



# Securing Our VALUES

Annual Report 2008/2009

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**Steadfast**  
**DILIGENCE**

Cougar Logistics Corporation Ltd. and its subsidiaries turned in satisfactory results with net profit and revenue of existing entities improving over the previous financial year.

### Cougar Logistics Corporation clinched the top ranking in the "Return on Equity Excellence" category for transport/storage companies in the Singapore 1000 awards of 2009



Overall, the Group's net profit dropped by 86.6% to \$3.4 million and Group's revenue fell by 46.5% to \$15.3 million but this was due to the divestment of Cougar Holdings Pte Ltd and its subsidiaries in September 2007.

Looking at the performance of our existing entities, the Group's net profit increased by 0.9% to \$3.4 million from \$3.3 million in the last financial year. The improvement in higher operating revenue was partially offset by lower interest income. Group revenue from existing entities increased by 21.2% or \$2.6 million to \$15.3 million.

Our Strategic Projects/Logistics segment did particularly well with a 45.7% increase in net profit to \$1.5 million. This segment saw a 36.0% revenue improvement to \$8.8 million, driven mainly by higher business volume generated by new special projects. We have built up a strong track record in Strategic Projects, especially in defence-related industries, that require specialised expertise.

Clients have come to trust our highly experienced team's proficient and responsive service delivery. Having established a sound reputation in this niche business enabled us to diversify our client base to include more international customers.

In the logistics business, we continue to benefit from major ongoing construction projects in Singapore that generated a strong demand for lifts and escalators – another area in which we command a leading edge. There was also an increase in the transshipment of cargoes such as heavy vehicles and machinery to neighbouring countries.

Our Agency and Terminal operations saw a 5.7% or \$0.3 million increase in revenue to \$6.5 million. We benefited from more vessels coming to Singapore for bunkering and increase in cargo volumes. This business segment recorded a 14% increase in the number of vessels and a 10% rise in tonnages handled. Net profit for this segment, however, dropped slightly by some \$47,000 due to higher operating costs. Our Agency and

Terminal operations have traditionally been a steady business, built on excellent long-standing relationships with principals.

The Group is in a healthy financial position with cash and cash equivalents of \$14.0 million and no borrowings, as at 31 March 2009. We are always focused on maintaining a strong balance sheet through astute financial management, enabling us to reward our shareholders with good dividend payouts.

The Board is proposing a final one-tier tax-exempt dividend of 2.5 cents per share with the total payout amounting to some \$2.8 million. This corresponds to a dividend yield of 7.6% based on the share price of 33.0 cents as at 1 June 2009.

I am also pleased to report that Cougar Logistics Corporation clinched the top ranking in the "Return on Equity Excellence" category for transport/storage companies in the Singapore 1000 awards of 2009 and we will continue to do our utmost to enhance shareholder value in every way possible.

### Prospects

For the current financial year, we expect business activity to slow down as the impact of the global recession kicks in and cargo volumes decline. Manpower costs would increase since we will be operating not only from the terminal at Pasir Panjang Port but also from the Jurong Port terminal. This is necessary due to Port of Singapore Authority's decision to divest general cargoes to Jurong Port from August this year.

Given the above challenges, we are even more vigilant on controlling operational expenses. We have implemented cost rationalisation measures such as freezing wage increments and reducing bonuses.

There is room for growth in Strategic Projects and we have already secured new clients in the current financial year. Margins, however, could come under pressure due to keen competition

internationally. With an unquenchable passion for excellence, we will further strengthen our core competencies and sharpen our competitive edge. Our aim is to build long-lasting relationships with our clients who regard us as their partner of choice.

Given the Group's robust financial position, we are in a strong position to ride the vagaries of the global economic meltdown. Having made the timely disposal of Cougar Holdings Pte Ltd and its subsidiaries two years ago, we are now well poised to make new acquisitions – looking out for asset light, services-related companies with good growth potential that complement our core businesses.

### Appreciation

To my fellow Directors, thank you for your wise counsel. I would like to acknowledge the contributions made by the late Dr Ong Chit Chung who passed away on July 14, 2008. He had joined as our Board Member in 2005 and unstintingly imparted valuable advice and guidance.

Mr Cheong Gay Eng was appointed as Independent Director in July 2008. He holds a Masters Degree in Law conferred by the National University of Singapore and practices law in Cheong & Koh. We welcome Mr Cheong's guidance, sharing with us his wealth of knowledge backed by 25 years of professional expertise.

I would also like to express appreciation for our dedicated team of management and staff for their loyalty and contributions. Our appreciation goes to all our principals and customers whom we are privileged to serve. Last but not least, we thank our shareholders for their continued confidence.

