



COMPLETE LOGISTIC SERVICES BERHAD



COMPLETE LOGISTIC SERVICES BERHAD (716241-X)

Annual Report 2009



COMPLETE LOGISTIC SERVICES BERHAD

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Annual Report 2009





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Corporate Information



BOARD OF DIRECTORS

Tan Sri Dato' Seri Dr Ting Chew Peh
(Independent Non-Executive Chairman)

Law Hee Ling
(Managing Director)

Lim Kok Onn
(Executive Director)

Hoo Mee Lien
(Executive Director)

Chia Kah Ying
(Executive Director)

Tan Sri Dato' Seri Law Hieng Ding
(Independent Non-Executive Director)

Yet Kiong Siang
(Independent Non-Executive Director)

AUDIT COMMITTEE

Chairman
Tan Sri Dato' Seri Dr Ting Chew Peh

Members
Tan Sri Dato' Seri Law Hieng Ding
Yet Kiong Siang

REMUNERATION COMMITTEE

Chairman
Tan Sri Dato' Seri Dr Ting Chew Peh

Members
Tan Sri Dato' Seri Law Hieng Ding
Law Hee Ling

NOMINATION COMMITTEE

Chairman
Tan Sri Dato' Seri Dr Ting Chew Peh

Members
Tan Sri Dato' Seri Law Hieng Ding
Lim Kok Onn

COMPANY SECRETARIES

Chia Ong Leong (MIA 4797)
Chia Kia Hock (LS 1825)

REGISTERED OFFICE

No. 82F Jalan Pulasan
41000 Klang
Selangor Darul Ehsan
Tel: 603-3371 4725
Fax: 603-3372 4128

HEAD OFFICE

No. 25 Jalan Berangan
42000 Port Klang
Selangor Darul Ehsan
Tel: 603-3168 0757
Fax: 603-3167 1145
E-mail: info@complete-group.com
Website: www.complete-group.com

AUDITORS

BDO Binder (AF 0206)
12th Floor
Menara Uni.Asia
1008 Jalan Sultan Ismail
50250 Kuala Lumpur
Tel: 603-2616 2888
Fax: 603-2616 3190

PRINCIPAL BANKER

EON Bank Berhad (92351-V)

SHARE REGISTRAR

MIDF Consultancy and Corporate
Services Sendirian Berhad (11324-H)
Level 8 Menara MIDF
82 Jalan Raja Chulan
50200 Kuala Lumpur
Tel: 603-2173 8888
Fax: 603-2173 8677

STOCK EXCHANGE LISTING

Bursa Malaysia Securities Berhad
Main Market

Corporate Structure



(716241-X)

COMPLETE LOGISTIC SERVICES BERHAD



Profile of Directors

Tan Sri Dato' Seri Dr Ting Chew Peh

Independent Non-Executive Chairman

Malaysian, aged 66, was appointed to our Board on 2 July 2007. Tan Sri graduated with a degree in Malay Studies from University of Malaya in 1970 and then obtained his Master of Science in Sociology from University of London, 1972. Subsequently he obtained his Doctorate in Philosophy in Sociology from University of Warwick, England in 1976.

Tan Sri started his career as a lecturer in the Faculty of Social Sciences and Humanities at Universiti Kebangsaan Malaysia from 1974 to 1980. He was subsequently promoted and served as an Associate Professor of the said Faculty until 1987. In 1987, Tan Sri ventured into politics with his election as Member of Parliament for Gopeng Constituency, Perak, which he held until February 2008. He previously served as the Parliamentary Secretary of the Ministry of Health (1988-1989), Deputy Minister in the Prime Minister's Department (1989-1990), Minister of Housing and Local Government (1990-1999), Chairman of Port Klang Authority (2000-2004) and Secretary-General of Malaysian Chinese Association (MCA) (1990-2005).

Tan Sri is the Chairman of the Audit Committee, Remuneration Committee and Nomination Committee. There is no conflict of interest with the Company.

Tan Sri currently also sits on the Boards of Pan Malaysia Corporation Berhad, Pan Malaysia Capital Berhad, Puncak Niaga Holdings Berhad, Hua Yang Berhad and Johan Holdings Berhad.

Training programme attended during the financial year is as follows :

- Corporate Governance Development in Malaysia

Tan Sri Dato' Seri Law Hieng Ding

Independent Non-Executive Director

Malaysian, aged 74, was appointed to our Board on 2 July 2007. Tan Sri graduated from Nanyang University in 1960 with a Bachelor's degree of Commerce in Accountancy and Banking.

He joined the Sarawak United People's Party ("SUPP") in the 1960s and was elected one of the councillors for Sibu Urban District Council from 1964 to 1981. He also served as the Chairman of Sibu Urban District Council from 1978 to 1981. He was elected as Member of Parliament for the constituency of Sarikei in 1982, a position which he held for 6 consecutive terms.

Between 1976 to 1987 he served as the Parliament Secretary at two ministries in Malaysia, namely, the Ministry of Housing and Local Government in 1976 and then the Ministry of Science, Technology and Environment ("MOSTE") from 1976 to 1987. Subsequently, he was appointed as Federal Deputy Minister of MOSTE where he served for 2 terms from 1987 to 1990, after which he was appointed as Minister of MOSTE from 1990 to 2004.

Tan Sri is a member of the Audit Committee, Remuneration Committee and Nomination Committee. There is no conflict of interest with the Company. He does not hold directorship in other public companies.

Yet Kiong Siang

Independent Non-Executive Director

Malaysian, aged 51, was appointed to our Board on 23 January 2009. He is a Chartered Accountant with the Malaysian Institute of Accountants. He is also a member of the Association of Chartered Certified Accountants, Chartered Tax Institute of Malaysia and Institute of Internal Auditors of Malaysia.

Mr. Yet is an auditor by profession. He started his career in 1982 as an audit assistant with Messrs. Khoo Teng Keat & Co. He is currently the proprietor of the firm. He has over 25 years of experience in the fields of auditing, taxation and management consultancy.

Mr. Yet is a member of the Audit Committee. There is no conflict of interest with the Company. He does not hold directorship in other public companies.

Training programmes attended during the financial year are as follows :

- Government Grants and Financial Assistance for Malaysia Companies
- Technicl Update on Financial Reporting Standards and International Financial Reporting Standards
- National Budget 2009
- Introduction to Technical Requirements of FRS 139, Financial Instruments
- Financial Reporting During Financial Turbulence
- Transfer Pricing/Advance Pricing Arrangements

Law Hee Ling

Managing Director

Malaysian, aged 44, is the Managing Director and founder of our Group. He is a substantial shareholder of the Company.

He was appointed to our Board on 30 October 2006. Mr Law is a businessman with over 20 years of experience in the shipping industry. He started his career in shipping in 1983 where he was exposed to all aspects of the shipping operations, marketing and finance. In 1988 he started his own logistics agency business and subsequently ventured into marine transportation services in 1995. Since then, he has grown our fleet of vessels and expanded our Group's business activities to cover marine transportation services, logistics operations and general trading. He is responsible for the overall management and operations of our Group, with primary focus on our marine transportation services segment.

Mr Law is a member of our Remuneration Committee. There is no conflict of interest with the company except for those transaction disclosed in page 17 of this report, note 31 to the Financial Statements and the circular on recurrent related party transactions. He does not hold directorship in other public companies.

Lim Kok Onn

Executive Director

Malaysian, aged 55, was appointed to our Board on 30 October 2006. Mr Lim graduated with a Bachelor of Social Science (Economics) from University of Waikato, New Zealand in 1977 and a Master in Business Studies (Marketing) from Massey University, New Zealand in 1980.

He started his career in 1981 as a Planning Executive with Multi-Purpose Holding Berhad and was later promoted to Assistant Manager, Marketing in 1985. He joined Pacidunia Sdn Bhd as Manager in 1989, where he was involved in general trading for the company's overseas businesses. In 1997, he left Pacidunia Sdn Bhd for AJC Dagang Sdn Bhd, a company dealing in commodities trading such as dried cocoa beans and rubber, as Director. He joined Island Network Sdn Bhd, a subsidiary in our Group, in 1998 as Director and is responsible for the general trading businesses of our Group.

Mr Lim is a member of our Nomination Committee. There is no conflict of interest with the company except for those transaction disclosed in page 17 of this report, note 31 to the Financial Statements and the circular on recurrent related party transactions. He does not hold directorship in other public companies.

Hoo Mee Lien

Executive Director

Malaysian, aged 47, was appointed to our Board on 2 July 2007. She is a substantial shareholder of the Company. Ms Hoo obtained a Diploma in Private Secretarial Course from Stamford College, Malaysia in 1981. Ms Hoo has gained invaluable experience and knowledge in the shipping industry through her involvement in the industry for over the past 20 years.

She started as a stenographer in Benline Sdn Bhd in 1982 and subsequently joined the shipping industry as a Marketing Executive in 1984. In 1986, she joined Titimas Shipping Sdn Bhd as Marketing Manager and was appointed as a Director of Oceanteam Shipping Agencies Sdn Bhd in 1995. She joined Complete Logistic Specialists Sdn Bhd, a subsidiary in our Group in 1997 as a Director and is responsible for the overall marketing functions and daily operations of our logistics and freight trading operations.

There is no conflict of interest with the Company. She does not hold directorship in other public companies.

Chia Kah Ying

Executive Director

Malaysian, aged 41, was appointed to our Board on 2 July 2007. She is a Certified Public Accountant of the Malaysian Institute of Certified Public Accountants.

She started her career with Ernst & Young, Malaysia in 1993 and left in 1997. In 1998 she joined the logistic industry as an assistant accountant and later joined our Group in 2006.

There is no conflict of interest with the Company. She does not hold directorship in other public companies.

Training programmes attended during the financial year are as follows:

- Financial Reporting Standards (FRS) workshop.
- Essential Technical Briefing for PLCs.

ADDITIONAL INFORMATION ON BOARD OF DIRECTORS

1. Family relationship with directors and/or substantial shareholders

None of the directors of the Company have any family relationship with the other directors and/or substantial shareholders of the Company.

2. Convictions for offences

None of the directors of the Company have been convicted for offences within the past 10 years other than traffic offences, if any.

3. Attendance at Board Meetings

The Board of Directors' attendance record at Board meetings held during the financial year ended 31 March 2009 can be found on page 8 of this Annual Report.



Chairman's Statement

“

Dear Shareholders,

On behalf of the Board of Directors of Complete Logistic Services Berhad (“CLSB”), I am pleased to present the Annual Report of the Group for the financial year ended 31 March 2009.

”

Chairman's Statement (continued)

Economic and Business Environment

The period under review has been a year of global financial and economic upheavals. Emerging from the financial crisis towards the end of 2008, major economies went into deep recession.

The Malaysian economy being an export oriented one has been negatively hampered by the sharp fall in its export performances and industrial output. As a result, a negative growth of minus 6.2% was registered for the quarter of January to March 2009. For the year 2008, the Malaysian economy recorded a growth of only 4.6% down sharply from the 6.3% achieved for year 2007.

The economic slowdown has a profound impact on businesses. With reduced movement of cargo flow, the Group's revenue has been similarly impacted. Notwithstanding this and also having to weather the sharp rise and fall of fuel price and the cost of traded goods, the Group has returned a commendable financial results for the financial year under review.

Financial Performance

For the financial year ended 31 March 2009, the Group achieved a profit after tax of RM12.68 million on a turnover of RM108.07 million against RM18.09 million and RM123.95 million respectively for the preceding financial year. This represents a decrease of RM5.41 million or 30% in profit after tax and a drop of RM15.88 million or 13% in turnover due primarily to the economic downturn during the financial year under review.

Despite the fall in earnings, the Group's Balance Sheet has continued to strengthen. Total borrowings have declined RM5.12 million from RM17.36 million previously to RM12.24 million for financial year ended 31 March 2009.

Meanwhile net current ratio has improved from 1.9 previously to 3.0 for the financial year under review with Group's net cash holding improving to RM22.53 million from RM17.25 million in the preceding year, an increase of RM5.28 million or 30.6% as at 31 March 2009.

DIVIDENDS

For the financial period under review, the Group achieved a basic earning of 10.6 sen per ordinary share of RM0.50 each.

In continuing our policy to allow shareholders to participate in the Group's profits and at the same time to provide resources for future growth, the Board of Directors is pleased to recommend a final tax exempt dividend of 3.0 sen per share.

Together with the interim dividend of 3.0 sen per ordinary share of RM0.50 sen paid on 8 April 2009, a total dividend payment of 6.0 sen per ordinary share of RM0.50 sen has been declared for the financial year ended 31 March 2009.

PROSPECTS

The Malaysian economy is expected to experience negative economic growth of minus 4.2% for 2009 as forecast by The Malaysian Institute of Economic Research (MIER). MIER also target a growth of only 2.8% for year 2010. Meanwhile recovery of the global downturn is anticipated to be protracted. With this outlook, businesses in the year ahead is expected to be sluggish. Notwithstanding this the Group will continue to stay focus on its present core businesses and niche markets. The Board of Directors is continuously optimistic that the Group will continue to achieve profits for the financial year ending 31 March 2010.

CORPORATE SOCIAL RESPONSIBILITY

The Group acknowledges its corporate social responsibility in the social environment it operates. The Group remained committed to care for the environment and its employees and has continuously undertaken the following activities:

- (1) Environmental
 - Recycling of paper based products.
 - Banning of smoking in the offices.
- (2) Human Resources
 - Participation by employees in external skill enhancement programmes/trainings.
 - Organizing staff functions to foster caring relationship amongst the employees of the group.

APPRECIATION

On behalf of the Board of Directors, I would like to express our sincere appreciation to the management team and employees for their diligent and tireless efforts in upholding the performance of the Group.

To my fellow directors, my special thanks for their continued support, experience and knowledge in guiding our Board, Audit and other committees.

And to our shareholders, I thank you once again for your loyalty and confidence in us.

Tan Sri Dato' Seri Dr Ting Chew Peh

(Independent Non-Executive Chairman)

Date: 17 August 2009

CORPORATE GOVERNANCE STATEMENT

The Board of Directors ("Board") of Complete Logistic Services Berhad ("the Company") remains committed towards ensuring that the highest standard of corporate governance is maintained throughout the Company and its subsidiaries ("the Group"). Hence, the Board is fully dedicated to continuously evaluating the Group's corporate governance practices and procedures with a view to ensure the principles and best practices in corporate governance as promulgated by the Malaysian Code on Corporate Governance ("the Code") is applied and adhered to in the best interests of stakeholders. The Board is pleased to report to the shareholders the manner in which the Group has applied the principles and complied with the best practices of the Code during the financial year.

