	2,235,830	635,633
US Dollar	5,296,085	4,580,697
Australian Dollar	1,188,919	1,021,965
Europe Dollar	-	23,185
	39,561,873	34,710,600

15. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	2008 RM	Group 2007 RM	2008 RM	Company 2007 RM
Other receivables	395,368	428,151	43	43
Less: Allowance for doubtful debts, net of bad debts written off RM236,722 (2007: nil)	-	(236,722)	-	-
	395,368	191,429	43	43
Deposits	1,477,155	599,967	1,000	1,000
Prepayments	1,642,943	1,576,579	4,627	5,229
	3,515,466	2,367,975	5,670	6,272



Notes To The Financial Statements Contd.

15. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (CONTD.)

The currency exposure profile of other receivables, deposits and prepayments are as follows:

	Group		Company	
	2008 RM	2007 RM	2008 RM	2007 RM
Ringgit Malaysia	2,101,001	1,159,556	5,670	6,272
Singapore Dollar	1,084,305	854,172	-	-
Australian Dollar	144,290	63,247	-	-
Thai Baht	185,870	291,000	-	-
	3,515,466	2,367,975	5,670	6,272

16. AMOUNT OWING BY AN ASSOCIATE

Group

The amount owing by an associate represents trade transactions and payments made on behalf which are unsecured, interest-free and payable upon demand except for trade transactions which have a credit term of 30 days from the date of invoice.

Amount owing by an associate is in Ringgit Malaysia (RM).

17. CASH AND BANK BALANCES

	Group		Company	
	2008 RM	2007 RM	2008 RM	2007 RM
Cash and bank balances	7,335,717	7,934,577	1,140,022	2,401,549
Fixed deposits with licensed banks	4,348,946	3,778,277	-	-
Short term deposit-Repo	6,700,000	3,800,000	6,700,000	3,800,000
	18,384,663	15,512,854	7,840,022	6,201,549

- (a) The fixed deposits of the Group as at 30 June 2008 have maturity period of 12 months.
- (b) Included in the fixed deposits with licensed banks of the Group is an amount of RM4,009,723 (2007: RM3,331,140) which has been pledged to licensed banks as securities for banking facilities granted to the Group.
- (c) In the previous year, included in the fixed deposits with licensed banks was an amount of RM120,048 held in trust by certain Directors of a subsidiary.
- (d) Information on financial risks of cash and bank balances is disclosed in Note 39 to the financial statements.

Notes To The Financial Statements Contd.

17. CASH AND BANK BALANCES (CONTD.)

(e) The currency exposure profile of cash and bank balances are as follows:

	Group		Company	
	2008 RM	2007 RM	2008 RM	2007 RM
Ringgit Malaysia	15,656,320	13,979,905	7,840,022	6,201,549
US Dollar	1,153,973	183,923	-	-
Singapore Dollar	1,374,251	590,604	-	-
Australian Dollar	200,119	758,422	-	-
	18,384,663	15,512,854	7,840,022	6,201,549

18. NON-CURRENT ASSET CLASSIFIED AS HELD FOR SALE

Certain assets of the Group are presented as non-current asset held for sale since previous financial year.

Subsequent to the cancellation of previous arrangement for disposal of the land and building at Lot 8, Lingkaran Sultan Mohamad 2, Bandar Sultan Suleiman, the management indicated their firm commitment to sell off the asset by actively looking for another potential buyer.

The asset of the non-current asset is as follows:

	Group	
	2008 RM	2007 RM
Property, plant and equipment	4,599,746	4,599,746
Prepaid lease payments for land	666,320	666,320
	5,266,066	5,266,066

Notes To The Financial Statements Contd.

19. SHARE CAPITAL

	Group and Company			
	2008	2007	2008	2007
	Number of shares	RM	Number of shares	RM
Ordinary shares of RM0.50 each:				
Authorised	200,000,000	100,000,000	200,000,000	100,000,000
Issued and fully paid:				
Balance as at 1 July	85,200,000	42,600,000	85,200,000	42,600,000
Bonus issue	36,514,286	18,257,143	-	-
Balance as at 30 June	121,714,286	60,857,143	85,200,000	42,600,000

- (a) During the financial year, the issued and fully paid-up share capital of the Company was increased from RM42,600,000 to RM60,857,143 by way of the bonus issue of 36,514,286 new ordinary shares of RM0.50 each on the basis of three (3) new ordinary shares for every seven (7) existing ordinary shares held by way of capitalisation of RM3,669,731 from the share premium and RM14,587,412 from retained earnings.
- (b) The holders of ordinary shares are entitled to receive dividends as and when declared by the Company and are entitled to one vote per share at meeting of the Company. All ordinary shares rank pari passu with regard to the Company's residual assets.

20. RESERVES

	Group		Company	
	2008 RM	2007 RM	2008 RM	2007 RM
Non distributable:				
Exchange translation reserve	524,618	(70,777)	-	-
Share premium	-	4,075,506	-	4,075,506
	524,618	4,004,729	-	4,075,506
Distributable:				
Retained earnings	13,071,849	19,095,593	4,545,046	18,857,800
	13,596,467	23,100,322	4,545,046	22,933,306

20. RESERVES (CONTD.)

Notes To The Financial Statements Contd.

(a) Exchange translation reserve

The exchange translation reserve is used to record foreign currency exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency. It is also used to record the exchange differences arising from monetary items which form part of the Group's net investment in foreign operations, where the monetary item is denominated in either the functional currency of the reporting entity or the foreign operation.

(b) Retained earnings

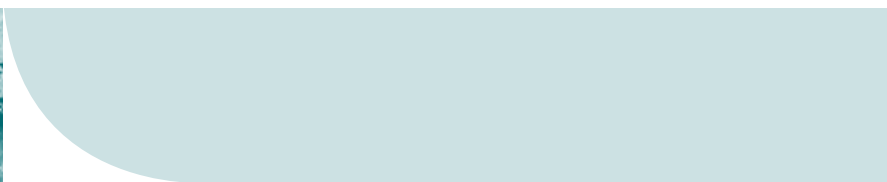
Effective 1 January 2008, the Company is given the option to make an irrevocable election to move to a single tier system or continue to use its tax credit under Section 108 of the Income Tax Act 1967 for the purpose of dividend distribution until the tax credit is fully utilised or latest by 31 December 2013.

The Company has decided not to make this election and has sufficient tax credit under Section 108 of the Income Tax Act 1967 and balance in the tax exempt account to frank the payment of dividends out of its entire retained earnings without incurring additional tax liability.

21. HIRE PURCHASE AND LEASE CREDITORS

	2008 RM	Group 2007 RM
Minimum hire purchase and lease payments:		
- not later than one year	1,750,842	460,659
- later than one year and not later than five years	5,045,693	674,397
	6,796,535	1,135,056
Less: Future interest charges	(813,504)	(93,164)
Present value of hire purchase and lease liabilities	5,983,031	1,041,892
Repayable as follows:		
Current liabilities:		
- not later than one year	1,422,124	409,966
Non-current liabilities:		
- later than one year and not later than five years	4,560,907	631,926
	5,983,031	1,041,892

Information of financial risks of hire purchase and lease creditors is disclosed in Note 39 to the financial statements.



Notes To The Financial Statements Contd.

22. TERM LOANS - SECURED

	2008 RM	Group 2007 RM
Term loan I	11,046	36,259
Term loan II	-	21,563
Term loan III	1,207,170	1,643,482
Term loan IV	1,738,889	2,186,987
Term loan V	4,676,872	4,868,279
Term loan VI	7,634,170	7,930,680
Term loan VII	1,986,156	-
Term loan VIII	2,291,106	-
	19,545,409	16,687,250

Term loans are repayable as follows:

Current liabilities:

- not later than one year	3,138,130	1,624,088
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Non-current liabilities:

- later than one year and not later than two years
- later than two years and not later than five years
- later than five years

3,124,024	1,650,652
4,913,965	3,163,602
8,369,290	10,248,908
16,407,279	15,063,162
19,545,409	16,687,250

- (a) Term loan I is repayable in 72 equal monthly instalments of RM2,273. The interest is charged at 1.50% per annum above the bank's base lending rate.

The term loan is secured by way of:

- (i) a fixed charge over the building of a subsidiary; and
- (ii) corporate guarantee by the Company.

- (b) Term loan II had been fully settled during the current financial year. Term loan III and IV are repayable by 48 monthly instalments of SGD24,484 and SGD24,543 which is equivalent to RM58,150 (2007: RM54,624) and RM58,290 (2007: RM54,756) respectively. Term loan III bears interest at a flat rate of 3.25% per annum and term loan IV is charged at 1.25% per annum above the bank's prime rate.

The term loans III and IV are secured by way of:

- (i) charge over an open mortgage of a subsidiary's barges; and
- (ii) personal guarantee by one of the directors of a subsidiary.

Notes To The Financial Statements Contd.

22. TERM LOANS - SECURED (CONTD.)

- (c) Term loan V and VI are payable by 180 monthly instalments of RM41,400 and RM66,200 respectively and are charged at 1.0% per annum above the effective cost of fund of the bank.

The term loan V and VI are secured by way of:

- (i) a charge over prepaid lease payments for land of a subsidiary; and
 - (ii) corporate guarantee by the Company.
- (d) Term loan VII and VIII are payable by 48 monthly instalments of SGD18,520 and SGD21,365 which is equivalent to RM43,985 and RM50,742 respectively. Term loan VII and VIII bear interest at 2.5% per annum over the bank's prevailing swap offer rate.