With the loyal support of all our stakeholders, we will rise to meet the challenges of these uncertain times and seize suitable investment opportunities that emerge.

### Ow Chio Kiat

Executive Chairman

**MR OW CHIO KIAT**

Mr Ow is the Executive Chairman of Cougar Logistics Corporation Ltd. ("CLC"). He is also the Executive Chairman of two other Singapore-listed companies, Stamford Land Corporation Ltd ("SLC") and Singapore Shipping Corporation Limited ("SSC"). Mr Ow is also a director of most of SLC's and SSC's subsidiaries.

The Singapore Business Awards (jointly organised by The Business Times and DHL) named Mr Ow "Businessman of the Year" in 2009. Mr Ow is a Fellow of the Institute of Chartered Shipbrokers and is Singapore's non-resident Ambassador to Argentina.

**MR OW CHEO GUAN**

Mr Ow is the Executive Deputy Chairman of CLC. Mr Ow is also the Executive Deputy Chairman of SLC and SSC and also a director of most of CLC's, SLC's and SSC's subsidiaries.

Mr Ow is a Fellow of the Institute of Chartered Shipbrokers and is the Honorary Consul of the Slovak Republic in Singapore.

**MR S. CHANDRA DAS**

Mr Das served as a Member of Parliament of the Republic of Singapore from 1980 to 1996. During this period, he served as the Chairman on two Government Parliamentary Committees relating to Defence and Foreign Affairs, as well as Finance, Trade and Industry. He served as the Singapore Trade Representative to the USSR from 1970 to 1971 and Chairman of the Trade Development Board from 1983 to 1986. He was Chairman of NTUC Fairprice Co-operative Ltd from 1993 to September 2005.

Mr Das is currently the Managing Director of NUR Investment & Trading Pte. Ltd. He is also the Chairman of Nera Telecommunication Ltd, as well as a Director of Yeo Hiap Seng Ltd, CapitalMall Trust Management Ltd and Ascott Residence Trust Management Limited which are Singapore listed-companies.

Mr Das graduated with an Honours degree in Economics from the University of Singapore in 1965. He is also a Fellow of the Marketing Institute of Singapore, the Chartered Institute of Transport and the Singapore Institute of Directors.

He is currently Singapore's non-resident Ambassador to Turkey.

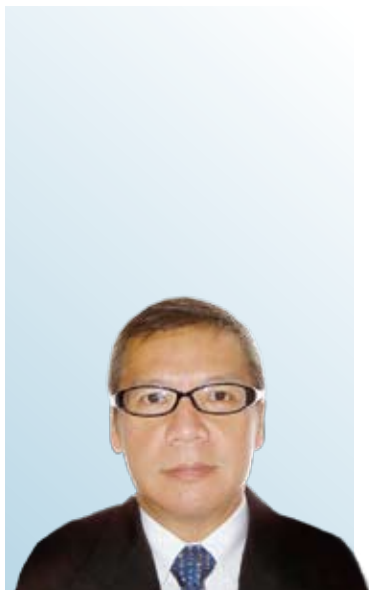


### **LT-GEN (RETD) WINSTON CHOO WEE LEONG**

Lt Gen Choo served as Singapore's Chief of Defence Force from 1974 to 1992. He was Singapore's High Commissioner to Australia and concurrently Ambassador to Fiji from 1994 to 1997. He also served as Singapore's non-resident High Commissioner to the Republic of South Africa and the Independent State of Papua New Guinea from 2000 to 2006. He is currently Singapore's non-resident Ambassador to the State of Israel.

Lt Gen Choo is a member of the Board of Directors of Foodfare Catering Pte Ltd, 3NGINE Pte Ltd and Newstar Investment Holdings Pte Ltd. He is also the Chairman/Director of Metro Holdings Limited, Tridex Pte Ltd, WOW Vision Pte Ltd and Fairvision Pte Ltd.

Lt Gen Choo holds a Master of Arts in History from Duke University, USA and has completed the Advanced Management Programme at Harvard University, USA.



### **MR CHEONG GAY ENG**

Mr Cheong was appointed to the Board on 30 July 2008 and is a member of the Audit Committee and Remuneration Committee.

Mr Cheong was called to the Singapore Bar in 1983 and started his career in the law firm of Shook Lin & Bok where his practice encompassed corporate and banking work, civil litigation, property transactions and other commercial matters. From 1986 to 1988, Mr Cheong joined the Singapore Legal Service and was appointed to the post of Deputy Registrar of the Subordinate Courts. Concurrently, he also held the position of Magistrate, Coroner and Referee of the Small Claims Tribunal. From 1988 to 1992, Mr Cheong was a partner in the firm of De Souza & Cheong. In De Souza & Cheong, Mr Cheong handled solicitors' as well as conveyancing matters.