THE BOARD OF DIRECTORS

Composition and Balance

The Company is led by an effective and experienced seven (7) member Board, comprising four (4) Executive Directors and three (3) independent Non-Executive Directors. This composition satisfied the Bursa Malaysia Securities Berhad ("Bursa") Listing Requirements that requires at least two (2) Directors or one third (1/3) of the Board whichever is higher, are Independent Directors. The profiles of the members of the Board are set out on pages 4 and 5 of this Annual Report.

The Executive Directors are primarily responsible for the implementation of policies and decisions of the Board, overseeing the Group's operations and developing the Group's business strategies.

The role of the Independent Non-Executive Directors is to provide objective and independent judgement to the decision making of the Board and as such, provides an effective check and balance to the Board's decision making process.

The Board composition brings together an extensive group of experienced Directors from diverse backgrounds that have a wide range of skills and experience in areas relevant to managing and directing the Group's operations.

Duties and Responsibilities

The main focus of the Board is on the overall strategic leadership, identification and management of principal risks and, development and control of the Group. The Board has delegated specific responsibilities to Board Committees, all of which discharge the duties and responsibilities within their respective Terms of Reference.

The roles of the Chairman and Group Managing Director are clearly distinct to ensure that there is a balance of power and authority. The Chairman is primarily responsible for the effective and efficient conduct and working of the Board and ensuring that members have timely access to relevant information, whilst the Group Managing Director is responsible for the daily management of the Group's operations and implementation of the policies and strategies adopted by the Board.

Board Meetings

During the financial year ended 31 March 2009 the Board met five (5) times, where they deliberated and considered matters relating to the Group's financial performance, investments, corporate development, strategic issues and business plan. The meeting attendance records of the Directors who held office are set out below:

Name of Director	Status of Directorship	No. of Meetings Attended
Tan Sri Dato' Seri Dr. Ting Chew Peh	Independent, Non Executive	5/5
Tan Sri Dato' Seri Law Hieng Ding	Independent, Non Executive	5/5
Yet Kiong Siang (Appointed on 23 January 2009)	Independent, Non Executive	1/1
Law Hee Ling	Managing Director	5/5
Lim Kok Onn	Executive	5/5
Hoo Mee Lien	Executive	5/5
Chia Kah Ying	Executive	5/5

CORPORATE GOVERNANCE STATEMENT (continued)

Board meetings are structured with a pre-set agenda which encompasses all aspects of matters under discussion. The Board papers are circulated to directors in advance of the Board meetings for their deliberation. All meetings of the Board are duly recorded in the Board Minutes

Senior Management may be invited to attend these meetings to explain and clarify matters tabled.

In furtherance of their duties, the Board has unrestricted access to any information pertaining to the Group as well as to the advice and services of the Company Secretary and independent professional adviser whenever appropriate, at the Group's expense.

DIRECTORS' REMUNERATION

The number of Directors whose total remuneration falls within the following bands during the financial year ended 31 March 2009 is as follows:

Remuneration Band	Number of Directors		
	Executive	Non-Executive	Total
RM50,000 and below	-	3	3
RM50,001 to RM100,000	-	-	-
RM100,001 to RM200,000	2	-	2
RM200,001 to RM300,000	-	-	-
RM300,001 to RM400,000	2	-	2
Total	4	3	7

Details of remuneration of Directors during the financial year ended 31 March 2009 are as follows:

	Executive Directors (RM'000)	Non-Executive Directors (RM'000)	Total (RM'000)
Salary	728,000	-	728,000
Bonus	168,000	-	168,000
Fees	-	52,000	52,000
Benefits-in-kind	118,500	-	118,500
Total	1,014,500	52,000	1,066,500

Details of individual Director's Remuneration are not disclosed in this report as the Board considers that the above Remuneration disclosure by band and analysis between Executive and Non-Executive Directors satisfies the accountability and transparency aspects of the Code.

SHAREHOLDERS

Shareholders and Investors Relations

The Board acknowledges the importance of accountability to the shareholders. Timely releases of the financial results on a quarterly basis, press releases and announcements provide an overview of the Group's performance and operations to its shareholders.

Information disseminated to the investment community is in accordance with Bursa disclosure rules and regulations. The Board has taken steps to ensure that no market sensitive information is disclosed to any party prior to making an official announcement to Bursa.

CORPORATE GOVERNANCE STATEMENT (continued)

Annual General Meeting

The Annual General Meeting (“AGM”) is the principal platform for dialogue with the shareholders. At the AGM, the Board presents the progress and performance of the Group and provides shareholders the opportunity to raise questions pertaining to business issues, concerns and operations in general.

ACCOUNTABILITY AND AUDIT

Financial Reporting

In presenting the annual financial statements and quarterly announcements to shareholders, the Directors aim to ensure that the financial statements and quarterly announcements are prepared in accordance with the Companies Act, 1965 and applicable approved accounting standards so as to offer a balanced and comprehensive assessment of the Group’s financial position and prospects.

A Responsibility Statement by the Directors is set out on page 15 of this Annual Report.

Internal Control

The Group’s Statement on Internal Control is set out on page 14 of the Annual Report to provide an overview on the state of internal control throughout the year.

An in-house internal audit unit has been established during the financial year ended 31 March 2009. In relation to the internal audit function, having considered the Group’s operational requirements, the Board is of the view that the Group’s current function is sufficient to meet its needs. Nevertheless, this arrangement shall be reviewed annually to ensure that it continues to meet the Group’s requirements. The internal audit function will assist the Board and the Audit Committee in providing independent assessment on the adequacy, efficiency and effectiveness of the Group’s internal control system. The internal auditor reports directly to the Audit Committee independent from the management of the Group.

Relationship with Auditors

The role of the Board in relation to the external auditors is explained in the Audit Committee Report set out on pages 12 and 13 of the Annual Report.

Appointment and Re-election of Directors

Any new appointments to the Board will require deliberation by the full Board guided with formal recommendations by the Nomination Committee. Board members who are appointed by the Board are subject to retirement at the first Annual General Meeting (“AGM”) of the Company subsequent to their appointment. Article 95 of the Company’s Articles of Association also provide that at least one-third (1/3) of the Directors shall retire by rotation at each AGM and that all Directors shall retire once every three (3) years. A retiring Director shall be eligible for re-election.

Directors over seventy (70) years of age are required to submit themselves for re-appointment annually in accordance with Section 129(6) of the Companies Act, 1965.

Directors’ Training

All the Directors of the Company have attended and successfully completed the Mandatory Accreditation Programme as prescribed by Bursa.

The Directors will continue to undergo relevant training programmes to further enhance their skills and knowledge and to keep abreast with relevant changes in laws, regulations and the business environment.

Training programmes attended by the Directors during the financial year is set out in their respective profile on pages 4 and 5 of this Annual Report.

CORPORATE GOVERNANCE STATEMENT (continued)

BOARD COMMITTEES

Apart from the Audit Committee, there are two other additional committees established to assist the Board in the execution of its responsibilities. Details of the Board committees are as follows:

Nomination Committee

The Nomination Committee comprises two 2 independent non executive directors and one executive director as follows:

Tan Sri Dato' Seri Dr. Ting Chew Peh	(Chairman, Independent Non Executive Director)
Tan Sri Dato' Seri Law Hieng Ding	(Member, Independent Non Executive Director)
Lim Kok Onn	(Member, Executive Director)

The Nomination Committee is empowered by the Board of Directors and its term of reference is to assist the Board of Directors in its responsibilities in nominating new Directors to the Board and Board Committees. The Committee also reviews the Board of Directors composition and balance as well as considering the Board of Directors' succession planning.

The Board considers that the current mix of skills and experiences of its members is sufficient for the discharge of its duties and responsibilities effectively.

The Nomination Committee met once (1) during the financial year, attended by all its members.

Remuneration Committee

The Remuneration Committee comprises two (2) independent non executive directors and one executive director as follows:

Tan Sri Dato' Seri Dr. Ting Chew Peh	(Chairman, Independent Non Executive Director)
Tan Sri Dato' Seri Law Hieng Ding	(Member, Independent Non Executive Director)
Law Hee Ling	(Member, Managing Director)

The Remuneration Committee is responsible for recommending to the Board the framework for the remuneration package of each Executive Director. Remuneration packages are structured such as to attract, retain and motivate the Directors, and are reflective of the Director's experience and level of responsibilities.

None of the Executive Directors participate in any way in determining their individual remuneration. The remuneration of the Executive Directors is reviewed annually. The remuneration and entitlements of the Non-Executive Directors are decided by the Board as a whole.

The Remuneration Committee met once (1) during the financial year, attended by all its members.

AUDIT COMMITTEE REPORT

The Board of Directors (“the Board”) of Complete Logistic Services Berhad (“the Company”) is pleased to present the Audit Committee (“the Committee”) Report for the financial year ended 31 March 2009.

TERMS OF REFERENCE

Composition

The Committee comprises three (3) independent Non-Executive Directors and the attendance record of each member at the five (5) meetings held during the financial year ended 31 March 2009 is as follows:-

Name of Member	No. of Meetings Attended
Tan Sri Dato’ Seri Dr. Ting Chew Peh (Chairman)	5/5
Tan Sri Dato’ Seri Law Hieng Ding (Member)	5/5
Yet Kiong Siang (Member) (Appointed on 23 January 2009)	1/1
Chia Kah Ying (Member) (Resigned on 23 January 2009)	4/4

The Committee, appointed from amongst the Board, shall comprise:

- (a) no fewer than three (3) members;
- (b) a majority of members being Independent Non-Executive Directors;
- (c) an Independent Non-Executive Director to act as the Chairman of the Committee; and
- (d) at least one member of the Audit Committee:-
 - (i) must be a member of the Malaysian Institute of Accountants; or
 - (ii) if not a member of the Malaysian Institute of Accountant, must have at least three (3) years’ working experience and:-
 - must have passed the examinations specified in Part I of the 1st Schedule of the Accountants Act 1967; or
 - 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 by Bursa.

No Alternate Director shall be appointed as a member of the Committee.

Meetings

The Committee meeting shall be held not less than four (4) times a year. The Chairman of the committee may call a meeting of the Committee if requested by the internal or external auditors.

The Company Secretary shall be responsible for drawing up the agenda and circulating it to the Committee members prior to each meeting and shall be responsible for recording the minutes of meetings of the Committee, and circulating them to the members.

The Committee may, at its discretion, invite Executive Directors (non-members), members of management, auditors and representatives of the auditors to attend the Committee’s meetings.

The Committee is authorised by the Board to perform the following:

- (a) Investigate any activity within its terms of reference;
- (b) seek any information it requires from the internal and external auditors, and any employee. All employees are directed to co-operate with any request made by the Committee;
- (c) have direct communication channels with the external auditors and independent professionals carrying out the internal audit function;
- (d) obtain external, legal or other independent professional advice and to secure the attendance of external parties with relevant experience and expertise, at the Group’s expense if it considers necessary, in discharging its duties; and
- (e) be able to convene meeting with the external auditors, the internal auditors or both, excluding the attendance of other directors and employees, where deemed necessary.

AUDIT COMMITTEE REPORT (continued)

Functions and Responsibilities

The functions and duties of the Committee shall be to:

- (a) consider the appointment and re-appointment of the external auditors, the audit fees and any questions of their resignation or dismissal;
- (b) ensure the effectiveness of the internal control system and in particular review the internal audit reports and external auditors' management letters and management's response;
- (c) discuss with the internal and external auditors, their scope, procedures, audit results and reports;
- (d) review and report to the Board the following:
 - (i) the audit plan;
 - (ii) the evaluation of the system of internal control;
 - (iii) the auditors' reports;
 - (iv) the assistance and co-operation given by the employees of the Group to the auditors;
 - (v) the performance of internal audit function;
 - (vi) the quarterly results and year end financial statements, prior to the approval by the Board, focusing particularly on:
 - changes in or implementation of major accounting policy;
 - significant or unusual events;
 - compliance with accounting standards and other legal requirements; and
 - accuracy and adequacy of the disclosure of information essential to a fair and full presentation of the financial affairs of the Group;
 - (vii) any related party transaction and conflict of interest situation that may arise within the Company and its subsidiaries ("the Group") including any transaction, procedure or course of conduct that raises questions of management integrity; and
 - (viii) any letter of resignation from the external auditors and whether there is any reason to believe that the external auditors are not suitable for re-appointment.
- (e) promptly report to Bursa on any matter reported to the Board which has not been satisfactorily resolved resulting in a breach of the Listing Requirements;
- (f) submit to the Board a report on the summary of activities of the Committee in the discharge of its function and responsibilities in respect of each financial year; and
- (g) perform such other functions and duties as may be agreed to by the Committee and the Board.

SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE

The following activities were undertaken by the Committee during the financial year:

- (a) ensure the principal risks of the Group were identified and assessed on a periodic basis;
- (b) reviewed the adequacy of the scope and coverage of audit plans proposed by auditors and approved the audit plans for audit execution;
- (c) reviewed the external auditors' reports in relation to their financial audit and resolved the accounting issues arising from the audits conducted;
- (d) reviewed the Group's quarterly unaudited and annual audited results and recommended to the Board for approval prior to its release to Bursa Securities;
- (e) reviewed the year-end audited financial statements, the audit planning memorandum and management letter issued by the external auditors;
- (f) reviewed the audit findings, recommendations for improvement and corrective action taken by Management on the audit findings; and
- (g) considered and recommended to the Board for approval on the audit fees payable to the internal and external auditors.
- (h) reviewed the annual internal audit programme and plan;
- (i) reviewed the related party transactions entered into by the Group.

SUMMARY OF ACTIVITIES OF THE INTERNAL AUDIT FUNCTION

The Board acknowledges that an independent internal audit function is essential to obtain the necessary level of assurance with respect to the effectiveness of the system of internal control. An in-house internal audit unit has been established during the financial year ended 31 March 2009. Total cost incurred for the internal audit function of the Group during the financial year was RM10,000. The internal auditor reports directly to the Audit Committee.

STATEMENT ON INTERNAL CONTROL

The Board of Directors of Complete Logistic Services Berhad (“the Board”) is pleased to provide the following statement of internal control pursuant to Paragraph 15.27(b) of the Listing Requirements of Bursa Malaysia Securities Berhad which has been prepared in accordance with the Statement on Internal Control: Guidance for Directors of Public Listed Companies.

RESPONSIBILITY

The Board affirms its overall responsibility for the establishment of an appropriate system of internal control with regular reviews to ensure its adequacy and integrity to safeguard shareholders’ investments and Group’s assets. In view of the limitations that are inherent in any system of internal control, such systems are designed to minimise and manage rather than to eliminate risk of failure to achieve the Group’s business objectives.