The term loans VII and VIII are secured by way of:

- (i) mortgage over the barges; and
 - (ii) deed of guarantee SGD2,105,950 (which is equivalent to RM5,001,631) by the Company.
- (e) Information on financial risks of borrowings and its remaining maturity is disclosed in Note 39 to the financial statements.
- (f) The currency exposure profile of term loans are as follows:

	2008 RM	Group 2007 RM
Ringgit Malaysia	12,322,088	12,835,218
Singapore Dollar	7,223,321	3,852,032
	19,545,409	16,687,250

Notes To The Financial Statements

Contd.

23. DEFERRED TAX

- (a) The deferred tax assets and liabilities are made up of the following:

	Group		Company	
	2008 RM	2007 RM	2008 RM	2007 RM
Balance as at 1 July	2,797,800	2,045,400	4,900,000	-
Recognised in the income statements (Note 31)				
- current year	339,697	736,227	(4,900,000)	4,900,000
- (over)/under provision in prior years	(190,700)	16,173	-	-
Recognised in equity				
- foreign currency translation	(4,013)	-	-	-
Balance as at 30 June	2,942,784	2,797,800	-	4,900,000
Presented after appropriate offsetting:				
Deferred tax assets, net	(78,816)	-	-	-
Deferred tax liabilities, net	3,021,600	2,797,800	-	4,900,000
	2,942,784	2,797,800	-	4,900,000

- (b) The movements of deferred tax assets and liabilities during the financial year prior to offsetting are as follows:

	Group		Company	
	2008 RM	2007 RM	2008 RM	2007 RM
Deferred tax assets				
Balance as at 1 July	94,000	94,000	-	-
Recognised in the income statements				
Unused tax losses	89,816	-	-	-
Unabsorbed capital allowances	31,000	-	-	-
Balance as at 30 June	214,816	94,000	-	-
Deferred tax liabilities				
Balance as at 1 July	2,891,800	2,139,400	4,900,000	-
Recognised in the income statements				
Dividend receivables	-	-	(4,900,000)	4,900,000
Excess of capital allowances over corresponding depreciation	244,800	759,180	-	-
Unrealised gain/(loss) on foreign currency transactions	21,000	(6,780)	-	-
Balance as at 30 June	3,157,600	2,891,800	-	4,900,000

Notes To The Financial Statements
Contd.**23. DEFERRED TAX (CONTD.)**

- (c) The components of deferred tax assets and liabilities as at the end of the financial year prior to offsetting are as follows:

	Group		Company	
	2008 RM	2007 RM	2008 RM	2007 RM
Deferred tax assets				
Unused tax losses	89,816	-	-	-
Unabsorbed capital allowances	125,000	94,000	-	-
	214,816	94,000	-	-
Deferred tax liabilities				
Dividend receivables	-	-	-	4,900,000
Excess of capital allowances over corresponding depreciation	3,136,600	2,898,580	-	-
Unrealised gain/(loss) on foreign currency transactions	21,000	(6,780)	-	-
	3,157,600	2,891,800	-	4,900,000

- (d) The amount of temporary differences for which no deferred tax assets have been recognised in the balance sheets are as follows:

	Group		Company	
	2008 RM	2007 RM	2008 RM	2007 RM
Unused tax losses	44,000	265,000	-	-
Unabsorbed capital allowances	4,000	162,000	-	-
	48,000	427,000	-	-

Deferred tax assets of certain subsidiary have not been recognised in respect of these items as it is not probable that taxable profit of the subsidiary will be available against which the deductible temporary differences can be utilised.

The deductible temporary differences do not expire under current tax legislation unless there is a substantial change in shareholders of those subsidiaries of more than 50%. If there is such a change, unused tax losses carry forward and unabsorbed capital allowances carry forward amounting to RM88,000 and RM504,000 respectively will not be available to the Group.



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FREIGHT MANAGEMENT HOLDINGS BHD 380410-P

Notes To The Financial Statements Contd.

24. TRADE PAYABLES

- (a) Trade payables are non-interest bearing and the normal trade credit terms granted range from 7 to 90 days from date of invoice.
- (b) Information on financial risk of trade payables is disclosed in Note 39 to the financial statements.
- (c) The currency exposure profile of trade payables are as follows:

	Group	
	2008 RM	2007 RM
Ringgit Malaysia	8,161,742	10,903,071
US Dollar	2,236,338	2,327,263
Singapore Dollar	935,996	475,221
Australian Dollar	682,017	562,462
Thai Baht	482,078	23,584
Europe Dollar	123,902	105,912
British Pound	69,218	27,355
Hong Kong Dollar	20,327	1,604
Japanese Yen	12,433	6,448
Others	169,048	41,695
	12,893,099	14,474,615

25. OTHER PAYABLES AND ACCRUALS

	Group		Company	
	2008 RM	2007 RM	2008 RM	2007 RM
Other payables	3,570,880	1,914,025	2	-
Accruals	6,629,836	3,788,024	471,156	365,968
	10,200,716	5,702,049	471,158	365,968

- (a) Included in other payables is an amount of RM215,393 (2007 : RM253,206) owing to companies in which Directors of the subsidiaries are the common directors.
- (b) The currency exposure profile of other payables and accruals are as follows:

	Group		Company	
	2008 RM	2007 RM	2008 RM	2007 RM
Ringgit Malaysia	9,103,725	5,212,700	471,158	365,968
Singapore Dollar	641,019	217,547	-	-
Australian Dollar	455,972	271,802	-	-
	10,200,716	5,702,049	471,158	365,968

Notes To The Financial Statements Contd.

26. BANKERS' ACCEPTANCES – SECURED

The bankers' acceptances of the Group are to partially finance the subsidiary's purchase of wagon slots for its rail freight business. This financing facility is secured by way of:

- (a) the relevant trade contract notes, if applicable; and
- (b) corporate guarantee by the Company.

Information on financial risk of bankers' acceptances secured is disclosed in Note 39 to the financial statements.

27. REVOLVING CREDIT – SECURED

The revolving credit of the Group is secured by fixed deposits of the subsidiary.

Information on financial risk of revolving credit – secured is disclosed in Note 39 to the financial statements.

28. BANK OVERDRAFTS - SECURED

The bank overdrafts of the Group are secured by way of:

- (a) fixed deposits with licensed bank of the Group;
- (b) freehold land and buildings, long term leasehold land and buildings and barges of the Group;
- (c) fixed and floating charge over the assets of a subsidiary;
- (d) personal guarantee by one of the directors of a subsidiary; and
- (e) corporate guarantee by the Company.

Information on financial risk of bank overdrafts – secured is disclosed in Note 39 to the financial statements.

29. REVENUE

	Group		Company	
	2008 RM	2007 RM	2008 RM	2007 RM
Services rendered	221,998,688	188,079,313	-	-
Dividend income	-	-	5,901,000	25,944,500
Management fees	-	-	1,940,000	1,180,000
	221,998,688	188,079,313	7,841,000	27,124,500

Notes To The Financial Statements

Contd.

30. PROFIT BEFORE TAX

	Group		Company	
	2008 RM	2007 RM	2008 RM	2007 RM
Profit before tax is arrived at after charging:				
Allowance for doubtful debts	795,883	797,751	-	-
Amortisation of prepaid lease payments for land (Note 8)	132,548	155,430	-	-
Auditors' remuneration:				
- statutory				
- current year	164,990	155,112	45,000	39,800
- under provision in prior year	2,292	5,255	-	5,000
- non-statutory	3,000	3,000	3,000	3,000
Bad debts written off	86,612	4,180	-	-
Depreciation of property, plant and equipment (Note 7)	3,740,233	2,699,119	-	-
Directors' remuneration:				
Fees:				
- payable by the Company	300,000	282,000	300,000	282,000
- payable by the subsidiaries	43,200	93,700	-	-
Other emoluments:				
- paid by the Company	39,000	33,000	39,000	33,000
- paid by the subsidiaries	4,556,704	3,886,628	-	-
Interest expense on:				
- bank overdrafts	135,328	173,666	-	-
- hire purchase and lease	189,795	67,880	-	-
- term loans	1,121,626	958,001	-	-
- bankers' acceptances	106,154	1,092	-	-
- revolving credit	34,697	-	-	-
- advances from a subsidiary	-	-	38,332	19,322
Loss on disposal of other investment	-	22,792	-	-
Loss on disposal of prepaid lease payments for land	-	78,016	-	-
Property, plant and equipment written off (Note 7)	79,489	56,627	-	-
Rental of office equipment	59,086	52,992	-	-
Rental of premises	588,493	504,641	-	-
Loss on foreign currency transactions:				
- realised	-	36,269	-	-

Notes To The Financial Statements
Contd.**30. PROFIT BEFORE TAX (CONTD.)**

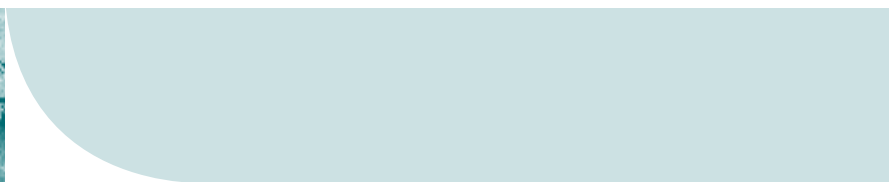
	Group		Company	
	2008 RM	2007 RM	2008 RM	2007 RM
And crediting:				
Allowance for doubtful debts no longer required	347,481	427,446	-	-
Bad debts recovered	13,504	17,956	-	-
Gross dividend from subsidiaries	-	-	5,901,000	25,944,500
Gain on disposal of property, plant and equipment	1,314,715	130,097	-	-
Gain on foreign currency transactions:				
- realised	78,531	-	-	7,850
- unrealised	76,969	11,424	-	-
Interest income on:				
- fixed deposits and repo	197,376	203,667	54,943	76,871
- savings accounts	31,603	21,425	7,867	8,345
- advances to subsidiaries	-	-	333,190	75,071
- foreign current accounts	20,038	25,923	-	-
Management fees received from subsidiaries	-	-	1,940,000	1,180,000
Rental income	521,000	517,500	-	-