Mr Cheong presently practices law in the firm of Cheong & Koh and is currently involved mainly in conveyancing and corporate matters and the occasional civil litigation case.

Mr Cheong holds a Masters Degree in Law from National University of Singapore and is a Notary Public and a Commissioner for Oaths.

**Board of Directors**

Ow Chio Kiat (*Executive Chairman*)  
Ow Cheo Guan (*Executive Deputy Chairman*)  
S. Chandra Das  
Winston Choo Wee Leong  
Cheong Gay Eng

**Executive Committee**

Ow Chio Kiat (*Chairman*)  
Ow Cheo Guan  
S. Chandra Das

**Audit Committee**

S. Chandra Das (*Chairman*)  
Winston Choo Wee Leong  
Cheong Gay Eng

**Remuneration Committee**

S. Chandra Das (*Chairman*)  
Winston Choo Wee Leong  
Cheong Gay Eng

**Nominating Committee**

Winston Choo Wee Leong (*Chairman*)  
S. Chandra Das  
Ow Chio Kiat

**Company Secretary**

Chia Foong Peng

**Registered Office**

200 Cantoment Road  
#09-01 Southpoint  
Singapore 089763

**Auditors**

**KPMG LLP**  
**Certified Public Accountants**  
16 Raffles Quay #22-00  
Hong Leong Building  
Singapore 048581  
Partner-in-charge: Tan Choon Wah Kenny  
Date of Appointment: 3 March 2006

**Share Registrar**

**M & C Services Private Limited**  
138 Robinson Road #17-00  
The Corporate Office  
Singapore 068906

**Principal Bankers****The HongKong and Shanghai Banking Corporation Limited**

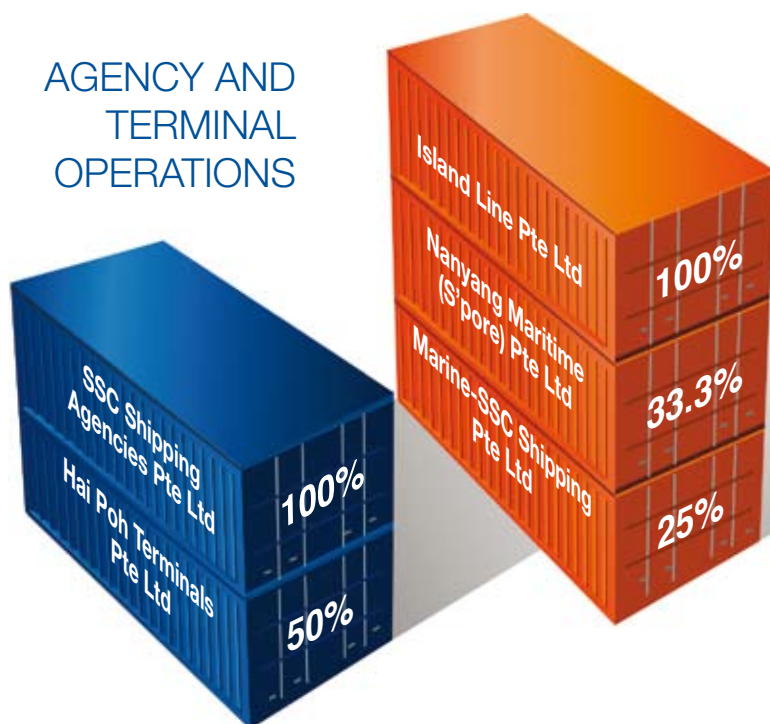
21 Collyer Quay, #08-01, HSBC Building  
Singapore 049320

**United Overseas Bank Limited**

80 Raffles Place, UOB Plaza 1  
Singapore 048624

**Standard Chartered Bank**

6 Battery Road  
Singapore 049909

STRATEGIC  
PROJECTS /  
LOGISTICSAGENCY AND  
TERMINAL  
OPERATIONS



**A Renewed**  
**FOCUS**

<b>Results of Operations</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>
<b>For the financial year ended 31 March</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Revenue</b>	<b>15,297</b>	28,598	46,621	44,006	43,994
<b>Profit before taxation</b>					
Group companies	<b>3,472</b>	25,277	9,936	3,336	2,729
Share of results of associated companies	<b>482</b>	304	856	959	660
	<b>3,954</b>	25,581	10,792	4,295	3,389
<b>Profit attributable to equity holders</b>	<b>3,362</b>	25,009	10,315	3,557	2,950
<b>Earnings per share (cents)*</b>	<b>3.0</b>	22.2	9.5	3.3	2.7
<b>Interim special one-tier tax-exempt dividend per share (cents)</b>	–	19.0	–	–	NA
<b>Proposed final one-tier tax-exempt dividend per share (cents)</b>	<b>2.5</b>	2.5	2.0	0.5	NA
<b>Proposed special one-tier tax-exempt dividend per share (cents)</b>	–	–	5.0	–	NA
<b>Capital reduction and cash distribution per share (cents)</b>	–	13.0	–	–	NA