KEY PROCESSES

During the financial year under review, the Board has in place an on-going process for the identification, evaluation and management of significant risks faced by the Group. It covers periodic reviews and monitors the effectiveness of the Group’s system of internal control, compliance with laws, rules and regulations and adaptation for business environmental changes.

KEY ELEMENTS OF INTERNAL CONTROL

The key elements of the Group’s internal control system include:

1. An organisation structure with clearly defined lines of responsibility and authority limits;
2. Financial results which are reviewed quarterly by the Board and the Audit Committee;
3. Effective reporting system to ensure timely generation of financial information for management review and decision; and
4. Adequate insurance coverage of major assets to prevent material losses to the Group against any mishap.

INTERNAL AUDIT FUNCTION

An independent internal audit unit has been established in current financial year and the internal auditor will report directly to the Audit Committee with respect to the effectiveness of the system of internal control.

CONCLUSION

The Board remains committed towards operating a sound system of internal control and has recognised that the system must continuously evolve to support the Group’s operations and business environment. As such, the Board will put in place appropriate action plans to further enhance and strengthen the Group’s internal control environment.

This Statement is made in accordance with the resolution of the Board of Directors dated 7 July 2009.

STATEMENT OF DIRECTORS' RESPONSIBILITY FOR THE PREPARATION OF THE AUDITED FINANCIAL STATEMENTS

The Directors are required by the Companies Act, 1965 ("the Act") to prepare financial statements which give a true and fair view of the state of affairs of the Company and of the Group at the end of the financial year and of their results and cash flows in accordance with the provisions of the Act and applicable approved accounting standards in Malaysia.

In preparing the financial statements for financial year ended 31 March 2009, the Directors have considered and applied appropriate accounting policies and approved accounting standards on a consistent basis and made judgment and estimates that are reasonable and prudent.

The Directors are responsible for ensuring that proper accounting records are kept in accordance with the Act. The Directors also have overall responsibility in taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

This Statement is made in accordance with a resolution of the Board of Directors dated 7 July 2009.

ADDITIONAL COMPLIANCE INFORMATION

The following disclosures are made pursuant to the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa"):-

Utilisation of IPO Proceeds

The proceeds from the initial public offering were fully utilized by 30 June 2008.

Share Buyback

During the financial year under review, the Company did not carry out any share buy-back transactions.

Options, Warrants and Convertible Securities

The Company did not issue any options, warrants or convertible securities in the financial year under review.

American Depository Receipt ("ADR") or Global Depository Receipt ("GDR")

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

Share Option Scheme for Employees

The Company did not have any share option scheme for employees.

Sanctions / Penalties

During the financial year under review, there were no sanctions or penalties imposed on the Company and its subsidiaries, directors or management by the relevant regulatory bodies.

Non-Audit Fees

Non-audit fees paid / payable to the external auditors amounted to RM7,000 during the financial year under review.

Deviation in Results

There were no variance by more than 10% between the audited results for the financial year ended 31 March 2009 and the unaudited results for the same financial year previously announced.

Profit guarantee

No profit guarantee was issued by the Company.

Material Contracts

There were no material contracts of the Company and its subsidiaries involving directors and major shareholders, either still subsisting as at 31 March 2009 or entered into since the end of the previous financial year.

Revaluation Policy

The Group has not adopted a revaluation policy on its landed properties during the financial year ended 31 March 2009.

ADDITIONAL COMPLIANCE INFORMATION (continued)

Recurrent Related Party Transactions of Revenue or Trading Nature

Details of the transactions with related parties of a recurrent nature undertaken by the Group during the financial year under review are disclosed as follows:

No.	Transacting parties	Companies within the CLSB Group	Interested parties	Nature of Relationship	Nature of transaction	Aggregate value (RM'000)
1.	Pengangkutan Sekata Sdn Bhd ("PSSB")	<ul style="list-style-type: none"> Complete Tug & Barge Sdn Bhd ("CTB") Complete Transport Services Sdn Bhd ("CTS") Complete Logistic Specialists Sdn Bhd ("CLS") 	Law Hee Ling	Law Hee Ling is a Director of PSSB and PSSB is 50% owned by his spouse, Lim Lay Fong.	CTB, CTS and CLS hire lorry transportation services from PSSB.	188
2.	Lau Ka Nung & Sons Sdn Bhd ("LKNS")	<ul style="list-style-type: none"> CLS Dolphin Shipping Agency Sdn Bhd ("DSA") Island Network Sdn Bhd ("IN") 	Law Hee Ling	LKNS is 23% owned by Law Hee Ling.	CLS, DSA and IN rent office premises from LKNS.	31
3.	Jetpack Technologies Sdn Bhd ("JTSB")	<ul style="list-style-type: none"> DSA 	Lim Kok Onn	JTSB is 50% owned by Lim Kok Onn	DSA provides freight services to JTSB.	40
4.	SJA Freight Services Sdn Bhd ("SJA")	<ul style="list-style-type: none"> CTS 	Law Hee Ling	SJA is 34.5% owned by Lim Swee Keong, a person connected to Law Hee Ling.	CTS provides lorry transportation services to SJA.	289

Corporate Social Responsibility

The Group acknowledges its corporate social responsibility in the social environment it operates. The Group remained committed to care for the environment and its employees and has continuously undertaken the following activities:

- (1) Environmental
 - Recycling of paper based products.
 - Banning of smoking in the offices.
- (2) Human Resources
 - Participation by employees in external skill enhancement programmes/trainings.
 - Organizing staff functions to foster caring relationship amongst the employees of the group.

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DIRECTORS' REPORT

The Directors have pleasure in submitting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 March 2009.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of the subsidiaries are set out in Note 8 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

RESULTS

	Group RM	Company RM
Profit for the financial year	12,682,205	3,063,534
Attributable to:		
Equity holders of the Company	12,682,205	3,063,534
Minority interest	-	-
	<u>12,682,205</u>	<u>3,063,534</u>

DIVIDENDS

Dividends paid, declared or proposed since the end of the previous financial year were as follows:

	RM
In respect of financial year ended 31 March 2008:	
Interim tax exempt dividend of 5 sen per ordinary share, paid on 31 January 2008	6,000,000
Final tax exempt dividend of 3 sen per ordinary share, paid on 22 September 2008	3,600,000
In respect of financial year ended 31 March 2009:	
Interim tax exempt dividend of 3 sen per ordinary share, paid on 8 April 2009	3,600,000
	<u>13,200,000</u>

The Directors propose a final tax exempt dividend of 3 sen per ordinary share amounting to RM3,600,000 in respect of the financial year ended 31 March 2009, 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

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

DIRECTORS' REPORT (continued)

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:

Tan Sri Dato' Seri Dr. Ting Chew Peh
 Tan Sri Dato' Seri Law Hieng Ding
 Law Hee Ling
 Lim Kok Onn
 Hoo Mee Lien
 Chia Kah Ying
 Yet Kiong Siang (appointed on 23 January 2009)

In accordance with Article 95 of the Company's Articles of Association, Hoo Mee Lien and Chia Kah Ying retire at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election.

In accordance with Article 101 of the Company's Articles of Association, Yet Kiong Siang retires at the forthcoming Annual General Meeting and, being eligible, offer himself for re-election.

Tan Sri Dato' Seri Law Hieng Ding being over seventy (70) years of age, retires in accordance with Section 129 of the Companies Act, 1965 and offers himself for re-appointment in accordance with Section 129(6) of the said Act to hold office until the conclusion of the next Annual General Meeting of the Company.

DIRECTORS' INTERESTS

The Directors holding office at the end of the financial year and their beneficial interests in the ordinary shares of the Company and its related corporations during the financial year ended 31 March 2009 as recorded in the Register of Directors' Shareholdings kept by the Company under Section 134 of the Companies Act, 1965 were as follows:

	----- Number of ordinary shares of RM0.50 each -----			
	Balance as at 1.4.2008	Bought	Sold	Balance as at 31.3.2009
Shares in the Company				
Direct interests:				
Tan Sri Dato' Seri Law Hieng Ding	2,000	-	-	2,000
Law Hee Ling	48,234,400	-	-	48,234,400
Lim Kok Onn	3,132,500	-	-	3,132,500
Hoo Mee Lien	6,777,600	-	-	6,777,600
Chia Kah Ying	490,800	-	-	490,800
Indirect interests:				
Tan Sri Dato' Seri Dr. Ting Chew Peh	100,000	-	-	100,000
Law Hee Ling	3,793,500	-	-	3,793,500

By virtue of his interest in the shares of the Company, Law Hee Ling is also deemed to be interested in the shares of all the subsidiaries to the extent that the Company has an interest.

DIRECTORS' REPORT (continued)

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 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 other than certain transactions entered between the Company and the companies in which certain close family members of the Directors have substantial financial interests as disclosed in Note 31 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 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 have 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 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 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 amount written off for bad debts or the amount of provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any material extent; and
 - (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 or of the Company to meet their obligations as and when they fall due.

DIRECTORS' REPORT (continued)

OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY (continued):

(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.

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.

.....
Law Hee Ling
Director

Kuala Lumpur
7 July 2009

.....
Lim Kok Onn
Director

STATEMENT BY DIRECTORS/ STATUTORY DECLARATION

STATEMENT BY DIRECTORS

In the opinion of the Directors, the financial statements set out on pages 26 to 75 have been drawn up in accordance with applicable approved Financial Reporting Standards in Malaysia and the provisions of the Companies Act, 1965 so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 March 2009 and of the results of the operations of the Group and of the Company and of the cash flows of the Group and of the Company for the financial year then ended.

On behalf of the Board,

.....
Law Hee Ling
Director

Kuala Lumpur
7 July 2009

.....
Lim Kok Onn
Director

STATUTORY DECLARATION

I, Chia Kah Ying, being the Director primarily responsible for the financial management of Complete Logistic Services Berhad, do solemnly and sincerely declare that the financial statements set out on pages 26 to 75 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)
declared by the abovenamed at)
Kuala Lumpur in the)
Federal Territory on)
7 July 2009)

Before me:

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COMPLETE LOGISTIC SERVICES BERHAD

Report on the Financial Statements

We have audited the financial statements of Complete Logistic Services Berhad, which comprise the balance sheets as at 31 March 2009 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 26 to 75.

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 Financial Reporting Standards in Malaysia and the provisions of the Companies Act, 1965. 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 in Malaysia and the provisions of the Companies Act, 1965 so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 March 2009 and of the results of the operations of the Group and of the Company and of the cash flows of the Group and of the Company for the financial year then ended.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act, 1965, 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 8 to the financial statements.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF COMPLETE LOGISTIC SERVICES BERHAD (continued)

Report on Other Legal and Regulatory Requirements (continued)

- (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 purposes 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 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

7 July 2009

Gan Hock Soon

2853/07/10 (J)

Partner

BALANCE SHEETS

AS AT 31 MARCH 2009

	Note	Group		Company	
		2009 RM	2008 RM	2009 RM	2008 RM
ASSETS					
Non-current assets					
Property, plant and equipment	7	71,531,606	72,524,360	3,270	4,228
Investments in subsidiaries	8	-	-	47,077,786	50,397,316
Investment in an associate	9	-	16,334	1,000	1,000
		71,531,606	72,540,694	47,082,056	50,402,544
Current assets					
Inventories	10	280,814	931,812	-	-
Trade and other receivables	11	27,176,149	30,357,318	25,183,349	32,055,224
Tax recoverable		478,446	104,303	-	1,841
Cash and cash equivalents	12	22,530,826	17,251,483	16,843,983	10,495,797
		50,466,235	48,644,916	42,027,332	42,552,862
TOTAL ASSETS		121,997,841	121,185,610	89,109,388	92,955,406
EQUITY AND LIABILITIES					
Equity attributable to equity holders of the Company					
Share capital	13	60,000,000	60,000,000	60,000,000	60,000,000
Retained earnings	14	33,378,242	27,896,037	2,341,391	6,477,857
Other reserves	15	4,326,761	4,322,095	23,061,364	26,415,569
TOTAL EQUITY		97,705,003	92,218,132	85,402,755	92,893,426
Non-current liabilities					
Borrowings (secured)	16	7,653,557	3,625,636	-	-
Deferred tax liabilities	19	175,810	139,138	-	-
		7,829,367	3,764,774	-	-
Current liabilities					
Trade and other payables	20	11,725,587	10,898,528	3,695,871	61,980
Borrowings (secured)	16	4,589,883	13,730,610	-	-
Tax liabilities		148,001	573,566	10,762	-
		16,463,471	25,202,704	3,706,633	61,980
TOTAL LIABILITIES		24,292,838	28,967,478	3,706,633	61,980
TOTAL EQUITY AND LIABILITIES		121,997,841	121,185,610	89,109,388	92,955,406

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

INCOME STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2009

	Note	Group		Company	
		2009 RM	2008 RM	2009 RM	2008 RM
Revenue	23	108,068,479	123,949,462	3,117,000	12,600,000
Cost of sales	24	(92,062,128)	(100,331,708)	-	-
Gross profit		16,006,351	23,617,754	3,117,000	12,600,000
Other income		2,493,285	1,023,719	404,117	247,068
Marketing and distribution costs		(508,011)	(454,669)	-	-
Administration expenses		(2,045,078)	(1,814,582)	-	-
Other expenses		(1,372,611)	(1,964,510)	(223,067)	(83,027)
Finance costs		(827,122)	(616,667)	-	-
Share of results of an associate		(19,614)	18,614	-	-
Profit before tax	25	13,727,200	19,809,659	3,298,050	12,764,041
Tax expense	26	(1,044,995)	(1,717,269)	(234,516)	(765,791)
Profit for the financial year		12,682,205	18,092,390	3,063,534	11,998,250
Attributable to:					
Equity holders of the Company		12,682,205	18,092,390		
Minority interest		-	-		
		12,682,205	18,092,390		
Basic earnings per ordinary share (sen)	27	10.6	15.7		