31. TAX EXPENSE

	Group		Company	
	2008 RM	2007 RM	2008 RM	2007 RM
Current tax expense based on profit for the financial year	2,846,466	2,251,519	6,240,000	1,670,000
Deferred tax (Note 23)	339,697	736,227	(4,900,000)	4,900,000
	3,186,163	2,987,746	1,340,000	6,570,000
Under/(Over) provision in prior years:				
- income tax	133,945	(24,636)	(24,801)	28,970
- deferred tax (Note 23)	(190,700)	16,173	-	-
	(56,755)	(8,463)	(24,801)	28,970
	3,129,408	2,979,283	1,315,199	6,598,970

The Malaysian income tax is calculated at the statutory tax rate of 26% (2007: 27%) of the estimated taxable profit for the fiscal year. The Malaysian statutory tax rate has been reduced to 26% from the previous year's rate of 27% for the fiscal year of assessment and to 25% for fiscal year of assessment 2009 onwards. The computation of deferred tax as at 30 June 2008 has reflected these changes.

Tax expense for other taxation authorities are calculated at the rate prevailing in those respective jurisdictions.



Notes To The Financial Statements Contd.

31. TAX EXPENSE (CONTD.)

The numerical reconciliation between the average effective tax rate and the applicable tax rate of the Group and of the Company are as follows:

	Group		Company	
	2008 %	2007 %	2008 %	2007 %
Tax at Malaysian statutory tax rate of 26% (2007: 27%)	26.00	27.00	26.00	27.00
Tax effects in respect of:				
Non-allowable expenses	2.92	3.42	1.17	0.50
Non-taxable income	(0.81)	(0.39)	(0.10)	(0.04)
Lower tax rate in foreign jurisdiction	(1.95)	(1.29)	-	-
Utilisation of previously unrecognised tax losses and capital allowances	(2.29)	(0.56)	-	-
Tax exempt income	(2.18)	(2.54)	-	-
Effect of changes in tax rate on deferred tax balances	(1.14)	(2.05)	(1.26)	(0.76)
Reduction in statutory tax rate on chargeable income up to RM500,000 for certain subsidiaries	(1.26)	(1.75)	-	-
	19.29	21.84	25.81	26.70
Under/(Over) provision in prior years				
- income tax	0.81	(0.18)	(0.48)	0.12
- deferred tax	(1.15)	0.10	-	-
Average effective tax rate	18.95	21.76	25.33	26.82

Notes To The Financial Statements
Contd.**32. DIVIDENDS**

	Gross/tax exempt dividend per share sen	Group and Company 2008 Amount of dividend net of tax RM	Gross/tax exempt dividend per share sen	2007 Amount of dividend net of tax RM
Final dividend, less tax of 26% (2007: 27%) in respect of the financial year ended 30 June 2007/2006	2.0	1,801,370	2.0	1,243,920
Interim dividend in respect the financial year ended of 30 June 2008/2007				
- less tax of 26% (2007: 27%)	2.0	1,801,370	1.2	746,352
- tax exempt	-	-	0.8	681,600
	2.0	1,801,370	2.0	1,427,952
	4.0	3,602,740	4.0	2,671,872

A final dividend in respect of the year ended 30 June 2008 of 2.5 sen per ordinary share, less tax of 25%, amounting to RM2,282,143 has been proposed by the Directors after the balance sheet date for members' approval at the forthcoming Annual General Meeting. The financial statements for the current year do not reflect this proposed dividend. This dividend, if approved by members, will be accounted for as an appropriation of retained earnings in the year ending 30 June 2009.

33. EARNINGS PER ORDINARY SHARE**Basic**

Basic earnings per ordinary share for the financial year is calculated by dividing the profit for the financial year to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

	2008	Group 2007
Profit attributable to equity holders of the Company (RM)	12,166,408	9,687,600
Weighted average number of ordinary shares in issue:	121,714,286	85,200,000*
- Effect of bonus issue	-	36,514,286*
Adjusted weighted average number of ordinary shares applicable to basic earnings per shares	121,714,286	121,714,286*
Basic earnings per ordinary share (sen)	10.00	7.96*

* Pursuant to FRS 133, Earnings Per Share, the comparative earnings per share for the year ended 30 June 2007 have been adjusted for the bonus issue of three (3) new ordinary shares for every seven (7) ordinary shares of RM0.50 each held, as if this event had occurred since 1 July 2006.

Diluted

The Company has no potential ordinary share in issue as at balance sheet date and therefore the diluted earnings per ordinary share has not been prepared.

Notes To The Financial Statements Contd.

34. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the cash flow statements comprise the following balance sheet amounts:

	Group		Company	
	2008 RM	2007 RM	2008 RM	2007 RM
Cash and bank balances	7,335,717	7,934,577	1,140,022	2,401,549
Fixed deposits with licensed banks	4,348,946	3,778,277	-	-
Short term deposit-Repo	6,700,000	3,800,000	6,700,000	3,800,000
Bank overdrafts - secured (Note 28)	(2,510,646)	(3,293,390)	-	-
	15,874,017	12,219,464	7,840,022	6,201,549
Less: Fixed deposits pledged to licensed banks (Note 17)	(4,009,723)	(3,331,140)	-	-
	11,864,294	8,888,324	7,840,022	6,201,549

35. RELATED PARTY DISCLOSURES

(a) Identities of related parties

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

The Company has controlling related party relationship with its direct and indirect subsidiaries and associate.

(b) In addition to the transactions detailed elsewhere in the financial statements, the Group and the Company had the following transactions with related parties during the financial year:

	Group		Company	
	2008 RM	2007 RM	2008 RM	2007 RM
Freight charges received/receivable from:				
- TS Freight Services Sdn. Bhd.	28,959	19,165	-	-
- Poo Hua Pte. Ltd.	6,131,421	829,018	-	-
Freight charges paid/payable to:				
- FM Forwarding Sdn. Bhd.	2,110,174	1,878,740	-	-
- Tuck Sun & Co (M) Sdn. Bhd.	3,799	14,787	-	-
- Advance Logistics Sdn. Bhd.	3,548,924	3,281,609	-	-
- TS Freight Services Sdn.Bhd.	9,745	17,145	-	-

Notes To The Financial Statements
Contd.**35. RELATED PARTY DISCLOSURES (contd.)**

- (b) In addition to the transactions detailed elsewhere in the financial statements, the Group and the Company had the following transactions with related parties during the financial year (continued):

	Group		Company	
	2008 RM	2007 RM	2008 RM	2007 RM
Rental income received/receivable from:				
- FM Distribution Sdn. Bhd.	503,000	495,000	-	-
Rental expenses paid/payable to:				
- Poo Hua Pte. Ltd.	41,911	41,563	-	-
Warehouse services received/receivable from:				
- FM Distribution Sdn. Bhd.	110,530	169,111	-	-
Warehouse services paid/payable to:				
- FM Distribution Sdn. Bhd.	10,790	416,886	-	-
Administrative expenses paid/payable to a subsidiary	-	-	1,872,000	1,725,000
Gross dividend from subsidiaries	-	-	5,901,000	25,944,500
Management fees received from subsidiaries	-	-	1,940,000	1,180,000
Interest paid to a subsidiary	-	-	38,332	19,322
Interest received from subsidiaries	-	-	333,190	75,071

The related party transactions described above were carried out on terms and conditions not materially different from those obtainable in transactions with unrelated parties.

Related parties	Relationships
TS Freight Services Sdn. Bhd.	A director is related to Chew Chong Keat and Gan Siew Yong
Tuck Sun & Co (M) Sdn. Bhd.	A director is related to Chew Chong Keat and Gan Siew Yong
FM Forwarding Sdn. Bhd.	Related by a common director, namely Chew Chong Keat
Advance Logistics Sdn. Bhd.	Related by a common director of a subsidiary, namely Law Kok Voon
Poo Hua Pte. Ltd.	Related by a common director of a subsidiary, namely Tay Nguang Yeow Andrew



Notes To The Financial Statements Contd.

35. RELATED PARTY DISCLOSURES (CONTD.)

(c) Compensation of key management personnel

The remuneration of Directors and other key management personnel during the financial year was as follows:

	Group		Company	
	2008 RM	2007 RM	2008 RM	2007 RM
Short term employee benefits	4,141,412	3,532,309	39,000	33,000
Contributions to defined contribution plans	454,292	387,319	-	-
	4,595,704	3,919,628	39,000	33,000

36. CAPITAL COMMITMENTS

	Group	
	2008 RM	2007 RM
Capital expenditure in respect of purchase of property, plant and equipment:		
- contracted but not provided for	8,049,000	11,755,000
- approved but not contracted for	1,071,000	-
	9,120,000	11,755,000

37. CONTINGENT LIABILITIES - UNSECURED

	Group		Company	
	2008 RM	2007 RM	2008 RM	2007 RM
Bankers' guarantees in favour of third parties	1,702,900	1,815,900	-	-
Corporate guarantee given to financial institutions for credit facilities granted to subsidiaries, limit up to RM60,347,538 (2007: RM41,258,000)	-	-	28,948,000	19,119,000
Corporate guarantee given to financial institutions for hire-purchase and lease facilities granted to subsidiaries, limit up to RM1,047,700 (2007: RM935,855)	-	-	779,000	495,000

Notes To The Financial Statements Contd.