\* 2005 - 2007 computed based on the issued share capital of 109,004,147 ordinary shares.  
2008 computed based on the weighted average number of ordinary shares in issue of 112,516,767.  
2009 computed based on the issued share capital of 113,502,147 ordinary shares.

NA Not Applicable

<b>Financial Position</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>
<b>As at 31 March</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Current assets	<b>16,434</b>	17,194	18,669	15,918	14,564
Financial and other assets	<b>13</b>	26	144	118	172
Investments in associated companies	<b>1,194</b>	1,262	1,412	3,973	4,303
Property, plant and equipment	<b>113</b>	142	27,616	26,812	25,345
<b>Total assets</b>	<b>17,754</b>	18,624	47,841	46,821	44,384
Trade and other liabilities	<b>2,233</b>	3,632	8,665	7,793	6,878
Total borrowings	–	–	5,925	8,946	9,319
<b>Total liabilities</b>	<b>2,233</b>	3,632	14,590	16,739	16,197
Minority interests	–	–	116	6,900	6,968
<b>Net assets</b>	<b>15,521</b>	14,992	33,135	23,182	21,219
<b>Shareholders' equity</b>	<b>15,521</b>	14,992	33,135	23,182	21,219
<b>Net asset value per share (\$)*</b>	<b>0.14</b>	0.13	0.30	0.21	0.19

\* 2005 - 2007 computed based on the issued share capital of 109,004,147 ordinary shares.  
2008 - 2009 computed based on the issued share capital of 113,502,147 ordinary shares.

### Revenue / Profit attributable to equity holders

Revenue  
(\$' millions)

Profit attributable  
to equity holders  
(\$' millions)



### Earnings per share / Distributions per share\*

Earnings per  
share (cents)

Distributions per  
share (cents)

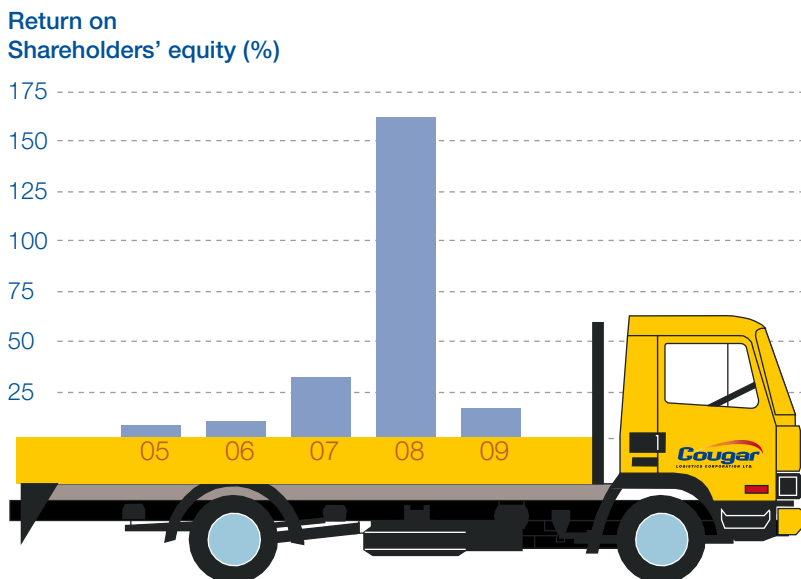


\* Includes gross dividends and cash distribution  
Distributions per share not applicable in 2005

**Shareholders' equity / Net asset value per share**



**Return on Shareholders' equity**



**SHAREHOLDER CALENDAR  
FOR 2009/2010****July 2009**

Annual General Meeting for financial year ended 31 March 2009 (FY 2009)

**August 2009**

Scheduled payment of final dividend for FY 2009

**November 2009**

Announcement of the half year results for the financial year ending 31 March 2010 (FY 2010)

**May 2010**

Announcement of the full year results for FY 2010





200 Cantonment Road, #09-01 Southpoint, Singapore 089763

Tel: 65 6236 6288 Fax: 65 6236 6252

Company Registration No. 200509721C

[www.cougar.com.sg](http://www.cougar.com.sg)