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

STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 MARCH 2009

Group	Note	Share capital RM	Retained earnings RM	Share premium RM	Exchange fluctuation reserve RM	Total RM
Balance at 31 March 2007		27,982,647	41,496,523	324,477	-	69,803,647
Ordinary shares issued pursuant to:						
- bonus issue	13	26,017,353	(25,692,876)	(324,477)	-	-
- public issue	13	6,000,000	-	6,000,000	-	12,000,000
Exchange differences recognised directly in equity		-	-	-	(3,280)	(3,280)
Listing expenses recognised directly in equity		-	-	(1,674,625)	-	(1,674,625)
Losses recognised directly in equity		-	-	(1,674,625)	(3,280)	(1,677,905)
Profit for the financial year		-	18,092,390	-	-	18,092,390
Total recognised income and expense for the financial year		-	18,092,390	(1,674,625)	(3,280)	16,414,485
Dividends	28	-	(6,000,000)	-	-	(6,000,000)
Balance at 31 March 2008		60,000,000	27,896,037	4,325,375	(3,280)	92,218,132
Exchange differences recognised directly in equity		-	-	-	4,666	4,666
Gains recognised directly in equity		-	-	-	4,666	4,666
Profit for the financial year		-	12,682,205	-	-	12,682,205
Total recognised income and expense for the financial year		-	12,682,205	-	4,666	12,686,871
Dividends	28	-	(7,200,000)	-	-	(7,200,000)
Balance at 31 March 2009		60,000,000	33,378,242	4,325,375	1,386	97,705,003

STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 MARCH 2009 (continued)

Company	Note	Share capital RM	Retained earnings RM	Share premium RM	Fair value reserve RM	Total RM
Balance at 31 March 2007		27,982,647	26,172,483	324,477	15,324,138	69,803,745
Ordinary shares issued pursuant to:						
- bonus issue	13	26,017,353	(25,692,876)	(324,477)	-	-
- public issue	13	6,000,000	-	6,000,000	-	12,000,000
Fair value gains from investments in subsidiaries accounted for as available-for-sale financial assets	8	-	-	-	6,766,056	6,766,056
Listing expenses recognised directly in equity		-	-	(1,674,625)	-	(1,674,625)
(Losses)/Gains recognised directly in equity		-	-	(1,674,625)	6,766,056	5,091,431
Profit for the financial year		-	11,998,250	-	-	11,998,250
Total recognised income and expense for the financial year		-	11,998,250	(1,674,625)	6,766,056	17,089,681
Dividends	28	-	(6,000,000)	-	-	(6,000,000)
Balance at 31 March 2008		60,000,000	6,477,857	4,325,375	22,090,194	92,893,426
Fair value losses from investments in subsidiaries accounted for as available-for-sale financial assets	8	-	-	-	(3,354,205)	(3,354,205)
Losses recognised directly in equity		-	-	-	(3,354,205)	(3,354,205)
Profit for the financial year		-	3,063,534	-	-	3,063,534
Total recognised income and expense for the financial year		-	3,063,534	-	(3,354,205)	(290,671)
Dividends	28	-	(7,200,000)	-	-	(7,200,000)
Balance at 31 March 2009		60,000,000	2,341,391	4,325,375	18,735,989	85,402,755

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

CASH FLOW STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2009

	Note	Group		Company	
		2009 RM	2008 RM	2009 RM	2008 RM
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before tax		13,727,200	19,809,659	3,298,050	12,764,041
Adjustments for:					
Bad debts written off		44,632	-	-	-
Depreciation of property, plant and equipment	7	2,943,921	1,689,196	958	558
Dividend income from subsidiaries	23	-	-	(3,117,000)	(12,600,000)
Gain on disposal of property, plant and equipment		(238,080)	(38,625)	-	-
Impairment of trade receivables		42,797	130,027	-	-
Interest income		(538,309)	(533,993)	(404,117)	(247,068)
Interest expenses		827,122	616,667	-	-
Property, plant and equipment written off	7	71,900	4,779	-	-
Share of results of an associate	9	19,614	(18,614)	-	-
Unrealised gain on foreign exchange		(562,121)	-	-	-
Unrealised loss on foreign exchange		-	388,230	-	-
Operating profit/(loss) before working capital changes		16,338,676	22,047,326	(222,109)	(82,469)
Decrease in inventories		650,998	1,958,411	-	-
Decrease/(Increase) in trade and other receivables		3,664,074	(69,967)	-	(17,000)
(Decrease)/Increase in trade and other payables		(2,082,218)	(592,157)	33,891	(71,900)
Cash generated from/(used in) operations		18,571,530	23,343,613	(188,218)	(171,369)
Tax paid		(1,808,031)	(1,792,542)	(55,163)	(52,632)
Net cash from/(used in) operating activities		16,763,499	21,551,071	(243,381)	(224,001)

CASH FLOW STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2009 (continued)

	Note	Group		Company	
		2009 RM	2008 RM	2009 RM	2008 RM
CASH FLOWS FROM INVESTING ACTIVITIES					
Acquisition of a subsidiary	30	-	-	(4)	-
Additional subscription of shares of a subsidiary	30	-	-	(34,671)	-
Dividend income received		-	-	2,950,250	11,885,000
Interest received		538,309	533,993	404,117	247,068
Purchase of property, plant and equipment	7	(1,812,387)	(27,529,967)	-	(4,786)
Proceeds from disposal of property, plant and equipment		427,400	166,810	-	-
Net cash (used in)/from investing activities		(846,678)	(26,829,164)	3,319,692	12,127,282
CASH FLOWS FROM FINANCING ACTIVITIES					
Additional deposit pledged to a licensed bank		(59,732)	(141,580)	-	-
Advances from/(to) an associate		89,982	(11,322)	-	-
Advances from/(to) subsidiaries		-	-	6,871,875	(6,488,224)
Dividends paid		(3,600,000)	(6,000,000)	(3,600,000)	(6,000,000)
Drawdown of term loans		9,550,828	9,973,260	-	-
Interest paid		(827,122)	(616,667)	-	-
Listing expenses paid		-	(911,603)	-	(911,603)
Proceeds from issuance of shares		-	12,000,000	-	12,000,000
Repayments of bankers' acceptances		(1,698,000)	(258,000)	-	-
Repayments of hire purchase liabilities		(85,463)	-	-	-
Repayments of term loans		(13,349,713)	(2,455,360)	-	-
(Repayments to)/Advances from Directors		(788,918)	1,752,068	-	(52,250)
Net cash (used in)/from financing activities		(10,768,138)	13,330,796	3,271,875	(1,452,077)
Net increase in cash and cash equivalents		5,148,683	8,052,703	6,348,186	10,451,204
Effects of exchange rate changes		1,386	-	-	-
Cash and cash equivalents at beginning of financial year		15,521,980	7,469,277	10,495,797	44,593
Cash and cash equivalents at end of financial year	12	20,672,049	15,521,980	16,843,983	10,495,797

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

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2009

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 82-F, Jalan Pulasan, 41000 Klang, Selangor Darul Ehsan.

The principal place of business of the Company is located at No. 25, Jalan Berangan, 42000 Port Klang, Selangor Darul Ehsan.

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

The financial statements were authorised for issue in accordance with a resolution by the Board of Directors on 7 July 2009.

2. PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of the subsidiaries are set out in Note 8 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

3. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

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

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 contingent 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.

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 values 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.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2009 (continued)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Basis of consolidation (continued)

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 values 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 4.6 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 business combination; and
- (b) recognised immediately in profit or loss any excess remaining after that reassessment.

Subsidiaries are consolidated from the acquisition date, which is the date on which the Group effectively obtains control, until the date in 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 convertible or 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 statements.

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.

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 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 profit or loss. Purchases from minority interests result in goodwill, being the difference between any consideration paid and the relevant share acquired of the carrying amount of net assets of the subsidiary.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2009 (continued)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

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 items.

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 item will flow to the Group and the cost of the item 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 profit or loss as incurred. Cost also comprises the initial estimate of dismantling and removing the item and restoring the site on which it is located for which the Group is obligated to incur when the item 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 item and which have different useful lives, are depreciated separately.

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

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

Building	50 years
Containers	10%
Motor vehicles	20%
Office equipment	10% - 20%
Plant and machinery	10%
Tug boat and barge	50 years
Vessel equipment	10%
Vessels	50 years

Freehold land is not depreciated.

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 4.7 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.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2009 (continued)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.4 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 of the Group are recognised initially at amounts equal to the fair value of the leased assets or, if lower, the present value of 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

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

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

4.5 Investments

(a) Subsidiaries

A subsidiary is an entity in which the Group and the Company have 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.

When separate financial statements are prepared by the Company, investments in subsidiaries that are not classified as held for sale (or included in a disposal group that is classified as held for sale) shall be accounted for at fair value in accordance with FRS 139 Financial Instruments: Recognition and Measurement.

Investments in subsidiaries are eliminated on consolidation. On disposal of such an investment, the difference between the net disposal proceeds and its carrying amount is included in profit or loss.

(b) Associates

An associate is any entity over which the Group and the Company have 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 that is not classified as held for sale (or included in a disposal group that is classified as held for sale) shall be accounted for at fair value in accordance with FRS 139 Financial Instruments: Recognition and Measurement.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2009 (continued)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.5 Investments (continued)

(b) Associates (continued)

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 associates' 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.

When the Group's share of losses in the associate equals or exceeds its interest in the associate, the carrying amount 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.

4.6 Intangible assets

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 amount 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, liabilities 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

31 MARCH 2009 (continued)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.7 Impairment of non-financial assets

The carrying amount of assets, except for financial assets (the financial assets in this context do not include investments in subsidiaries and associates) and inventories, 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 possible 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 from the acquisition date, is 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 immediately in profit or loss 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 profit or loss 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 asset's 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.

4.8 Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost is determined using the first-in, first-out formula. The cost of trading goods comprises all costs of purchase plus the cost of bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2009 (continued)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

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 financial assets, financial liabilities, equity, or derivatives in accordance with the substance of the contractual arrangement. Interest, dividends, 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. Distribution to holders of an equity instrument is 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.

4.9.2 Classification

The Group classifies its financial assets in the following categories: held-to-maturity investments, financial assets at fair value through profit or loss, loans and receivables, and available-for-sale financial assets. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this classification at every reporting date, with the exception that the designation of financial assets at fair value through profit or loss is not revocable.

(a) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the management has the positive intention and ability to hold to maturity. Held-to-maturity investments are carried at amortised cost.

During the financial year, the Group did not hold any investments in this category.

(b) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are also classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

Realised and unrealised gains and losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are included in the income statement in the period in which they arise.

During the financial year, the Group did not hold any financial assets in this category.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2009 (continued)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.9 Financial instruments (continued)

4.9.2 Classification (continued)

(c) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets as trade and other receivables.

(d) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated in this category or are not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within twelve (12) months after the balance sheet date. Unrealised gains and losses arising from changes in fair value of the investment are recognised directly in the fair value reserve within equity. Realised gains and losses arising from changes in fair value are included in profit or loss.

4.9.3 Recognition and derecognition

Purchases and sales of investments are recognised on trade date, the date on which the Group commits to purchase or sell the asset. Investments are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

4.9.4 Initial measurement

Financial assets are initially recognised at fair value plus transaction costs except for financial assets at fair value through profit or loss, which are recognised at fair value.

4.9.5 Subsequent measurement

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method.

Realised and unrealised gains and losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' investment category are included in the income statement in the period in which they arise. Unrealised gains and losses arising from changes in the fair value of investments classified as available-for-sale are recognised in the fair value reserve within equity. When investments classified as available-for-sale are sold or impaired, the accumulated fair value adjustments in the fair value reserve within equity are included in profit or loss.

4.9.6 Determination of fair value

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. The fair values of quoted financial assets are based on current bid prices. If the market for a financial asset is not active, the Group establishes fair value by using various techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models refined to reflect the issuer's specific circumstances and others, where appropriate.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2009 (continued)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.9 Financial instruments (continued)

4.9.7 Impairment of financial assets

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity investment classified as available-for-sale, a significant or prolonged decline in the fair value of the investment below its cost is considered in determining whether the investments are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss is removed from the fair value reserve within equity and recognised in profit or loss. Impairment losses recognised in profit or loss on equity investments are not reversed through profit or loss, until the equity investments are disposed of.

If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The carrying amount of the asset shall be reduced either directly or through use of an allowance account. The amount of the loss shall be recognised in profit or loss.

4.9.8 Financial instruments not recognised on the balance sheets

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

4.10 Financial assets

(a) Receivables

Trade receivables and other receivables, including amounts owing by an associate and related parties, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment. An allowance for impairment of receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables.

Receivables are not held for trading purposes.

(b) Cash and cash equivalents

Cash and cash equivalents include cash and bank balances, deposits with financial institutions and other short term, highly liquid investments which are readily convertible to cash and are subject to insignificant risk of changes in value. For the purpose of the cash flow statement, cash and cash equivalents are presented net of bank overdrafts and pledged deposits.

4.11 Financial liabilities

(a) Payables

Liabilities for trade and other payables, including amounts owing to an associate and related parties, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

(b) Interest bearing loans and borrowings

All loans and borrowings are initially recognised at fair value of the consideration received less directly attributable costs. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2009 (continued)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.12 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 profit or loss.

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

4.13 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 complete, after which such expense is charged to profit or loss. 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.

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 profits will be available to allow the benefit of part or all of that 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 profits will be available, such reductions will be reversed to the extent of the taxable profits.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2009 (continued)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.14 Income taxes (continued)

(b) Deferred tax (continued)

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 will be recognised as income or expense and included in the profit or loss for the period unless the tax relates to items that are credited or charged, in the same or a different period, directly to equity, in which case the deferred tax will be charged or credited directly to equity.

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 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 a provision will be discounted to its present value at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision will be reversed.

Provisions are not recognised for future operating losses. If the Group has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision.

4.16 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 assets but disclose its existence where inflows of economic benefits are probable, but not virtually certain.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2009 (continued)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.17 Employee benefits

4.17.1 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 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.

4.17.2 Defined contribution plan

The Company and its subsidiaries incorporated in Malaysia make contributions to a statutory provident fund. 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.

4.18 Foreign currencies

4.18.1 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.

4.18.2 Foreign currency translations 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 a 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 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.

4.18.3 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 recognised as a separate component of equity.

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

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

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2009 (continued)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.19 Revenue recognition

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

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 and specific recognition criteria have been met for each of the Group's activities as follows:

(a) Sale of goods

Revenue from sale of goods is recognised when significant risk and rewards of ownership of the goods has been transferred to the customer and where the Group retains neither continuing managerial involvement over the goods, which coincides with delivery of goods and services and acceptance by customers.

(b) Services

Revenue from logistics services is recognised upon services rendered.

(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. The aggregate cost of incentives provided to the lessee is recognised as reduction of rental income over the lease term on a straight line basis.

4.20 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 element.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2009 (continued)

5. ADOPTION OF NEW FRSs AND AMENDMENTS TO FRS

5.1 New FRS and amendments to FRS adopted

- (a) 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 profit or loss or in equity depending on the currency of the monetary item.