38. SEGMENT REPORTING

Reporting format

Segment information is presented in respect of the Group's geographical segments as the primary reporting segment since the Group's risks and returns are affected predominantly by different geographical areas. However, there is no secondary format for reporting segment information as the Group operates principally in the freight and forwarding industry.

The Group operates principally in Malaysia. In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Segment assets are based on the geographical location of assets.

The following table provides analysis of the Group revenue, results, assets, liabilities and other information by geographical segment:

	Malaysia RM	Singapore RM	Australia RM	Elimination RM	Total RM
2008					
Revenue					
Sales to external customers	188,891,737	22,722,576	10,384,375	-	221,998,688
Inter-segment sales	201,531	-	31,881	(233,412)	-
Total revenue	189,093,268	22,722,576	10,416,256	(233,412)	221,998,688
Results					
Segment results	13,899,468	4,568,662	(340,625)	-	18,127,505
Finance costs					(1,587,600)
Share of loss in an associate	(21,916)	-	-	-	(21,916)
Profit before tax					16,517,989
Tax expense					(3,129,408)
Profit for the financial year					13,388,581
Assets					
Segment assets	106,317,132	25,565,651	2,146,754	-	134,029,537
Non-current asset classified as held for sales	5,266,066	-	-	-	5,266,066
Investment in an associate	115,293	-	-	-	115,293
Unallocated assets					1,297,723
Total assets					140,708,619
Liabilities					
Segment liabilities	46,003,240	9,290,218	1,377,435	-	56,670,893
Unallocated liabilities					3,639,134
Total liabilities					60,310,027

Notes To The Financial Statements Contd.

38. SEGMENT REPORTING (CONTD.)

	Malaysia RM	Singapore RM	Australia RM	Elimination RM	Total RM
2008					
Other segment information					
Capital expenditure	10,220,321	8,504,550	138,715	-	18,863,586
Depreciation	2,580,515	1,078,421	81,297	-	3,740,233
Amortisation	132,548	-	-	-	132,548
Other non-cash income	(641,032)	(1,111,637)	-	-	(1,752,669)
Other non-cash expenses other than depreciation and amortisation	733,810	6,649	221,526	-	961,985
2007					
Revenue					
Sales to external customers	158,460,127	17,477,131	12,142,055	-	188,079,313
Inter-segment sales	90,317	-	26,263	(116,580)	-
Total revenue	158,550,444	17,477,131	12,168,318	(116,580)	188,079,313
Results					
Segment results	12,365,400	2,234,744	287,074	-	14,887,218
Finance costs					(1,211,680)
Share of profit in an associate	15,453	-	-	-	15,453
Profit before tax					13,690,991
Tax expense					(2,979,283)
Profit for the financial year					10,711,708
Assets					
Segment assets	91,368,337	17,060,065	2,193,791	-	110,622,193
Non-current asset classified as held for sales	5,266,066	-	-	-	5,266,066
Investment in an associate	137,209	-	-	-	137,209
Unallocated assets					1,426,531
Total assets					117,451,999
Liabilities					
Segment liabilities	37,819,745	4,998,413	1,066,282	-	43,884,440
Unallocated liabilities					3,470,814
Total liabilities					47,355,254

Notes To The Financial Statements Contd.

38. SEGMENT REPORTING (CONTD.)

	Malaysia RM	Singapore RM	Australia RM	Elimination RM	Total RM
2007					
Other segment information					
Capital expenditure	12,534,909	3,931,101	193,726	-	16,659,736
Depreciation	1,982,637	657,462	59,020	-	2,699,119
Amortisation	155,430	-	-	-	155,430
Other non-cash income	(558,904)	(28,019)	-	-	(586,923)
Other non-cash expenses other than depreciation and amortisation	699,550	259,816	-	-	959,366

39. FINANCIAL INSTRUMENTS

(a) Financial risk management objectives and policies

The Group's financial risk management objective is to optimise value creation for shareholders whilst minimising the potential impact arising from fluctuations in foreign currency exchange and interest rates and the unpredictability of the financial markets.

The Group operates within an established risk management framework and clearly defined guidelines that are regularly reviewed by the Board of Directors and does not trade in derivative financial instruments. Financial risk management is carried out through risk review programmes, internal control systems, insurance programmes and adherence to the Group financial risk management policies. The Group is exposed mainly to foreign currency risk, liquidity and cash flow risk, interest rate risk and credit risk. Information on the management of the related exposures are detailed below.

(i) Foreign currency risk

The Group is exposed to foreign currency risk as a result of the foreign currency transactions entered into by the Group in currencies other than its functional currency. The Group monitors the movements in foreign currency exchange rates closely to ensure their exposures are minimised. The Group does not use derivative financial instruments to hedge against the volatility associated with foreign currency transactions.

The Group have subsidiaries operating in both Singapore and Australia whose revenue and expenses are denominated in its functional currency of Singapore Dollar and Australian Dollar respectively. This gave rise to foreign exchange exposure which the Group constantly monitors diligently.



Notes To The Financial Statements Contd.

39. FINANCIAL INSTRUMENTS (CONTD.)

(a) Financial risk management objectives and policies (contd.)

(i) Foreign currency risk (contd.)

The net unhedged financial assets and liabilities of the Group that are not denominated in their functional currencies are as follows:

	Ringgit Malaysia RM	Functional currencies Singapore Dollar RM	Australian Dollar RM	Total RM
At 30 June 2008				
<u>Trade receivables</u>				
US Dollar	4,171,099	1,029,835	95,151	5,296,085
Singapore Dollar	339,812	-	-	339,812
Ringgit Malaysia	-	1,068,536	-	1,068,536
	4,510,911	2,098,371	95,151	6,704,433
<u>Cash and bank balances</u>				
Singapore Dollar	37	-	-	37
US Dollar	1,015,201	-	138,772	1,153,973
Ringgit Malaysia	-	70,148	-	70,148
	1,015,238	70,148	138,772	1,224,158
<u>Trade payables</u>				
Australian Dollar	66,912	-	-	66,912
Europe Dollar	123,902	-	-	123,902
British Pound	69,218	-	-	69,218
Hong Kong Dollar	20,327	-	-	20,327
Japanese Yen	12,433	-	-	12,433
US Dollar	2,187,519	-	48,819	2,236,338
Ringgit Malaysia	-	462,271	-	462,271
Thai Baht	454,467	27,611	-	482,078
Others	169,048	-	-	169,048
	3,103,826	489,882	48,819	3,642,527

Notes To The Financial Statements
Contd.**39. FINANCIAL INSTRUMENTS (CONTD.)**

(a) Financial risk management objectives and policies (contd.)

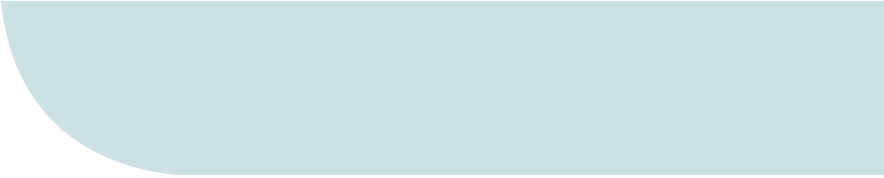
(i) Foreign currency risk (contd.)

	Ringgit Malaysia RM	Functional currencies Singapore Dollar RM	Australian Dollar RM	Total RM
At 30 June 2007				
<u>Trade receivables</u>				
Australian Dollar	30,491	-	-	30,491
Europe Dollar	23,185	-	-	23,185
US Dollar	3,872,952	631,136	76,609	4,580,697
Singapore Dollar	475,478	-	-	475,478
Ringgit Malaysia	-	1,250,788	-	1,250,788
	4,402,106	1,881,924	76,609	6,360,639
<u>Cash and bank balances</u>				
Singapore Dollar	84,735	-	-	84,735
US Dollar	123,282	-	388,041	511,323
Ringgit Malaysia	-	1,944,712	-	1,944,712
	208,017	1,944,712	388,041	2,540,770
<u>Trade payables</u>				
Australian Dollar	8,123	-	-	8,123
Europe Dollar	105,912	-	-	105,912
British Pound	27,355	-	-	27,355
Hong Kong Dollar	1,604	-	-	1,604
Japanese Yen	6,448	-	-	6,448
US Dollar	2,250,079	-	77,184	2,327,263
Ringgit Malaysia	-	397,761	-	397,761
Thai Baht	-	23,584	-	23,584
Others	41,695	-	-	41,695
	2,441,216	421,345	77,184	2,939,745

(ii) Interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates. Interest rate exposure arises from the Group's borrowings and is managed through the use of fixed and floating rates debts. The Group monitors the interest rates on borrowings closely to ensure that the borrowings are maintained at favourable rates. The Group does not use derivative financial instruments to hedge these risks.

The Group is also exposed to interest rate risk in respect of its fixed deposits with licensed banks.



Notes To The Financial Statements Contd.

39. FINANCIAL INSTRUMENTS (CONTD.)

(a) Financial risk management objectives and policies (contd.)

(ii) Interest rate risk (contd.)

The following tables set out the carrying amounts, the weighted average effective interest rates as at the balance sheet date and the remaining maturities of the Group's and the Company's financial instruments that are exposed to interest rate risk:

Weighted average effective interest rate %									
	Note	Within 1 year RM	1 - 2 years RM	2 - 3 years RM	3 - 4 years RM	4 - 5 years RM	More than 5 years RM	Total RM	
Group									
At 30 June 2008									
Fixed rates									
Fixed deposits	17	3.64	4,348,946	-	-	-	-	4,348,946	
Short term deposits - Repo	17	2.05	6,700,000	-	-	-	-	6,700,000	
Term loan	22	6.46	638,811	568,359	-	-	-	1,207,170	
Hire purchases and lease creditors	21	5.94	1,422,124	1,404,133	1,268,379	1,156,077	732,318	5,983,031	
Floating rates									
Bankers' acceptances	26	4.30	2,236,622	-	-	-	-	2,236,622	
Revolving credit	27	5.35	1,500,000	-	-	-	-	1,500,000	
Bank overdrafts	28	5.70	2,510,646	-	-	-	-	2,510,646	
Term loans	22	5.79	2,499,319	2,558,524	2,396,516	1,648,796	865,794	8,369,290	18,338,239

Notes To The Financial Statements
Contd.

39. FINANCIAL INSTRUMENTS (CONTD.)

(a) Financial risk management objectives and policies (contd.)

(ii) Interest rate risk (contd.)

Weighted average effective interest rate %		Within 1 year RM	1 - 2 years RM	2 - 3 years RM	3 - 4 years RM	4 - 5 years RM	More than 5 years RM	Total RM
Note								
Group								
At 30 June 2007								
Fixed rates								
Fixed deposits	17	3.70	3,778,277	-	-	-	-	3,778,277
Short term deposits - Repo	17	2.80	3,800,000	-	-	-	-	3,800,000
Term loans	22	3.25	601,641	580,078	483,326	-	-	1,665,045
Hire purchases and lease creditors	21	6.00	409,966	290,993	198,378	102,489	40,066	1,041,892
Floating rates								
Bankers' acceptance	26	4.50	1,257,292	-	-	-	-	1,257,292
Bank overdrafts	27	7.77	3,293,390	-	-	-	-	3,293,390
Term loans	22	6.40	1,022,447	1,070,574	1,125,479	974,150	580,647	10,248,908
15,022,205								
Company								
At 30 June 2008								
Fixed rate								
Short term deposits - Repo	17	2.05	6,700,000	-	-	-	-	6,700,000
At 30 June 2007								
Fixed rate								
Short term deposits - Repo	17	2.80	3,800,000	-	-	-	-	3,800,000



Notes To The Financial Statements Contd.

39. FINANCIAL INSTRUMENTS (CONTD.)

(a) Financial risk management objectives and policies (contd.)

(iii) Liquidity and cash flow risk

The Group actively manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that all operating, investing and financing needs are met. In liquidity risk management strategy, the Group measures and forecasts its cash commitments and maintains a level of cash and cash equivalents deemed adequate to finance the Group's activities.

Short term flexibility is achieved by overdraft facilities.

(iv) Credit risk

Cash deposits and trade receivables may give rise to credit risk which requires the loss to be recognised if a counter party fails to perform as contracted. The counter parties are major international institutions and reputable multinational organisations. It is the Group's policy to monitor the financial standing of these counter parties on an ongoing basis to ensure that the Group is exposed to minimal credit risk.

The Group's primary exposure to credit risk arises through its trade receivables. The Group's trading terms with its customers are mainly on credit. The credit period is generally for a period of one month, extending up to three months for major customers. Each customer has a maximum credit limit and the Group seeks to maintain strict control over its outstanding receivables via a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management.

The concentration of credit risk in respect of trade receivables is limited due to the Group's large number of customers. The Group's historical experience in collection of accounts receivables falls within the recorded allowances. Due to these factors, the Directors believe that no additional credit risk beyond amounts provided for doubtful debts is inherent in the Group's trade receivables.

In respect of the deposits, cash and bank balances placed with major financial institutions in Malaysia, Singapore and Australia, the Directors believe that the possibility of non-performance by these financial institutions is remote on the basis of their financial strength.

Notes To The Financial Statements
Contd.**39. FINANCIAL INSTRUMENTS (CONTD.)**

(b) Fair values

The carrying amounts of the financial instruments of the Group and the Company as at balance sheet approximate their fair values due to the relatively short term maturity of the financial instruments except as set out below:

	Group		Company	
	Carrying amount RM	Fair value RM	Carrying amount RM	Fair value RM
At 30 June 2008				
Recognised				
Unquoted investment	2,776	#	-	-
Amounts owing by subsidiaries	-	-	14,160,600	*
Hire purchase and lease creditors	5,983,031	5,819,989	-	-
Term loan	1,207,170	1,106,588	-	-
Unrecognised				
Corporate guarantee given to financial institutions for credit facilities granted to subsidiaries	-	-	-	28,948,000
Corporate guarantee given to financial institutions for hire purchase and lease facilities granted to subsidiaries	-	-	-	779,000
At 30 June 2007				
Recognised				
Unquoted investment	2,776	#	-	-
Amounts owing by subsidiaries	-	-	14,160,600	*
Hire purchase and lease creditors	1,041,892	1,006,029	-	-
Term loans	1,665,045	1,486,218	-	-
Unrecognised				
Corporate guarantee given to financial institutions for credit facilities granted to subsidiaries	-	-	-	19,119,000
Corporate guarantee given to financial institutions for hire purchase and lease facilities granted to subsidiaries	-	-	-	495,000

Notes To The Financial Statements Contd.

39. FINANCIAL INSTRUMENTS (CONTD.)

(b) Fair values (contd.)

- # *It is not practical to estimate the fair values of long term unquoted investment because of lack of quoted market prices and inability to estimate fair values without incurring excessive costs. The Directors believe that the carrying amounts represent the recoverable values.*
- * *It is not practical to estimate the fair values of the non-current amounts owing by a subsidiary due to lack of fixed repayment terms and inability to estimate fair values without incurring excessive costs. The Directors believe that the carrying amounts represent the recoverable values.*

The following methods and assumptions are used to determine the fair values of financial instruments:

- (i) The carrying amounts of financial assets and liabilities maturing within 12 months approximate their fair values due to the relatively short term maturity of these financial instruments.
- (ii) The fair values of hire purchase and lease creditors have been determined using discounted cash flows technique. The discount rates used are based on the market rates for the similar borrowings of the same remaining maturities.
- (iii) The fair value of the corporate guarantees given to financial institutions are estimated based on the fair value of the banking and hire purchase and lease facilities utilised by the Company's subsidiaries as at balance sheet date.

40. EMPLOYEE BENEFITS

	Group		Company	
	2008 RM	2007 RM	2008 RM	2007 RM
Salaries, wages and bonuses	19,296,670	14,619,337	39,000	33,000
Contributions to defined contribution plans	1,918,450	1,467,910	-	-
Social security contributions	141,667	126,944	-	-
Other benefits	799,669	514,209	2,389	10,627
	22,156,456	16,728,400	41,389	43,627

Included in the employee benefits of the Group and of the Company is Directors' remuneration amounting RM4,595,704 (2007: RM3,919,628) and RM39,000 (2007: RM33,000) respectively.

Notes To The Financial Statements Contd.

41. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

- (a) On 11 September 2007, the Company proposed the following corporate exercises:
- (i) Bonus issue of 36,514,286 new ordinary shares of RM0.50 each in Freight Management Holdings Bhd. ("FMH") on the basis of three (3) bonus shares for every seven (7) existing ordinary shares of RM0.50 each in FMH. ("Proposed Bonus Issue");
 - (ii) Proposed transfer of the listing of and quotation for the entire enlarged issued and paid-up share capital of FMH from the Second Board to the Main Board of Bursa Malaysia Securities Berhad ("Bursa Malaysia") upon completion of the Proposed Bonus Issue; and
 - (iii) Proposed placement of up to 12,171,428 new FMH Shares ("Placement Shares") representing up to 10% of the enlarged issued and paid-up share capital of FMH after the Proposed Bonus Issue ("Proposed Placement").

On 19 December 2007, the entire issued and paid-up share capital of RM60,857,143 comprising 121,714,286 ordinary shares of RM0.50 each were transferred from the Second Board to the Main Board of Bursa Malaysia pursuant to the Rules of Bursa Malaysia.

On 25 March 2008, the Company applied to Security Commission ("SC") for an extension of time of up to and including 12 October 2008 to implement the Proposed Placement.

On 21 April 2008, SC approved the Company's application for the extension of time up to and including 12 October 2008 to implement the Proposed Placement.

- (b) On 29 November 2007, the Company announced that the application for Multimedia Super Corridor ("MSC") status for its proposed subsidiary, Freight Management MSC Sdn. Bhd. ("FMMS") had been approved by the Approval Committee of Multimedia Development Corporation Sdn. Bhd. ("MDEC").

On 13 December 2007, the Company acquired two (2) ordinary shares of RM1 each comprising the entire issued and paid-up share capital of FMMS, a company incorporated in Malaysia for a cash consideration of RM2. FMMS is engaged in the business of developing, provision and maintaining IT software application solutions.

On 11 January 2008, FMMS increased its paid-up capital from RM2 to RM100,000 comprising of 100,000 ordinary shares of RM1 each by the issuance of 99,998 new ordinary shares of RM1 each, which were fully subscribed by FMH for a cash consideration of RM99,998.

- (c) On 19 June 2008, Icon Line (Malaysia) Sdn. Bhd. ("ILSB"), a wholly-owned subsidiary of the Company, entered into a Joint Venture arrangement with three (3) individuals from Indonesia to provide integrated freight and logistic services under the proposed entity, PT. Icon Freight Indonesia.



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FREIGHT MANAGEMENT HOLDINGS BHD 380410-P

Notes To The Financial Statements

Contd.