The adoption of this amendment does not have any impact on the consolidated financial statements.

- (b) 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
FRS 137	Provision, Contingent Liabilities and Contingent Assets

These FRSs align the Malaysian Accounting Standards Board ('MASB') FRSs with the equivalent International Accounting Standards ('IASs'), 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.

FRS 111 and FRS 120 are not relevant to the Group's operations.

- (c) 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-operative 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 Financial Reporting in Hyperinflationary Economies
IC Interpretation 8	Scope of FRS 2

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

- (d) 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 FRS as defined in paragraph 11 of FRS 101 Presentation of Financial Statements and hence, does not define standards for any particular measurement or disclosure issue.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2009 (continued)

5. ADOPTION OF NEW FRSs AND AMENDMENTS TO FRS (continued)

5.2 New FRSs and IC Interpretations not adopted

- (a) FRS 8 Operating Segments and the consequential amendments resulting from FRS 8 are mandatory for annual financial periods beginning on or after 1 July 2009.

FRS 8 sets out the requirements for disclosure of information on an entity's operating segments, products and services, the geographical areas in which it operates and its customers.

The requirements of this Standard are based on the information about the components of the entity that management uses to make decisions about operating matters. This Standard requires identification of operating segments on the basis of internal reports that are regularly reviewed by the entity's chief operating decision maker in order to allocate resources to the segment and assess its performance.

This Standard also requires the amount reported for each operating segment item to be the measure reported to the chief operating decision maker for the purposes of allocating resources to the segment and assessing its performance. Segment information for prior years that is reported as comparative information for the initial year of application would be restated to conform to the requirements of this Standard.

- (b) FRS 4 Insurance Contracts and the consequential amendments resulting from FRS 4 are mandatory for annual financial periods beginning on or after 1 January 2010. FRS 4 replaces the existing FRS 2022004 General Insurance Business and FRS 2032004 Life Insurance Business.

This Standard applies to all insurance contracts, including reinsurance contracts that an entity issues and to reinsurance contracts that it holds. This Standard prohibits provisions for potential claims under contracts that are not in existence at the reporting date, and requires a test for the adequacy of recognised insurance liabilities and an impairment test for reinsurance assets. This Standard also requires an insurer to keep insurance liabilities in its balance sheet until they are discharged or cancelled, or expire, and to present insurance liabilities without offsetting them against related reinsurance assets.

FRS 4 is not relevant to the Group's operations.

- (c) FRS 7 Financial Instruments: Disclosures and the consequential amendments resulting from FRS 7 are mandatory for annual financial periods beginning on or after 1 January 2010. FRS 7 replaces the disclosure requirements of the existing FRS 132 Financial Instruments: Disclosure and Presentation.

This Standard applies to all risks arising from a wide array of financial instruments and requires the disclosure of the significance of financial instruments for an entity's financial position and performance.

This Standard requires the disclosure of qualitative and quantitative information about exposure to risks arising from financial instruments, including specified minimum disclosures about credit risk, liquidity risk and market risk. The qualitative disclosures describe the management's objectives, policies and processes for managing those risks. The quantitative disclosures provide information on the extent to which the entity is exposed to risk, based on information provided internally to the entity's key management personnel.

- (d) FRS 123 Borrowing Costs and the consequential amendments resulting from FRS 123 are mandatory for annual periods beginning on or after 1 January 2010.

This Standard removes the option of immediately recognising as an expense borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. However, capitalisation of borrowing costs is not required for assets measured at fair value, and inventories that are manufactured or produced in large quantities on a repetitive basis, even if they take a substantial period of time to get ready for use or sale.

The Group does not expect any impact on the consolidated financial statements arising from the adoption of this Standard.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2009 (continued)

5. ADOPTION OF NEW FRSs AND AMENDMENTS TO FRS (continued)

5.2 New FRSs and IC Interpretations not adopted (continued)

- (e) Amendments to FRS 2 Share-based Payment: Vesting Conditions and Cancellations are mandatory for annual financial periods beginning on or after 1 January 2010.

These amendments clarify that vesting conditions comprise service conditions and performance conditions only. Cancellations by parties other than the Group are accounted for in the same manner as cancellations by the Group itself and features of a share-based payment that are non-vesting conditions are included in the grant date fair value of the share-based payment.

Amendments to FRS 2 is not relevant to the Group's operations.

- (f) Amendments to FRS 1 First-time Adoption of Financial Reporting Standards and FRS 127 Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate is mandatory for annual periods beginning on or after 1 January 2010.

These amendments allow first-time adopters to use a deemed cost of either fair value or the carrying amount under previous accounting practice to measure the initial cost of investments in subsidiaries, jointly controlled entities and associates in the separate financial statements. The cost method of accounting for an investment has also been removed pursuant to these amendments.

The Group does not expect any impact on the consolidated financial statements arising from the adoption of these amendments.

- (g) IC Interpretation 9 Reassessment of Embedded Derivatives is mandatory for annual financial periods beginning on or after 1 January 2010.

This Interpretation prohibits the subsequent reassessment of embedded derivatives unless there is a change in the terms of the host contract that significantly modifies the cash flows that would otherwise be required by the host contract.

The Group does not expect any impact on the consolidated financial statements arising from the adoption of this Interpretation.

- (h) IC Interpretation 10 Interim Financial Reporting and Impairment is mandatory for annual financial periods beginning on or after 1 January 2010.

This Interpretation prohibits the reversal of an impairment loss recognised in a previous interim period in respect of goodwill or an investment in either an equity instrument or a financial asset carried at cost.

The Group does not expect any impact on the consolidated financial statements arising from the adoption of this Interpretation in the future.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2009 (continued)

5. ADOPTION OF NEW FRSs AND AMENDMENTS TO FRS (continued)

5.2 New FRSs and IC Interpretations not adopted (continued)

- (i) IC Interpretation 11 FRS 2 – Group and Treasury Share Transactions is mandatory for annual periods beginning on or after 1 January 2010.

This Interpretation requires share-based payment transactions in which the Company receives services from employees as consideration for its own equity instruments to be accounted for as equity-settled, regardless of the manner of satisfying the obligations to the employees.

If the Company grants rights to its equity instruments to the employees of its subsidiaries, this Interpretation requires the Company to recognise the equity reserve for the obligation to deliver the equity instruments when needed whilst the subsidiaries shall recognise the remuneration expense for the services received from employees.

If the subsidiaries grant rights to equity instruments of the Company to its employees, this Interpretation requires the Company to account for the transaction as cash-settled, regardless of the manner the subsidiaries obtain the equity instruments to satisfy its obligations.

IC Interpretation 11 FRS 2 is not relevant to the Group's operations.

- (j) IC Interpretation 13 Customer Loyalty Programmes is mandatory for annual periods beginning on or after 1 January 2010.

This Interpretation requires the separation of award credits as a separately identifiable component of sales transactions involving the award of free or discounted goods or services in the future. The fair value of the consideration received or receivable from the initial sale shall be allocated between the award credits and the other components of the sale.

If the Group supplies the awards itself, the consideration allocated to the award credits shall only be recognised as revenue when the award credits are redeemed. If a third party supplies the awards, the Group shall assess whether it is acting as a principal or agent in the transaction.

If the Group is acting as the principal in the transaction, it shall measure its revenue as the gross consideration allocated to the award credits. If the Group is acting as an agent, it shall measure its revenue as the net amount retained on its own account, and recognise the net amount as revenue when the third party becomes obliged to supply the awards and entitled to receive the consideration for doing so.

IC Interpretation 13 is not relevant to the Group's operations.

- (k) IC Interpretation 14 FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction is mandatory for annual periods beginning on or after 1 January 2010.

This Interpretation applies to all post-employment defined benefits and other long-term employee defined benefits. This Interpretation clarifies that an economic benefit is available if the Group can realise it at some point during the life of the plan or when the plan liabilities are settled, and that it does not depend on how the Group intends to use the surplus.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2009 (continued)

5. ADOPTION OF NEW FRSs AND AMENDMENTS TO FRS (continued)

5.2 New FRSs and IC Interpretations not adopted (continued)

- (k) IC Interpretation 14 FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction is mandatory for annual periods beginning on or after 1 January 2010. (continued)

A right to refund is available to the Group in stipulated circumstances and the economic benefit available shall be measured as the amount of the surplus at the balance sheet date less any associated costs. If there are no minimum funding requirements, the economic benefit available shall be determined as a reduction in future contributions as the lower of the surplus in the plan and the present value of the future service cost to the Group. If there is a minimum funding requirement for contributions relating to the future accrual of benefits, the economic benefit available shall be determined as a reduction in future contributions at the present value of the estimated future service cost less the estimated minimum funding required in each financial year.

IC Interpretation 14 FRS 119 is not relevant to the Group's operations.

6. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

- (a) Critical judgements made in applying accounting policies

There are no critical judgements made by the management in the process of applying the Group's and the Company's accounting policies that have significant effect on the amount recognised in these financial statements.

- (b) Key sources of estimation uncertainty

The 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 year are discussed below:

- (i) Income tax and deferred tax

Judgement is required in determining the capital allowances and deductibility of certain expenses when estimating the provision for income taxes. There were transactions during the ordinary course of business for which the ultimate tax determination is uncertain. The Group recognises liabilities based on estimation of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax, if any, in the periods in which the outcome is known.

- (ii) Depreciation of property, plant and equipment

The costs of the vessels, and tug boat and barge are depreciated to their residual values on a straight line basis over the assets' useful lives. Management estimates the useful lives of these assets to be fifty (50) years. These are common life expectancies applied in the shipping industry. Regular and proper maintenance on these assets could impact their economic useful lives and the residual values, therefore future depreciation charges could be revised.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2009 (continued)

6. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

(b) Key sources of estimation uncertainty (continued)

- (iii) The Group has no major concentration of credit risk as at 31 March 2009 except for trade receivables amounting to RM10.7 million (2008: RM7.3 million) which has been outstanding for more than the credit terms granted. The Directors believe that there is no credit risk on the remaining trade receivables based on the Group's historical experience in their collections. Accordingly, no additional provision for impairment of trade receivables is made for these trade receivables. However, where the amount is not recoverable or not fully recoverable, the amount not recoverable will have an impact on the income statement. Other than mentioned earlier, the Group has no significant concentration of credit risk. The maximum exposures of credit risk to other receivables are represented by their carrying amounts in the balance sheet.
- (iv) The methods and assumptions used by the management to determine fair values of financial instruments are as follows:
- (aa) The carrying amounts of financial assets and liabilities maturing within twelve (12) months approximate their fair values due to the relatively short term maturity of these financial instruments.
- (bb) In respect of long-term borrowings, the carrying amounts approximate fair value as they are on floating rates and reprice to market interest rates for liabilities with similar risk profiles.
- (cc) The fair value of the investments in subsidiaries is measured at the Company's interest in the fair values of the subsidiaries' assets less liabilities at the balance sheet date. The fair value of the subsidiaries' vessels are arrived at based on the comparison method of valuation.

7. PROPERTY, PLANT AND EQUIPMENT

Group	At				Depreciation	At
2009	1.4.2008	Additions	Disposals	Written off	charge for the	31.3.2009
	RM	RM	RM	RM	financial year	RM
					RM	
Carrying amount						
Freehold land	296,440	-	-	-	-	296,440
Building	302,295	-	-	-	(15,178)	287,117
Containers	1,407,729	-	(162,807)	-	(199,865)	1,045,057
Motor vehicles	335,061	1,073,171	(26,513)	-	(266,764)	1,114,955
Office equipment	214,472	131,234	-	-	(61,375)	284,331
Plant and machinery	398,465	-	-	-	(87,027)	311,438
Tug boat and barge	1,631,582	886,986	-	(71,900)	(54,300)	2,392,368
Vessel equipment	311,911	120,996	-	-	(43,982)	388,925
Vessels	67,626,405	-	-	-	(2,215,430)	65,410,975
	72,524,360	2,212,387	(189,320)	(71,900)	(2,943,921)	71,531,606

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2009 (continued)

7. PROPERTY, PLANT AND EQUIPMENT (continued)

	At 31.3.2009		
	Cost RM	Accumulated depreciation RM	Carrying amount RM
Carrying amount			
Freehold land	296,440	-	296,440
Building	303,560	(16,443)	287,117
Containers	1,655,903	(610,846)	1,045,057
Motor vehicles	1,568,166	(453,211)	1,114,955
Office equipment	457,535	(173,204)	284,331
Plant and machinery	572,521	(261,083)	311,438
Tug boat and barge	2,502,586	(110,218)	2,392,368
Vessel equipment	498,455	(109,530)	388,925
Vessels	69,788,039	(4,377,064)	65,410,975
	77,643,205	(6,111,599)	71,531,606

Group	At 1.4.2007 RM	Additions RM	Disposals RM	Written off RM	Depreciation charge for the financial year RM	At 31.3.2008 RM
Carrying amount						
Freehold land	-	296,440	-	-	-	296,440
Building	-	303,560	-	-	(1,265)	302,295
Containers	1,669,050	-	(50,078)	-	(211,243)	1,407,729
Motor vehicles	536,236	74,615	(75,000)	-	(200,790)	335,061
Office equipment	214,004	69,602	(3,107)	(4,779)	(61,248)	214,472
Plant and machinery	485,494	-	-	-	(87,029)	398,465
Tug boat and barge	1,658,409	-	-	-	(26,827)	1,631,582
Vessel equipment	284,923	60,211	-	-	(33,223)	311,911
Vessels	41,968,437	26,725,539	-	-	(1,067,571)	67,626,405
	46,816,553	27,529,967	(128,185)	(4,779)	(1,689,196)	72,524,360

	At 31.3.2008		
	Cost RM	Accumulated depreciation RM	Carrying amount RM
Carrying amount			
Freehold land	296,440	-	296,440
Building	303,560	(1,265)	302,295
Containers	1,830,163	(422,434)	1,407,729
Motor vehicles	654,072	(319,011)	335,061
Office equipment	326,301	(111,829)	214,472
Plant and machinery	572,521	(174,056)	398,465
Tug boat and barge	1,687,500	(55,918)	1,631,582
Vessel equipment	377,459	(65,548)	311,911
Vessels	69,788,039	(2,161,634)	67,626,405
	75,836,055	(3,311,695)	72,524,360

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2009 (continued)

7. PROPERTY, PLANT AND EQUIPMENT (continued)

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

	Group	
	2009 RM	2008 RM
Purchase of property, plant and equipment	2,212,387	27,529,967
Financed by hire purchase and lease arrangements	(400,000)	-
	<hr/>	<hr/>
Cash payments on purchase of property, plant and equipment	1,812,387	27,529,967
	<hr/>	<hr/>

As at 31 March 2009, motor vehicles with a total carrying amount of RM760,073 (2008: RM Nil) are held under hire purchase. Details of the terms and conditions of the hire purchase arrangements are disclosed in Note 17 to the financial statements.