42. SIGNIFICANT EVENTS SUBSEQUENT TO THE BALANCE SHEET DATE

- (a) On 30 July 2008, the Company announced that the application by its wholly-owned subsidiary, Freight Management (M) Sdn. Bhd. for Investment Tax Incentives for a period of five (5) years under the Integrated Logistics Services had been approved by Malaysian Industrial Development Authority ("MIDA") via letter dated 10 July 2008.
- (b) On 27 August 2008, the Company incorporated a wholly-owned company limited by shares known as Icon Freight International Inc. ("IFII"), in British Virgin Islands. The authorised share capital of IFII is USD50,000 comprising 50,000 ordinary shares of USD1 each and current paid-up capital is USD100. IFII is currently dormant and its principal activity is intended to be investment holding.
- (c) On 18 September 2008, ILSB received approval from Badan Koordinasi Penanaman Modal ("BKPM") for change of status of PT. Icon Freight Indonesia from a Non Penanaman Modal Asing to a Penanaman Modal Asing ("PMA") Company. The intended issued and paid-up capital of PT. Icon Freight Indonesia on becoming a PMA Company will be IRP4,500,000,000. ILSB has yet to subscribe to the shares of PT. Icon Freight Indonesia.
- (d) On 24 September 2008, the Company proposed a further extension of time for a period of 6 months up to 12 April 2009, to implement the Proposed Placement.

On 17 October 2008, SC approved the Company's application for the extension of time up to and including 12 April 2009, to implement the Proposed Placement.

43. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with current year's presentation.

Group	As restated RM	As previously reported RM
Balance sheets		
Trade receivables	34,710,600	34,100,152
Other receivables, deposits and prepayments	2,367,975	2,978,423
Fixed deposits with licensed banks	-	3,778,277
Short term deposits – Repo	-	3,800,000
Cash and bank balances	15,512,854	7,934,577
Trade payables	14,474,615	14,691,957
Other payables and accruals	5,702,049	5,484,707
Cash flow statements		
Increase in trade receivables	(2,549,550)	(1,939,102)
Decrease/(Increase) in other receivables, deposits and prepayments	70,818	(539,630)
Increase in trade payables	1,034,722	1,252,064
Decrease in other payables and accruals	(1,710,002)	(1,927,344)

Analysis of Shareholdings

as at 10 October 2008

Authorised share capital	:	RM100,000,000
Issued and paid up share capital	:	RM60,857,143
Class of shares	:	Ordinary shares of RM0.50 each
Voting rights	:	One (1) vote per ordinary share

ANALYSIS BY SIZE OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares Held	%
Less Than 100	54	4.66	2,548	0.00
100 To 1,000	324	27.98	87,761	0.07
1,001 To 10,000	503	43.44	2,256,092	1.85
10,001 to 100,000	225	19.43	7,459,259	6.13
100,001 to Less Than 5%	49	4.23	31,387,141	25.79
5% And Above	3	0.26	80,521,485	66.16
TOTAL	1,158	100.00	121,714,286	100.00

LIST OF DIRECTORS' INTEREST

Names	Direct		Indirect	
	No. of Shares Held	%	No. of Shares Held	%
CHEW CHONG KEAT	33,902,597	27.85	-	-
YANG HENG LAM	22,276,031	18.30	175,000*	0.41
GAN SIEW YONG	5,281,642	4.34	-	-
DATUK DR HJ NOORDIN BIN HJ AB RAZAK	-	-	-	-
AARON SIM KWEE LEIN	-	-	-	-
ONG LOOI CHAI	1,429,928	1.17	-	-
CHUA TIONG HOCK	-	-	24,342,857^	20.00
KHUA KIAN KEONG	-	-	24,342,857^	20.00
(Alternate Director to Chua Tiong Hock)				

* Deemed interested in shares held by his spouse by virtue of Section 134 of the Companies Act, 1965.

^ Deemed interested in shares held via Singapore Enterprises Private Limited by virtue of Section 6A of the Companies Act, 1965.

LIST OF SUBSTANTIAL SHAREHOLDERS

Names	Direct		Indirect	
	No. of Shares Held	%	No. of Shares Held	%
CHEW CHONG KEAT	33,902,597	27.85	-	-
SINGAPORE ENTERPRISES PRIVATE LIMITED	24,342,857	20.00	-	-
YANG HENG LAM	22,276,031	18.30	175,000*	0.14

* Deemed interested in shares held by his spouse by virtue of Section 134 of the Companies Act, 1965.

Analysis of Shareholdings Contd.

LIST OF THIRTY (30) LARGEST SHAREHOLDERS

No	Names	No. of Shares Held	%
1	CHEW CHONG KEAT	33,902,597	27.85
2	SINGAPORE ENTERPRISES PRIVATE LIMITED	24,342,857	20.00
3	YANG HENG LAM	22,276,031	18.30
4	GAN SIEW YONG	5,281,642	4.34
5	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD (PHEIM ASSET MANAGEMENT SDN BHD FOR EMPLOYEES PROVIDENT FUND)	2,522,857	2.07
6	MALAYSIA NOMINEES (TEMPATAN) SDN BHD (A/C FOR GREAT EASTERN LIFE ASSURANCE MALAYSIA BERHAD DR)	2,369,000	1.95
7	UNIVERSAL TRUSTEE (MALAYSIA) BERHAD (A/C FOR SBB DANA AL-AZAM)	1,856,271	1.53
8	SEE KOK HING	1,557,142	1.28
9	CHIN YEW SOON	1,557,142	1.28
10	ONG LOOI CHAI	1,429,928	1.17
11	MALAYSIA NOMINEES (TEMPATAN) SDN BHD (A/C FOR GREAT EASTERN LIFE ASSURANCE MALAYSIA BERHAD LPF)	1,232,857	1.01
12	FOO SOOK WAN	1,101,328	0.90
13	TEH SWEE SIM	1,042,004	0.86
14	UNIVERSAL TRUSTEE (MALAYSIA) BERHAD (CIMB-PRINCIPAL SMALL CAP FUND 2)	1,000,000	0.82
15	AMSEC NOMINEES (TEMPATAN) SDN BHD (AMTRUSTEE BERHAD FOR APEX DANA AL-SOFI-1)	789,871	0.65
16	HSBC NOMINEES (ASING) SDN BHD (EXEMPT AN FOR MORGAN STANLEY & CO INTERNATIONAL PLC)	605,000	0.50
17	GOH CHONG WENG	506,847	0.42
18	BHLB TRUSTEE BERHAD (A/C FOR PRUSMALL-CAP FUND)	501,828	0.41



Analysis of Shareholdings Contd.

LIST OF THIRTY (30) LARGEST SHAREHOLDERS (CONTD.)

No	Names	No. of Shares Held	%
19	LIN, KUANG	500,000	0.41
20	CHEW PHEK YING	500,000	0.41
21	WONG LEE CHOO	480,131	0.39
22	YVONNE KALATHINI A/P M.VIJAYARAJ	440,000	0.36
23	RICHARD ENG	428,571	0.35
24	TODA TORU	357,142	0.29
25	CIMSEC NOMINEES (TEMPATAN) SDN BHD (A/C FOR CHIN YEW SOON)	337,257	0.28
26	HSBC NOMINEES (TEMPATAN) SDN BHD (HSBC M TRUSTEE BHD FOR PHEIM EMERGING COMPANIES BALANCED FUND)	332,714	0.27
27	PUBLIC INVEST NOMINEES (TEMPATAN) SDN BHD (A/C FOR YOONG FUI KIEN)	309,257	0.25
28	MAYBAN NOMINEES (TEMPATAN) SDN BHD (PHEIM ASSET MANAGEMENT SDN BHD FOR BENTA WAWASAN SDN BHD A/C 95-230135)	270,542	0.22
29	NIOW SOO SEE	266,428	0.22
30	WOO LAI MUN	245,071	0.20



List of Properties

Postal address / location	Description	Existing use	Land Area (square feet)	Tenure of land (years)	Approximate age of building	Date Acquired	Net book value as at 30.06.08 RM
HS(D) 72751, PT 144740, Mukim Hulu Kinta, Daerah Kinta, Negeri Perak	1½storey terrace industrial factory	Tenanted	4,490	99 years ending on 27 October 2097	7 years	13 September 1996	322,215
Postal Address: No 26, Jalan SCI 1/10, Sunway City, 31150 Ipoh, Perak Darul Ridzuan							
Geran No. 2893, Lot 1841 Seksyen 4, Bandar Butterworth, Daerah Seberang Perai Utara, Negeri Pulau Pinang	Three (3) storey terrace shophouse	Office	1,019	Freehold	33 years	22 October 1994	431,630
Postal Address: No 4453, Jalan Bagan Luar, 12000 Butterworth, Penang							
HS(D) 116340, PT 152, Mukim Bandar Sultan Sulaiman, Daerah Klang, Negeri Selangor	Single storey warehouse building with a 4-storey office building	Vacant	87,120	99 years ending on 30 June 2105	12 years	16 February 1996	5,266,066
Postal Address: Lot 8, Lingkaran Sultan Mohamed 2, Kawasan Perusahaan Bandar Sultan Suleiman, 42000 Port Klang, Selangor Darul Ehsan							
Geran No 2892, Lot 1840, Seksyen 4, Bandar Butterworth, Daerah Seberang Perai Utara, Negeri Pulau Pinang	Three (3) storey terrace shophouse	Office	1,021	Freehold	33 years	25 June 2002	483,388
Postal Address: No 4454, Jalan Bagan Luar, 12000 Butterworth, Penang							



List of Properties Contd.