Vessels with a total carrying amount of RM28,544,612 (2008: RM29,473,972) have been pledged for banking facilities granted to certain subsidiaries (Note 18).

Company	At 1.4.2008 RM	Additions RM	Depreciation charge for the financial year RM	At 31.3.2009 RM
2009				
Carrying amount				
Office equipment	4,228	-	(958)	3,270

	----- At 31.3.2009 -----		
Carrying amount	Cost RM	Accumulated depreciation RM	Carrying amount RM
Office equipment	4,786	(1,516)	3,270

Company	At 1.4.2007 RM	Additions RM	Depreciation charge for the financial year RM	At 31.3.2008 RM
2008				
Carrying amount				
Office equipment	-	4,786	(558)	4,228

	----- At 31.3.2008 -----		
Carrying amount	Cost RM	Accumulated depreciation RM	Carrying amount RM
Office equipment	4,786	(558)	4,228

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2009 (continued)

8. INVESTMENTS IN SUBSIDIARIES

	Note	Company	
		2009 RM	2008 RM
At fair value			
Available-for-sale financial assets			
- Unquoted shares			
At 1 April 2008/2007		50,397,316	43,631,260
Acquisition of a subsidiary	30	4	-
Additional subscription of shares of a subsidiary	30	34,671	-
Fair value (losses)/gains transferred to equity		(3,354,205)	6,766,056
		47,077,786	50,397,316
At 31 March 2009/2008			

The details of the subsidiaries are as follows:

Name of company	Country of incorporation	Group effective interest		Principal activities
		2009	2008	
Bagai Pertama Sdn. Bhd.	Malaysia	100%	100%	Shipowner/provision of marine transportation services
Complete Container Services Sdn. Bhd.	Malaysia	100%	100%	Shipowner/provision of marine transportation services
Complete Logistic Specialists Sdn. Bhd.	Malaysia	100%	100%	Total logistics services provider
Complete Marine Services Sdn. Bhd.	Malaysia	100%	100%	Shipowner/provision of marine transportation services
Complete Shipping Sdn. Bhd.	Malaysia	100%	100%	Shipowner/provision of marine transportation services
Complete Tug & Barge Sdn. Bhd.	Malaysia	100%	100%	Shipowner/provision of marine transportation services
Complete Transport Services Sdn. Bhd.	Malaysia	100%	100%	Lorry and trucking services
Dolphin Shipping Agency Sdn. Bhd.	Malaysia	100%	100%	Trading of freight
Island Network Sdn. Bhd.	Malaysia	100%	100%	General trading
Malsuria Logistics Sdn. Bhd.	Malaysia	100%	100%	Shipowner/provision of marine transportation services
Malsuria (M) Sdn. Bhd.	Malaysia	100%	100%	Shipowner/provision of marine transportation services
Malsuria Tanker Services Sdn. Bhd.	Malaysia	100%	100%	Shipowner/provision of marine transportation services
Sierra Jaya Sdn. Bhd.	Malaysia	100%	100%	Shipowner/provision of marine transportation services
Complete International Pte Ltd#	Malaysia	100%	-	Dormant since incorporation

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2009 (continued)

8. INVESTMENTS IN SUBSIDIARIES (continued)

Name of company	Country of incorporation	Group effective interest		Principal activities
		2009	2008	
Subsidiary of Island Network Sdn. Bhd.				
Island Network Shipbuilders Sdn. Bhd.	Malaysia	100%	100%	Dormant since incorporation
# Subsidiary not audited by BDO Binder				

9. INVESTMENT IN AN ASSOCIATE

	Group		Company	
	2009 RM	2008 RM	2009 RM	2008 RM
At fair value				
Available-for-sale financial assets				
- Unquoted shares				
At 1 April 2008/2007	16,334	-	1,000	-
Addition	-	1,000	-	1,000
Share of results of an associate	(19,614)	18,614	-	-
Exchange fluctuation reserve	3,280	(3,280)	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2009/2008	-	16,334	1,000	1,000

The detail of the associate is as follows:

Name of company	Country of incorporation	Group effective interest		Principal activities
		2009	2008	
Praslin Express Limited#	Seychelles	50%	50%	Passenger ferry services
# Associate not audited by BDO Binder				

The summarised financial information of the associate is as follows:

	2009 RM	2008 RM
Assets and liabilities		
Non-current assets	173,991	-
Current assets	132,545	43,259
	<hr/>	<hr/>
Total assets	306,536	43,259
	<hr/>	<hr/>
Current liabilities		
Total liabilities	803,874	10,590
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2009 (continued)

9. INVESTMENT IN AN ASSOCIATE (continued)

	2009 RM	2008 RM
Results		
Revenue	1,201,771	-
Loss for the financial year	713,774	8,712
Share of results of an associate:		
Excess of the Group's interest in the net fair value of associate's identifiable assets and liabilities over the cost of investment	-	22,970
Share of loss of an associate	(19,614)	(4,356)
	<u>(19,614)</u>	<u>18,614</u>
Unrecognised amounts of the Group's share of loss of associate:		
- for the financial year	337,273	-
- cumulative	360,243	-

10. INVENTORIES

	2009 RM	Group 2008 RM
At cost		
Trading goods	280,814	931,812

11. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2009 RM	2008 RM	2009 RM	2008 RM
Trade receivables				
Third parties	26,446,923	29,371,823	-	-
Related parties	212,460	372,542	-	-
Less: Impairment of trade receivables – third parties	(258,681)	(215,884)	-	-
	26,400,702	29,528,481	-	-

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2009 (continued)

11. TRADE AND OTHER RECEIVABLES (continued)

	Group		Company	
	2009 RM	2008 RM	2009 RM	2008 RM
Other receivables, deposits and prepayments				
Amounts owing by subsidiaries	-	-	25,166,349	32,038,224
Amount owing by an associate	19,310	10,639	-	-
Other receivables				
- third parties	283,741	229,131	-	-
- related parties	-	542,580	-	-
Deposits	36,172	30,263	2,000	2,000
Prepayments	436,224	16,224	15,000	15,000
	775,447	828,837	25,183,349	32,055,224
	<u>27,176,149</u>	<u>30,357,318</u>	<u>25,183,349</u>	<u>32,055,224</u>

- (a) Trade receivables are non-interest bearing and the normal trade credit terms granted by the Group range from three (3) to four (4) months (2008: three (3) to four (4) months).
- (b) Amounts owing by subsidiaries represent advances, which are unsecured, interest-free and repayable within twelve (12) months.
- (c) Amount owing by an associate represents advances, which are unsecured, interest-free and repayable within twelve (12) months.
- (d) In previous financial year, included in other receivables is an amount of RM542,580 owing by companies in which certain Directors have interests. The amount was fully recovered during the financial year.
- (e) The currency exposure profile of receivables are as follows:

	Group		Company	
	2009 RM	2008 RM	2009 RM	2008 RM
Ringgit Malaysia	20,094,079	23,212,936	25,183,349	32,055,224
Singapore Dollar	61,103	58,242	-	-
US Dollar	7,020,967	7,086,140	-	-
	<u>27,176,149</u>	<u>30,357,318</u>	<u>25,183,349</u>	<u>32,055,224</u>

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2009 (continued)

12. CASH AND CASH EQUIVALENTS

	Group		Company	
	2009 RM	2008 RM	2009 RM	2008 RM
Cash and bank balances	3,048,056	4,913,638	86,832	307,282
Deposits with licensed banks	19,482,770	12,337,845	16,757,151	10,188,515
As per balance sheets	22,530,826	17,251,483	16,843,983	10,495,797
Bank overdraft included in borrowings (Note 16)	(157,465)	(87,923)	-	-
Deposit pledged to a licensed bank (Note 16)	(1,701,312)	(1,641,580)	-	-
As per cash flow statements	20,672,049	15,521,980	16,843,983	10,495,797

(a) Information on financial risks of cash and cash equivalents are disclosed in Note 33(a)(iv) to the financial statements.

(b) The currency exposure profile of cash and cash equivalents are as follows:

	Group		Company	
	2009 RM	2008 RM	2009 RM	2008 RM
Ringgit Malaysia	21,854,497	16,739,355	16,843,983	10,495,797
EURO	96,771	-	-	-
Indonesian Rupiah	70,451	112,410	-	-
US Dollar	509,107	399,718	-	-
	22,530,826	17,251,483	16,843,983	10,495,797

13. SHARE CAPITAL

Authorised	Group and Company		
	Number of shares	Par value	RM
2009			
Balance as at 1 April 2008/31 March 2009	200,000,000	0.50	100,000,000
2008			
Balance as at 1 April 2007	100,000,000	1.00	100,000,000
Share split of 1 : 1	100,000,000	0.50	-
Balance as at 31 March 2008	200,000,000	0.50	100,000,000

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2009 (continued)

13. SHARE CAPITAL (continued)

	Group and Company		
	Number of shares	Par value	RM
Issued and fully paid			
2009			
Balance as at 1 April 2008/31 March 2009	120,000,000	0.50	60,000,000
2008			
Balance as at 1 April 2007	27,982,647	1.00	27,982,647
Bonus issue	26,017,353	1.00	26,017,353
Balance before share split	54,000,000	1.00	54,000,000
Share split of 1 : 1	54,000,000	0.50	-
	108,000,000	0.50	54,000,000
Issued during the financial year	12,000,000	0.50	6,000,000
Balance as at 31 March 2008	120,000,000	0.50	60,000,000
Bonus issue			

In previous financial year, the Company undertook a bonus issue of 26,017,353 new ordinary shares of RM1.00 each to the existing shareholders of the Company on the basis of approximately 92.97 new ordinary shares of RM1.00 each in the Company for every one hundred (100) existing ordinary shares of RM1.00 each held in the Company by way of capitalising the retained earnings and share premium of RM25,692,876 and RM324,477 respectively.

Following the said bonus issue, the issued and paid-up share capital of the Company was increased from RM27,982,647 comprising 27,982,647 ordinary shares of RM1.00 each to RM54,000,000 comprising 54,000,000 ordinary shares of RM1.00 each.

Share split

Subsequent to the aforesaid bonus issue, the Company implemented a share split exercise involving the subdivision of one (1) existing ordinary share of RM1.00 each in the Company into two (2) ordinary shares of RM0.50 each, resulting in the issued and paid-up share capital of the Company of RM54,000,000 comprising 54,000,000 ordinary shares of RM1.00 each being subdivided into 108,000,000 ordinary shares of RM0.50 each.

Public issue

In conjunction with the listing and quotation of the entire issued and fully paid-up share capital, the Company undertook a public issue of 12,000,000 new ordinary shares of RM0.50 each at an issue price of RM1.00 per ordinary share, resulting in the issued and paid-up share capital of the Company being increased from RM54,000,000 comprising 108,000,000 ordinary shares of RM0.50 each to RM60,000,000 comprising 120,000,000 ordinary shares of RM0.50 each.

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company and are entitled to one (1) vote per ordinary share at meetings of the Company. All ordinary shares rank pari passu with regard to the Company's residual assets.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2009 (continued)

14. RETAINED EARNINGS

Company

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 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 retained earnings.

15. OTHER RESERVES

	Group		Company	
	2009 RM	2008 RM	2009 RM	2008 RM
Non-distributable				
Share premium	4,325,375	4,325,375	4,325,375	4,325,375
Exchange fluctuation reserve	1,386	(3,280)	-	-
Fair value reserve	-	-	18,735,989	22,090,194
	<u>4,326,761</u>	<u>4,322,095</u>	<u>23,061,364</u>	<u>26,415,569</u>

Fair value reserve represents fair value gains arising from the changes in value of the Company's investments in subsidiaries which has been accounted for as available-for-sale financial assets (Note 8).

16. BORROWINGS (SECURED)

	Note	Group	
		2009 RM	2008 RM
Current liabilities			
Bank overdraft		157,465	87,923
Bankers' acceptances		302,000	2,000,000
Hire purchase liabilities		201,244	-
Term loans		3,929,174	11,642,687
		4,589,883	13,730,610
Non-current liabilities			
Hire purchase liabilities		113,293	-
Term loans		7,540,264	3,625,636
		7,653,557	3,625,636
Total borrowings			
Bank overdraft	12	157,465	87,923
Bankers' acceptances		302,000	2,000,000
Hire purchase liabilities	17	314,537	-
Term loans	18	11,469,438	15,268,323
		<u>12,243,440</u>	<u>17,356,246</u>

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2009 (continued)

16. BORROWINGS (SECURED) (continued)

The currency exposure profile of borrowings are as follows:

	2009 RM	Group 2008 RM
Ringgit Malaysia	12,243,440	17,356,246

Bank overdraft and bankers' acceptances are secured by:

- (a) facility agreement as principal instrument;
- (b) corporate guarantee from a company in which certain Directors have interests;
- (c) joint and several guarantee by certain Directors; and
- (d) fixed deposits of a subsidiary (Note 12).

Bank overdraft is charged at an interest of 1.50% (2008: 1.50%) per annum above the bank's base lending rate.

Bankers' acceptances are charged at an interest of 1.50% (2008: 1.50%) per annum on the face value of each banker acceptance plus the prevailing discount rate at time of transaction.

Information on financial risks of borrowings is disclosed in Note 33(a)(iv) to the financial statements.

17. HIRE PURCHASE LIABILITIES

	2009 RM	Group 2008 RM
Minimum hire purchase payments:		
- not later than one (1) year	214,418	-
- later than one (1) year but not later than five (5) years	115,391	-
Total minimum hire purchase payments	329,809	-
Less: Future interest charges	(15,272)	-
Present value of hire purchase liabilities (Note 16)	314,537	-

Information on financial risks of hire purchase liabilities is disclosed in Note 33(a)(iv) to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2009 (continued)

18. TERM LOANS

	Group	
	2009 RM	2008 RM
Term loan I	769,692	1,756,064
Term loan II	2,812,523	3,978,905
Term loan III	7,887,223	9,533,354
Total term loans (Note 16)	11,469,438	15,268,323

Term loans I, II and III are secured by:

- (a) facility agreement as principal instrument;
- (b) corporate guarantee from the Company (Note 22);
- (c) deed of covenant accompanying the statutory mortgage;
- (d) statutory mortgage over three (3) vessels of certain subsidiaries (Note 7);
- (e) debenture incorporating fixed charge over two (2) vessels of certain subsidiaries (Note 7); and
- (f) legal assignment of marine insurance policy over two (2) vessels of certain subsidiaries (Note 7).