Postal address / location	Description	Existing use	Land Area (square feet)	Tenure of land (years)	Approximate age of building	Date Acquired	Net book value as at 30.06.08 RM
Master Title: H.S(D) 49488 and 49489, PT 49974 and 49975 Mukim Klang, Daerah Klang, Negeri Selangor	Office Unit	Vacant	Nil	99 years ending on 11 March 2095	8 years	23 September 1998	71,290
Postal Address: No. 78- 2A, 2nd Floor, Jalan Sg. Chandong 15, Pulau Indah, 42100 Port Klang, Selangor Darul Ehsan							
Master Title: H.S(D) 49488 and 49489, PT 49974 and 49975 Mukim Klang, Daerah Klang, Negeri Selangor	Office Unit	Vacant	Nil	99 years ending on 11 March 2095	8 years	23 September 1998	65,210
Postal Address: No. 78- 2B, 2nd Floor, Jalan Sg. Chandong 15, Pulau Indah, 42100 Port Klang, Selangor Darul Ehsan							
HS(D) 116412, PT 239, Mukim Bandar Sultan Sulaiman, Daerah Klang, Negeri Selangor	Industrial land	Warehouse and Office	653,400	99 years ending on 30 June 2105	2 year	16 September 2005	(Land) 11,301,495
Postal Address: Lot 37, Jalan Lebu Sultan Mohamed 1, Kawasan Perindustrian Bandar Sultan Suleiman, 42000 Port Klang, Selangor Darul Ehsan	Warehouse cum 2-storey office building.						(Building) 24,171,359



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FREIGHT MANAGEMENT HOLDINGS BHD 380410-P

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Twelfth Annual General Meeting of the Company will be held at Function Room: Danau 1-2, Kota Permai Golf & Country Club, No. 1 Jalan 31/100A, Kota Kemuning, Section 31, 40460 Shah Alam, Selangor Darul Ehsan on Tuesday, 25 November 2008 at 10.00 a.m. for the following purposes:

1. To receive and adopt the Audited Financial Statements for the year ended 30 June 2008 and the Reports of the Directors and the Auditors thereon.

ORDINARY RESOLUTION 1

2. To approve the payment of Directors' Fees amounting to RM300,000 in respect of the financial year ended 30 June 2008.

ORDINARY RESOLUTION 2

3. To re-elect the following Directors retiring in accordance with Article 109 of the Articles of Association of the Company:

- (a) Ms Gan Siew Yong
(b) Mr. Aaron Sim Kwee Lein

ORDINARY RESOLUTION 3
ORDINARY RESOLUTION 4

4. To approve the payment of a final dividend of 2.5 sen per share less Malaysian Income tax for the year ended 30 June 2008

ORDINARY RESOLUTION 5

5. To re-appoint Messrs BDO Binder as the Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration.

ORDINARY RESOLUTION 6

As Special Business

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

6. **Ordinary Resolution – Proposed Renewal of and New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature**

"THAT, approval be and is hereby given for a Shareholders' Mandate for FMH Group to enter into the categories of recurrent transactions of a revenue or trading nature with related parties falling within the nature of transactions set out in Section 3.3 under Part A of the Circular to Shareholders dated 3 November 2008, inclusive of the additional recurrent related party transactions of a revenue or trading nature as set out in Section 3.3 of the Circular with the related parties mentioned therein, provided that such transactions are necessary for the Group's day-to-day operations and the transactions are carried out in the ordinary course of business and are on terms not more favourable to the related parties than those generally available to the public and are not to the detriment of minority shareholders.

Notice of Annual General Meeting Contd.

6. **Ordinary Resolution – Proposed Renewal of and New Shareholders' Mandate for Recurrent Related Party Transaction of a Revenue or Trading Nature (Contd.)**

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

- (a) the conclusion of the next Annual General Meeting ("AGM") of the Company at which time it will lapse, unless by resolution passed at the meeting, the authority is renewed;
- (b) the expiration of the period within which the next AGM is required to be held pursuant to Section 143(1) of the Companies Act, 1965 ("Act") (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or
- (c) revoked or varied by resolution passed by the shareholders in a general meeting;

Whichever is the earlier.

AND THAT the Directors of the Company be and are hereby authorized to complete and do all such acts and things as they may consider expedient or necessary to give effect to this Ordinary Resolution.

ORDINARY RESOLUTION 7

7. **Ordinary Resolution - Proposed Renewal of Shareholders' Mandate for Proposed Share Buy-Back by the Company**

"THAT subject to the Company's Act, 1965, (as may be amended, modified or re-enacted from time to time), the Listing Requirements of the Bursa Malaysia Securities Berhad and the approvals of all relevant governmental and / or regulatory authorities, the Company be and is hereby authorized to purchase such number of ordinary shares of RM0.50 each in the Company ("Proposed Renewal of Share Buy Back Authority") as may be determined by the Board from time to time on the Bursa Malaysia Securities Berhad upon such terms and conditions as the Board may deem fit and expedient in the interest of the Company provided the aggregate number of shares purchased pursuant to this resolution does not exceed ten percent (10%) of the issued and paid up share capital of the Company which amount to 121,714,286 ordinary shares of RM0.50 each as at 30 June 2008 and an amount not exceeding the total retained profits of RM4,545,046 based on the latest audited financial statements of the Company as at 30 June 2008, be allocated by the Company for the Proposed Renewal of Share Buy-Back Authority.

THAT such authority shall commence upon the passing of this resolution and shall remain in force until the conclusion of the next Annual General Meeting of the Company unless earlier revoked or varied by ordinary resolution of the shareholders of the Company in a general meeting;

THAT authority be and is hereby given to the Directors of the Company to decide in their discretion to retain the ordinary shares in the Company so purchased by the Company as treasury shares and / or cancel them and / or resell the treasury shares or distribute them as share dividend and / or subsequently cancel them;



Notice of Annual General Meeting Contd.

7. **Ordinary Resolution - Proposed Renewal of Shareholders' Mandate for Proposed Share Buy-Back by the Company (Contd.)**

AND FURTHER THAT authority be and is hereby given to the Directors of the Company to take all such steps as are necessary (including the appointment of stockbroking firm and the opening and maintaining of a Central Depository Account designated as a Share Buy-Back Account) and to enter into any agreements and arrangements with any party or parties to implement, finalise and give full effect to the aforesaid with full powers to assent to any conditions, modifications, variations and / or amendments (if any) as may be imposed by the relevant authorities and to do all such acts and things as the directors may deem fit and expedient in the interest of the Company."

ORDINARY RESOLUTION 8

8. **Ordinary Resolution – Authority to Allot and Issue shares pursuant to Section 132D of the Companies Act, 1965**

"THAT pursuant to Section 132D of the Companies Act, 1965 and approvals from Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so issued and other relevant authorities, where approval is necessary, authority be and is hereby given to the Directors to allot and issue shares in the Company at any time upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit provided always that the aggregate number of shares to be issued shall not exceed 10% of the issued share capital of the Company for the time being AND THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company."

ORDINARY RESOLUTION 9

CLOSURE OF BOOKS

NOTICE IS ALSO HEREBY GIVEN that subject to the approval of the shareholders at the Twelfth Annual General Meeting, a final dividend of 2.5 sen per share less Malaysian Income tax, will be payable on 19 January 2009 to shareholders whose names appear in the Record of Depositors at the close of business on 31 December 2008.

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 31 December 2008 in respect of ordinary shares;
- b) Shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

By Order of the Board

**LIM HOOI MOOI
TAN ENK PURN**

Joint Company Secretaries

Kuala Lumpur
3 November 2008



Notice of Annual General Meeting Contd.

NOTES

1. A member of the Company entitled to attend and vote at the meeting may appoint not more than two (2) proxies to attend and vote instead of him. Where a member appoints two (2) proxies, he shall specify the proportion of his shareholdings to be represented by each proxy. A member of the Company who is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 may appoint one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
2. A proxy need not be a member of the Company.
3. The instrument appointing a proxy shall be in writing under the hands of the appointer or of his attorney duly authorised in writing, or if the appointer is a corporation, either under its common seal or the hand of its attorney duly authorised.
4. The instrument of proxy must be deposited at the Company's Registered Office at Level 18, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur not later than forty-eight hours before the time appointed for holding the meeting.

EXPLANATORY NOTES ON SPECIAL BUSINESS

(A) Ordinary Resolution 7

The proposed Ordinary Resolution 7 seeking Shareholders' Mandate to allow the Company and its subsidiaries to enter into Recurrent Related Party Transactions of a Revenue or Trading Nature is to enable the Company to comply with Paragraph 10.09, Part E of Bursa Malaysia Securities Berhad Listing Requirements. The mandate will take effect from the date of the passing of the Ordinary Resolutions until the next Annual General Meeting of the Company.

(B) Ordinary Resolution 8

The proposed Ordinary Resolution 8, if passed, will empower the Directors of the Company to purchase the Company's shares up to ten percentage (10%) of the issued and paid up share capital of the Company ("Proposed Renewal of Share Buy-Back Authority") by utilizing the funds allocated which shall not exceed the total retained profits and share premium account of the Company. Further information on the Proposed Renewal of Share Buy-Back Authority is set out in the Circular to Shareholders of the Company dated 3 November 2008 which is despatched together with the Company's 2008 Annual Report.