Term loans I, II and III are repayable in sixty (60) monthly instalments commencing from March 2005, June 2006 and May 2008 respectively.

Term loans I and III are charged at 4.18% per annum for the 1st year effective from the date of offer, 5.00% per annum for the 2nd year and thereafter at 1.00% per annum above the bank's base lending rate.

Term loan II is charged at 4.18% per annum for the 1st year effective from the date of offer, 5.00% per annum for the 2nd year and thereafter at 1.25% per annum above the bank's base lending rate.

Information on financial risks of term loans and their remaining maturities are disclosed in Note 33(a)(iv) to the financial statements.

19. DEFERRED TAX LIABILITIES

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

	Group	
	2009 RM	2008 RM
Balance as at 1 April 2008/2007	139,138	143,056
Recognised in the income statement (Note 26)	36,672	(3,918)
Balance as at 31 March 2009/2008	175,810	139,138
Presented after appropriate offsetting:		
Deferred tax assets	(161,355)	-
Deferred tax liabilities	337,165	139,138
	175,810	139,138

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2009 (continued)

19. DEFERRED TAX LIABILITIES (continued)

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

Deferred tax liabilities of the Group

	Property, plant and equipment RM	Others RM	Total RM
At 1 April 2008	139,138	-	139,138
Recognised in the income statement	56,293	141,734	198,027
At 31 March 2009	195,431	141,734	337,165
At 1 April 2007	143,056	-	143,056
Recognised in the income statement	(3,918)	-	(3,918)
At 31 March 2008	139,138	-	139,138

Deferred tax assets of the Group

	Unutilised tax losses RM	Unabsorbed capital allowances RM	Others RM	Total RM
At 1 April 2008	-	-	-	-
Recognised in the income statement	(98,280)	(61,871)	(1,204)	(161,355)
At 31 March 2009	(98,280)	(61,871)	(1,204)	(161,355)

- (c) The amounts of temporary differences for which no deferred tax assets have been recognised in the balance sheet are as follows:

	Group	
	2009 RM	2008 RM
Unutilised tax losses	5,375,429	1,790,819
Unabsorbed capital allowances	8,070	8,070
	5,383,499	1,798,889

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

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2009 (continued)

20. TRADE AND OTHER PAYABLES

	Group		Company	
	2009 RM	2008 RM	2009 RM	2008 RM
Trade payables				
Third parties	4,910,686	7,528,937	-	-
Related parties	350,398	683,400	-	-
	5,261,084	8,212,337	-	-
Other payables				
Other payables	1,265,016	476,039	10,891	48,180
Accruals	332,833	251,369	83,980	12,800
Amount owing to an associate	96,789	-	-	-
Amounts owing to Directors	1,169,865	1,958,783	1,000	1,000
Dividend payable	3,600,000	-	3,600,000	-
	6,464,503	2,686,191	3,695,871	61,980
	11,725,587	10,898,528	3,695,871	61,980

- (a) Trade payables are non-interest bearing and the normal trade credit terms granted to the Group range from three (3) to four (4) months (2008: three (3) to four (4) months).
- (b) Amounts owing to Directors represent advances and payments made on behalf, which are unsecured, interest-free and payable within twelve (12) months.
- (c) The currency exposure profile of payables are as follows:

	Group		Company	
	2009 RM	2008 RM	2009 RM	2008 RM
Ringgit Malaysia	11,054,320	9,415,188	3,695,871	61,980
EURO	96,789	-	-	-
Singapore Dollar	200,734	228,768	-	-
US Dollar	373,744	1,254,572	-	-
	11,725,587	10,898,528	3,695,871	61,980

21. CAPITAL COMMITMENTS

	Group	
	2009 RM	2008 RM
Capital expenditure in respect of purchase of property, plant and equipment: Approved and contracted for	3,099,525	-

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2009 (continued)

22. CONTINGENT LIABILITIES

	Company	
	2009 RM	2008 RM
Secured		
Corporate guarantee given to licensed banks for term loans granted to certain subsidiaries (Note 18)	11,469,438	9,533,354

23. REVENUE

	Group		Company	
	2009 RM	2008 RM	2009 RM	2008 RM
Sales of goods	43,386,898	45,840,687	-	-
Rendering of services	64,681,581	78,108,775	-	-
Dividend income from subsidiaries	-	-	3,117,000	12,600,000
	<u>108,068,479</u>	<u>123,949,462</u>	<u>3,117,000</u>	<u>12,600,000</u>

24. COST OF SALES

	Group	
	2009 RM	2008 RM
Inventories sold	43,261,514	42,925,425
Services rendered	48,800,614	57,406,283
	<u>92,062,128</u>	<u>100,331,708</u>

25. PROFIT BEFORE TAX

Profit before tax is arrived at after charging:

	Group		Company	
	2009 RM	2008 RM	2009 RM	2008 RM
Auditors' remuneration:				
Statutory audits				
- current year	86,860	72,500	20,000	12,000
- under/(over) provision in prior years	13,950	(4,500)	8,000	-
Other services				
- current year	7,000	-	7,000	-
- under provision in prior year	7,000	-	7,000	-
Bad debts written off	44,632	-	-	-
Depreciation of property, plant and equipment (Note 7)	2,943,921	1,689,196	958	558
Directors' remuneration:				
- fees	52,000	18,000	52,000	18,000
- other emoluments	1,014,500	847,975	-	-
Finance charges for letter of credits	67,939	21,238	-	-

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2009 (continued)

25. PROFIT BEFORE TAX (continued)

Profit before tax is arrived at after charging:

	Group		Company	
	2009 RM	2008 RM	2009 RM	2008 RM
Impairment of trade receivables	42,797	130,027	-	-
Interest expenses on:				
- bank overdraft	5,545	5,519	-	-
- bankers' acceptances	30,858	64,561	-	-
- hire purchase	13,023	-	-	-
- term loans	709,757	524,882	-	-
- others	-	467	-	-
Property, plant and equipment written off (Note 7)	71,900	4,779	-	-
Realised loss on foreign exchange	129,670	430,294	-	-
Rental of premises	31,200	31,200	-	-
Unrealised loss on foreign exchange	-	388,230	-	-
And crediting:				
Dividend income from subsidiaries	-	-	3,117,000	12,600,000
Gain on disposal of property, plant and equipment	238,080	38,625	-	-
Interest income from:				
- fixed deposits	510,049	428,101	403,099	233,153
- others	28,260	105,892	1,018	13,915
Realised gain on foreign exchange	973,698	-	-	-
Rental income	16,649	-	-	-
Unrealised gain on foreign exchange	562,121	-	-	-

26. TAX EXPENSE

	Group		Company	
	2009 RM	2008 RM	2009 RM	2008 RM
Current tax expense	978,685	1,704,290	232,512	765,659
Deferred tax (Note 19)	126,544	(8,067)	-	-
	1,105,229	1,696,223	232,512	765,659
Under/(Over) provision in prior years				
- tax expense	29,638	16,897	2,004	132
- deferred tax (Note 19)	(89,872)	4,149	-	-
	(60,234)	21,046	2,004	132
	1,044,995	1,717,269	234,516	765,791

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2009 (continued)

26. TAX EXPENSE (continued)

Current tax expense is calculated at the statutory tax rate of 25% (2008: 26%) of the estimated taxable profits for the fiscal year.

The numerical reconciliations between the tax expense and the product of accounting profit multiplied by the applicable tax rate of the Group and of the Company are as follows:

	Group		Company	
	2009 RM	2008 RM	2009 RM	2008 RM
Statutory tax rate of 25% (2008: 26%)	3,431,800	5,150,511	824,513	3,318,651
Tax effects in respect of:				
Non-allowable expenses	726,590	724,040	20,499	8,008
Reduction in statutory tax rate on chargeable income up to RM500,000 for certain subsidiaries	(62,351)	(137,824)	-	-
Tax rate adjustment on deferred tax	-	(4,212)	-	-
Deferred tax assets not recognised	896,153	-	-	-
Non-taxable income	-	(5,972)	-	-
Tax exempt income	(3,886,963)	(4,030,320)	(612,500)	(2,561,000)
	1,105,229	1,696,223	232,512	765,659
Under provision of tax expense in prior years	29,638	16,897	2,004	132
(Over)/Under provision of deferred tax in prior years	(89,872)	4,149	-	-
	1,044,995	1,717,269	234,516	765,791

Subject to the agreement of the Inland Revenue Board, certain subsidiaries have unabsorbed capital allowances and unutilised tax losses amounting to approximately RM255,554 (2008: RM8,070) and RM5,768,547 (2008: RM1,790,819) respectively, which are available for offset against their future taxable profits.

27. EARNINGS PER ORDINARY SHARE

Group

(a) Basic

The basic earnings per ordinary share has been calculated based on the consolidated profit for the financial year attributable to the equity holders of the Company divided by the weighted average number of ordinary shares in issue during the financial year. In the previous financial year, the basic earnings per share is calculated considering the bonus issues and the share split of one (1) ordinary share of RM1.00 each into two (2) ordinary shares of RM0.50 each as disclosed in Note 13 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2009 (continued)

27. EARNINGS PER ORDINARY SHARE (continued)

Group (continued)

(a) Basic (continued)

	2009	2008
Consolidated profit for the financial year (RM)	12,682,205	18,092,390
Weighted average number of ordinary shares in issue	120,000,000	27,982,647
Effects of:		
- bonus issue	-	26,017,353
- share split	-	54,000,000
- public issue	-	7,016,393
Adjusted weighted average number of ordinary shares applicable to basic earnings per ordinary share	120,000,000	115,016,393
Basic earnings per ordinary share (sen)	10.6	15.7

(b) Diluted

The diluted earnings per ordinary share is not disclosed as there is no dilutive potential ordinary share.

28. DIVIDEND

	Group and Company			
	2009		2008	
	Gross dividend per share sen	Amount of dividend RM	Gross dividend per share sen	Amount of dividend RM
Interim tax exempt dividend paid	3.00	3,600,000	5.00	6,000,000
Final tax exempt dividend proposed	3.00	3,600,000	3.00	3,600,000
	6.00	7,200,000	8.00	9,600,000

A final tax exempt dividend in respect of the financial year ended 31 March 2009 of 3 sen per ordinary share amounting to RM3,600,000 has been proposed by the Directors after the balance sheet date for shareholders' approval at the forthcoming Annual General Meeting. The financial statements for the current financial year do not reflect this proposed dividend. This dividend, if approved by shareholders, will be accounted for as an appropriation of retained earnings in the financial year ending 31 March 2010.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2009 (continued)

29. EMPLOYEE BENEFITS

	Group	
	2009 RM	2008 RM
Wages, salaries and bonuses	5,112,357	4,057,803
Contributions to defined contribution plan	279,450	256,180
Social security contributions	18,115	17,823
Other benefits	654,346	579,150
	6,064,268	4,910,956

Included in the employee benefits of the Group is Executive Directors' remuneration amounting to RM1,014,500 (2008: RM847,975).

30. ACQUISITION OF A SUBSIDIARY

On 16 December 2008, the Company acquired one (1) ordinary share of USD1.00 each, representing the entire issued and paid-up ordinary share capital of Complete International Pte Ltd, a company incorporated in Malaysia under the Offshore Companies Act, 1990 which is engaged in general trading for a cash consideration of USD1.00 (equivalent to RM4.00). On the same date, the Company subscribed for an additional 9,999 new ordinary shares of USD1.00 each for a cash consideration of USD9,999 (equivalent to RM34,671). Subsequent to the additional subscription, the issued and paid-up share capital of Complete International Pte Ltd was increased from USD1.00 comprising 1 ordinary share of USD1.00 each to USD10,000 comprising 10,000 ordinary shares of USD1.00 each.

The acquired subsidiary has contributed net loss amounting to RM16,156 to the Group during the financial year.

The Group does not expect any impact on the consolidated revenue and profit for the financial year if the acquisition had occurred on 1 April 2008 as the company was incorporated on 27 November 2008.

The summary of effect on acquisition of the subsidiary during the financial year is as follows:

	Fair value recognised on acquisition RM	Acquiree's carrying amount RM
Cash and bank balances	4	4
Total net assets/Group's share of net assets	4	4
Goodwill on acquisition	-	-
Total cost of acquisition	4	-

The cash outflow on acquisition is as follows:

	2009 RM
Purchase consideration settled in cash	4
Cash and bank balances of subsidiary acquired	(4)
Net cash flow of the Group on acquisition	-

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2009 (continued)

31. 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.

Related parties of the Group and of the Company include:

- (i) Direct and indirect subsidiaries;
- (ii) Close family members of certain Directors of the Group and of the Company;
- (iii) Companies in which certain Directors of the Group and of the Company have direct and indirect financial interests; and
- (iv) Key management personnel which comprises persons (including the Directors of the Group and of the Company) having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly.

(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:

	2009 RM	Group 2008 RM
Companies in which certain Directors have interests:		
Revenue from services rendered	373,190	354,697
Rental expense payable	31,200	31,200
Container haulage service charges payable	1,375,706	1,406,135
Tanker and lorry transport service charges payable	187,768	297,308
	<hr/>	<hr/>

The related party transactions described above were carried out on negotiated terms and conditions.

(c) Compensation of key management personnel

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

	2009 RM	Group 2008 RM
Short term employee benefits	998,340	830,745
Contributions to defined contribution plan	126,540	114,516
	<hr/>	<hr/>
	1,124,880	945,261
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2009 (continued)

32. SEGMENT REPORTING

(a) Business segments

Segment information is presented in respect of the Group's business segments, which is based on the Group's management and internal reporting structure.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise interest-earning assets and revenue, interest-bearing borrowings and finance costs.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets that are expected to be used for more than one (1) period.

Inter-segment pricing is determined based on negotiated terms.