(C) Ordinary Resolution 9

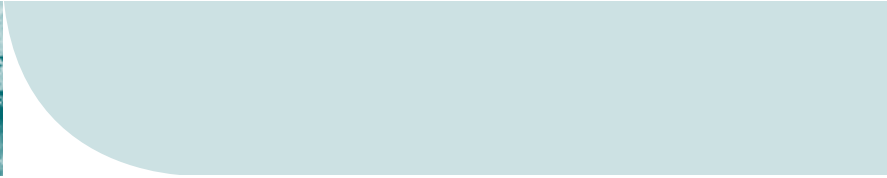
The proposed Ordinary Resolution No. 9, if passed, will avoid any delay and cost involved in convening a general meeting and will empower the Directors to allot and issue up to 10% of the issued share capital of the Company. This authority will, unless revoked or varied by the Company in a general meeting, expire at the conclusion of the next Annual General Meeting or the expiration of the period within which the next Annual General Meeting is required by law to be held, whichever is earlier.

(D) Statement Accompanying Notice of Twelfth Annual General Meeting

A statement accompanying this notice which contains additional information as required under Appendix 8A of Bursa Malaysia Listing Requirements is found on page 110 of the Annual Report dated 3 November 2008.



110



FREIGHT MANAGEMENT HOLDINGS BHD 380410-P

Statement Accompanying Notice of Annual General Meeting

Pursuant to Paragraph 8.28(2) of the Listing Requirements of Bursa Malaysia Securities Berhad

The details of the Directors who are standing for re-election (as per Ordinary Resolutions 3 & 4 as stated above) at the Twelfth Annual General Meeting of Freight Management Holdings Bhd (the Company) which will be held at Function Room: Danau 1-2, Kota Permai Golf & Country Club, No. 1 Jalan 31/100A, Kota Kemuning, Section 31, 40460 Shah Alam, Selangor Darul Ehsan on Tuesday, 25 November 2008 at 10.00 a.m. are set out in Directors' Profiles appearing on pages 7 to 9 of the Annual Report 2008.

The details of any interest in the securities of the Company and its subsidiaries (if any) held by the said Directors are stated on pages 28 to 100 of the Financial Statements of the Annual Report 2008.



PROXY FORM

FREIGHT MANAGEMENT HOLDINGS BHD

380410-P (Incorporated in Malaysia)

I/We _____ (I.C. No./Co. Registration No.) _____

of _____

being a member/members of Freight Management Holdings Bhd, do hereby appoint _____

_____ (I.C. No.) _____

or failing him/her _____ (I.C. No.) _____

or failing him/her the Chairman of the Meeting as my/our proxy to vote for me/us and on our behalf at the Twelfth Annual General Meeting of the Company to be held at Function Room: Danau 1-2, Kota Permai Golf & Country Club, No. 1 Jalan 31/100A, Kota Kemuning, Section 31, 40460 Shah Alam, Selangor Darul Ehsan on Tuesday, 25 November 2008 at 10.00 a.m. and at any adjournment thereof in the manner indicated below.

Resolution	For	Against
Ordinary Resolution 1		
Ordinary Resolution 2		
Ordinary Resolution 3		
Ordinary Resolution 4		
Ordinary Resolution 5		
Ordinary Resolution 6		
Ordinary Resolution 7		
Ordinary Resolution 8		
Ordinary Resolution 9		

Please indicate with a cross (X) in the spaces provided whether you wish your votes to be cast for or against the resolutions. In the absence of specific directions, your proxy will vote or abstain as he think fit.

Dated this _____ day of _____ 2008

No. of shares held	CDS Account No.

Signature of Shareholder

Notes

1. A Member of the Company entitled to attend and vote at the meeting may appoint not more than two (2) proxies to attend and vote instead of him. Where a member appoints two (2) proxies, he shall specify the proportion of his shareholdings to be represented by each proxy. A member of the Company who is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
2. A proxy need not be a member of the Company.
3. The instrument appointing a proxy shall be in writing under the hands of the appointer or of his attorney duly authorised in writing, or if the appointer is a corporation, either under its common seal or the hand of its attorney duly authorised.
4. The instrument of proxy must be deposited at the Company's Registered Office at Level 18, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur not later than forty-eight (48) hours before the time appointed for holding the meeting.

Please fold along this line (1)

STAMP

The Company Secretary

FREIGHT MANAGEMENT HOLDINGS BHD

(Company No. 380410-P)

Level 18, The Gardens North Tower

Mid Valley City, Lingkaran Syed Putra

59200 Kuala Lumpur

Please fold along this line (2)

Contact Particulars of Freight Management Group

MALAYSIA

TEL

FAX

Head Office

FREIGHT MANAGEMENT HOLDINGS BHD.

Wisma Freight Management,
Lot 37, Lebuhr Sultan Mohamed 1,
Kaw. Perindustrian Bandar Sultan Suleiman, 42000 Port Klang.
Email : gen@fmmalaysia.com.my
Website : www.fmmalaysia.com.my

03-3176 1111

03-3176 8634

Location of Subsidiary Offices

FREIGHT MANAGEMENT (M) SDN. BHD.

Wisma Freight Management,
Lot 37, Lebuhr Sultan Mohamed 1,
Kaw. Perindustrian Bandar Sultan Suleiman, 42000 Port Klang.
Email : gen@fmmalaysia.com.my

03-3176 1111

03-3176 8634

FREIGHT MANAGEMENT (M) SDN. BHD. (JB branch)

No. 68-2, Jalan Molek 2/2, Taman Molek,
81100 Johor Bahru.
Email : michelle.ting@fmmalaysia.com.my

07-351 7918

07-352 0918

FREIGHT MANAGEMENT (PENANG) SDN. BHD.

No. 4453,
Jalan Bagan Luar,
12000 Butterworth, Penang. Malaysia.
Email : export_penang@fmmalaysia.com.my
import_penang@fmmalaysia.com.my

04-331 4358

04-331 4368
04-323 4368

FREIGHT MANAGEMENT (IPOH) SDN. BHD.

No. 7A (1st Floor), Persiaran Greentown 9,
Greentown Business Centre,
30450 Ipoh, Perak Darul Ridzuan.
Email : fmipoh@fmmalaysia.com.my

05-242 1358

05-243 1611

05-255 1380

05-255 1446

FREIGHT MANAGEMENT (MELAKA) SDN. BHD.

47, Jalan Melaka Baru 22,
Taman Melaka Baru, Batu Berendam,
Batu Berendam, 75350 Melaka, Malaysia.
Email : cs_mel@fmmalaysia.com.my

06-317 5143

06-317 5144

06-317 5202

ADVANCE INTERNATIONAL FREIGHT SDN. BHD.

Lot 37, Lebuhr Sultan Mohamed 1,
Kaw. Perindustrian Bandar Sultan Suleiman , 42000 Port Klang.
Selangor D. E, Malaysia.
Email : alog@fmmalaysia.com.my

03-3176 8001

03-3176 2005

03-3176 1005



FREIGHT MANAGEMENT HOLDINGS BHD 380410-P

Contact Particulars of Freight Management Group Contd.

MALAYSIA

TEL

FAX

Location of Subsidiary Offices (Contd.)

FM-HELLMANN WORLDWIDE LOGISTICS SDN. BHD.

(KLIA-Office)

Lot E3-A (1st flr) Block E,
Southern Common Amenities Facilities (SCAF),
Kuala Lumpur International Airport,
64000 KLIA, Selangor Darul Ehsan.

03-8787 2990

03-8787 2933
03-8787 2934

(KLIA-Warehouse & Operation office)

Lot B2B-1, Cargo Forwarders Building,
Malaysia Airlines Freight Forwarders Complex,
Kuala Lumpur International Airport,
64000 KLIA, Selangor Darul Ehsan.

03-8787 2990

03-8787 2933

(KELANA JAYA)

Block F-08-3, 3rd Floor, Plaza Kelana Jaya, Jalan SS7/13A,
47310 Kelana Jaya, Selangor Darul Ehsan.
Email : fmhwlairsteammys.com

03-7877 0017

03 - 7877 0120

FM WORLDWIDE LOGISTICS (PENANG) SDN. BHD.

Block A-Unit 8, Cargo Agent Building,
MAS Cargo Complex,
Penang International Airport, 11900 Bayan Lepas Penang.
Email : plai@my.hellmann.net

04-640 4943
04-640 4944

04-640 4948

CITRA MULTIMODAL SERVICES SDN. BHD.

Lot 37, Lebuhr Sultan Mohamed 1,
Kaw. Perindustrian Bandar Sultan Suleiman, 42000 Port Klang.
Email : doreen@citra.com.my / blcheah@citra.com.my

03-3176 6888

03-3176 3993
03-3176 4209

OVERSEAS

TCH MARINE PTE. LTD.

Block 1, Beach Road, # 01-4747,
Singapore 190001.
Email : tchtay@signet.com.sg

65-6294 8422

65-6298 9172

ICON FREIGHT SERVICES PTY. LTD

Unit 4, 75 Queen Victoria Street,
Fremantle WA 6160, Australia.
Email : brad@iconfs.com.au

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61-8-9433 1422

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Karachi



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Cebu



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Singapore



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Colombo



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Keelung, Taipei
Taichung



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Lat Krabang
Laem Chabang



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Haiphong



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Yangon



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Freemantle
Sydney
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Southampton
Grangemouth
Thamesport



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Rotterdam



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Leixoes



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Genoa, Venice

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Kuwait



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Bandar Abbas



BAHRAIN
Bahrain



QATAR
Doha



EGYPT
Alexandria
Sokhna Port



SAUDI ARABIA
Ad Damman
Jeddah, Riyadh



U. ARAB EMIRATES
Dubai, Jabel Ali

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Apapa



KENYA
Mambosa



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Durban
Johannesburg



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Douala



GAMBIA
Benjul



GHANA
Tema



SWAZILAND
Matsapha