The Group's operations comprise the following business segments:

Marine	:	Provision of marine transportation services
Trading	:	Trading of goods
Logistics	:	Total logistic services provider
Others	:	Lorry and trucking services, trading of freight and investment holding

2009	Marine RM	Trading RM	Logistics RM	Others RM	Elimination RM	Total RM
Revenue						
External segment revenue	23,505,095	43,386,898	34,304,769	6,871,717	-	108,068,479
Inter-segment revenue	19,428,727	-	-	4,410,068	(23,838,795)	-
	42,933,822	43,386,898	34,304,769	11,281,785	(23,838,795)	108,068,479
Results						
Segment results	11,038,573	408,968	2,762,133	3,874,507	(4,048,554)	14,035,627
Finance costs						(827,122)
Interest income						538,309
Share of results of an associate						(19,614)
Profit before tax						13,727,200
Tax expense						(1,044,995)
Profit for the financial year						12,682,205

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2009 (continued)

32. SEGMENT REPORTING (continued)

(a) Business segments (continued)

2009	Marine RM	Trading RM	Logistics RM	Others RM	Elimination RM	Total RM
Other information						
Segment assets	56,115,252	12,375,795	12,057,149	92,603,476	(51,632,277)	121,519,395
Tax recoverable						478,446
Total assets						121,997,841
Segment liabilities	24,909,853	8,920,739	2,660,234	4,678,424	(29,443,663)	11,725,587
Deferred tax liabilities						175,810
Tax liabilities						148,001
Borrowings						12,243,440
Total liabilities						24,292,838
Capital expenditure	1,213,342	-	851,700	147,345	-	2,212,387
Depreciation of property, plant and equipment	2,633,166	125,723	149,116	35,916	-	2,943,921
Other non-cash income	144,393	562,121	93,687	-	-	800,201
Other non-cash expenses	73,738	-	3,843	81,748	-	159,329
2008						
	Marine RM	Trading RM	Logistics RM	Others RM	Elimination RM	Total RM
Revenue						
External segment revenue	30,949,768	45,840,687	35,228,709	11,930,298	-	123,949,462
Inter-segment revenue	13,994,923	55,430	-	13,704,010	(27,754,363)	-
	44,944,691	45,896,117	35,228,709	25,634,308	(27,754,363)	123,949,462
Results						
Segment results	16,011,400	1,302,135	2,273,913	13,642,332	(13,356,061)	19,873,719
Finance costs						(616,667)
Interest income						533,993
Share of results of an associate						18,614
Profit before tax						19,809,659
Tax expense						(1,717,269)
Profit for the financial year						18,092,390

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2009 (continued)

32. SEGMENT REPORTING (continued)

(a) Business segments (continued)

2008	Marine RM	Trading RM	Logistics RM	Others RM	Elimination RM	Total RM
Other information						
Segment assets	68,812,599	22,421,721	10,713,675	97,201,710	(78,068,398)	121,081,307
Tax recoverable						104,303
Total assets						121,185,610
Segment liabilities	41,399,133	17,326,603	3,693,432	1,987,500	(53,508,140)	10,898,528
Deferred tax liabilities						139,138
Tax liabilities						573,566
Borrowings						17,356,246
Total liabilities						28,967,478
Capital expenditure	26,816,718	83,665	614,630	14,954	-	27,529,967
Depreciation of property, plant and equipment	1,446,926	116,329	76,141	49,800	-	1,689,196
Other non-cash income	-	-	1,625	37,000	-	38,625
Other non-cash expenses	3,732	356,522	131,074	31,708	-	523,036

(b) Geographical segments

In determining the geographical segments of the Group, revenue is based on the geographical location of customers. Segment assets and capital expenditure are based on the geographical location of assets. The composition of each geographical segment is as follows:

South-East Asia : Marine, logistics and others

South-West Indian Ocean : Trading of goods

2009	Revenue RM	Segment assets RM	Capital expenditure RM
South-East Asia	64,681,581	109,942,620	2,212,387
South-West Indian Ocean	43,386,898	12,055,221	-
	108,068,479	121,997,841	2,212,387

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2009 (continued)

32. SEGMENT REPORTING (continued)

(b) Geographical segments (continued)

2008	Revenue RM	Segment assets RM	Capital expenditure RM
South-East Asia	78,108,775	98,763,889	27,446,302
South-West Indian Ocean	45,840,687	22,421,721	83,665
	<u>123,949,462</u>	<u>121,185,610</u>	<u>27,529,967</u>

33. FINANCIAL INSTRUMENTS

(a) Financial risk management objectives and policies

The operations of the Group are subject to a variety of financial risks, including liquidity and cash flow risk, credit risk, foreign currency exchange risk and interest rate risk. The Group's overall financial risk management objective is to ensure that the Group creates value for its shareholders while minimising potential adverse effects on the financial performance of the Group. Various risk management policies are in place to control and manage risks associated with financial instruments. It is, and has been throughout the period under review, the Group's policy that no trading or speculation in financial instruments shall be undertaken. The Board reviews and agrees on policies for managing each of these risks and they are summarised below:

(i) Liquidity and cash flow risks

The Group is actively managing its operating cash flow to suit the debt maturity profile so as to ensure all commitments and funding needs are met. As part of the overall liquidity management, it is the Group's policy to ensure continuity in servicing its cash obligations in the future by way of measures and forecasts of its cash commitments and to maintain sufficient levels of cash or cash equivalents to meet its working capital requirements. In addition, the Group also maintains sufficient credit facilities for contingent funding requirements of the working capital.

(ii) Credit risk

Credit risk is the potential risk of financial loss from the failure of a customer or counter party to settle their financial and contractual obligations to the Group, as and when they fall due.

Exposure to credit risk is monitored by the management on an on-going basis.

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

At balance sheet date, the Company has significant exposures to amount due from subsidiaries but there were no significant concentrations of credit risk for the Group except as disclosed in Note 6(b)(iii) to the financial statements. The maximum exposure of credit risk is represented by the carrying amount of each financial asset.

(iii) Foreign currency exchange risk

The Group is subject to foreign exchange fluctuations through the overseas sales denominated in foreign currency.

It is not the Group and the Company's policies to enter into foreign exchange contract in managing its foreign exchange risk.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2009 (continued)

33. FINANCIAL INSTRUMENTS (continued)

(a) Financial risk management objectives and policies (continued)

(iv) Interest rate risk

The Group's exposure to market risk for changes in interest rates relates primarily to the Group's bank borrowings and fixed deposits placed with licensed banks. The Group does not use derivative financial instruments to hedge its risk.

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

Group	Note	AEIR %	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
2009									
Fixed rate									
Fixed deposits with licensed banks	12	3.23	19,482,770	-	-	-	-	-	19,482,770
Floating rate									
Bankers' acceptances	16	5.03	302,000	-	-	-	-	-	302,000
Bank overdraft	16	7.05	157,465	-	-	-	-	-	157,465
Hire purchase liabilities	18	6.75	201,244	113,293	-	-	-	-	314,537
Term loans	17	5.07	3,929,174	3,451,355	2,440,342	1,648,567	-	-	11,469,438
2008									
Fixed rate									
Fixed deposits with licensed banks	12	3.40	12,337,845	-	-	-	-	-	12,337,845
Floating rate									
Bankers' acceptances	16	4.91	2,000,000	-	-	-	-	-	2,000,000
Bank overdraft	16	8.25	87,923	-	-	-	-	-	87,923
Term loans	17	5.96	11,642,687	2,007,660	1,323,242	294,734	-	-	15,268,323

(b) Fair values

The carrying amounts of the financial instruments of the Group and of the Company as at the balance sheet date approximate their fair values due to the relatively short term maturity of the financial instruments except those disclosed otherwise in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2009 (continued)

34. COMPARATIVE FIGURES

The following comparative figures have been restated to conform with the current financial year's presentation.

	Group		Company	
	As previously reported RM	As restated RM	As previously reported RM	As restated RM
Balance sheets				
Trade and other receivables	30,433,952	30,357,318	-	-
Tax recoverable	27,669	104,303	-	-
Fixed deposits with licensed banks	12,337,845	-	10,188,515	-
Cash and bank balances	4,913,638	-	307,282	-
Cash and cash equivalents	-	17,251,483	-	10,495,797
Cash flow statements				
Cash flows from financing activities:				
Additional deposit pledged to a licensed bank	-	141,580	-	-
Net cash from financing activities	13,472,376	13,330,796	-	-

LIST OF PROPERTY

List of property held by the Group as at 31 March 2009

Location	Description	Tenure	Date of Acquisition	Area	Existing use	Approximate Age of Buildings (Years)	Net book value as at 31.03.2009 (RM)
No.27, Jalan Berangan, 42000 Port Klang, Selangor Darul Ehsan, Malaysia.	3 Storey Shophouse	Freehold	12.11.2007	180 Sq. Metres	Office use	25	583,557

ANALYSIS BY SIZE OF SHAREHOLDINGS AS AT 13 JULY 2009

Authorised Share Capital	:	RM100,000,000.00
Issued and Paid Up Share Capital	:	RM60,000,000.00
Class of Shares	:	Ordinary shares of RM0.50 each
Voting Rights	:	1 vote per share

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares	% of Shares
Less than 100	5	0.36	106	0.00
100 - 1,000	233	17.04	216,094	0.18
1,001 - 10,000	735	53.77	3,550,600	2.96
10,001 - 100,000	319	23.34	10,883,300	9.07
100,001 - less than 5% of issued shares	72	5.27	41,137,900	34.28
5% and above of issued shares	3	0.22	64,212,000	53.51
	1,367	100.00	120,000,000	100.00

DIRECTORS' SHAREHOLDINGS

No.	Name	Direct Interest	% of Shares	Deemed Interest	% of Shares
1	Tan Sri Dato' Seri Dr Ting Chew Peh	-	-	100,000	0.08
2	Tan Sri Dato' Seri Law Hieng Ding	2,000	-	-	-
3	Law Hee Ling	48,234,400	40.19	3,793,500	3.16
4	Lim Kok Onn	3,132,500	2.61	-	-
5	Hoo Mee Lien	6,777,600	5.65	-	-
6	Chia Kah Ying	540,800	0.41	-	-

SUBSTANTIAL SHAREHOLDERS

No	Name	No. of Shares Held Through Own Name	No. of Shares held through Nominees	Total Shareholdings	% of Shares
1	Law Hee Ling	48,234,400	-	48,234,400	40.20
2	EB Nominees (Tempatan) Sendirian Berhad For Kamarudin Bin Mohd Zain	-	9,200,000	9,200,000	7.66
3	Hoo Mee Lien	6,777,600	-	6,777,600	5.65
	Total	55,012,000	9,200,000	64,212,000	53.51

ANALYSIS BY SIZE OF SHAREHOLDINGS AS AT 13 JULY 2009 (continued)

List Of Top 30 Shareholders As at 13 July 2009

	Name	No of Shares	% of Shares
1	LAW HEE LING	48,234,400	40.20
2	EB NOMINEES (TEMPATAN) SENDIRIAN BERHAD PLEGDED SECURITIES ACCOUNT FOR KAMARUDIN BIN MOHD ZAIN (SFC)	9,200,000	7.66
3	HOO MEE LIEN	6,777,600	5.65
4	LIM LAY FONG	3,793,500	3.16
5	LIM KOK ONN	3,132,500	2.61
6	LEMBAGA TABUNG HAJI	2,776,300	2.31
7	AMCORPGROUP BERHAD	2,381,000	1.98
8	CHANDRA SEKARAN A/L SUBRAYAN	2,313,800	1.93
9	MALAYSIA NOMINEES (TEMPATAN) SENDIRIAN BERHAD GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD (LPF)	2,230,000	1.86
10	MALAYSIA NOMINEES (TEMPATAN) SENDIRIAN BERHAD OVERSEAS ASSURANCE CORPORATION (MALAYSIA) BERHAD (MGF)	1,487,100	1.24
11	AFFIN NOMINEES (TEMPATAN) SDN BHD PLEGDED SECURITIES ACCOUNT FOR CHOW SHEP PHENG (CHO2021C)	1,322,000	1.10
12	CHANDRA SEKARAN A/L SUBRAYAN	1,295,500	1.08
13	TAN MEE LEY	1,011,000	0.84
14	SIN SIEW WAH	1,000,000	0.83
15	KUNTUM ENTERPRISES SDN BHD	988,900	0.82
16	MALAYSIA NOMINEES (TEMPATAN) SENDIRIAN BERHAD GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD (LSF)	778,000	0.66
17	LOH CHOOI FUN	700,000	0.58
18	TAN KOK SING	646,700	0.54
19	TIONG HEW PING	636,900	0.53
20	AFFIN NOMINEES (TEMPATAN) SDN BHD PLEGDED SECURITIES ACCOUNT FOR DING CHIEW LENG (DIN0018C)	609,000	0.51
21	TAN CHOON LEONG	591,900	0.49
22	MALAYSIA NOMINEES (TEMPATAN) SENDIRIAN BERHAD GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD (LBF)	587,200	0.49
23	TANG TECK PO	582,100	0.49
24	CHIA KAH YING	540,800	0.45
25	MALAYSIA NOMINEES (TEMPATAN) SENDIRIAN BERHAD OVERSEAS ASSURANCE CORPORATION (MALAYSIA) BERHAD (MSF)	526,300	0.44
26	TENG CHU LEN	517,000	0.43
27	TAN CHOON LEONG	460,100	0.38
28	AFFIN NOMINEES (TEMPATAN) SDN BHD PLEGDED SECURITIES ACCOUNT FOR SIM AH LEN (SIM0275M)	436,100	0.37
29	LAU PIK	420,600	0.35
30	HLG NOMINEE (TEMPATAN) SDN BHD HONG LEONG BANK BHD FOR LAU GAH HONG @ LAW KAH HONG	418,500	0.35
	Total	96,394,800	80.33

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Fourth (4th) Annual General Meeting of Complete Logistic Services Berhad will be held at the Crystal Room, Level 1, Crystal Crown Hotel, 217 Persiaran Raja Muda Musa, 42000 Port Klang, Selangor Darul Ehsan on Wednesday, 9 September 2009 at 10.30 a.m. for the following purposes:-

AS ORDINARY BUSINESS

1. To receive and adopt the audited financial statements for the financial year ended 31 March 2009 and the Reports of the Directors and Auditors thereon; **(Resolution 1)**
2. To approve the payment of a final tax exempt dividend of 3 sen per share in respect of the financial year ended 31 March 2009; **(Resolution 2)**
3. To approve the payment of Directors' fees of RM52,000 for the financial year ended 31 March 2009 (2008-RM18,000); **(Resolution 3)**
4. To re-elect the following Directors retiring pursuant to :
 - a) Article 95 of the Articles of Association of the Company
 - Hoo Mee Lien **(Resolution 4)**
 - Chia Kah Ying **(Resolution 5)**
 - b) Article 101 of the Articles of Association of the Company
 - Yet Kiong Siang **(Resolution 6)**
5. To re-appoint Tan Sri Dato' Seri Law Hieng Ding as a Director of the Company to hold office until the conclusion of the next Annual General Meeting of the Company pursuant to Section 129(6) of the Companies Act, 1965; **(Resolution 7)**
6. To appoint Auditors for the ensuing year and to authorise the Directors to fix their remuneration; **(Resolution 8)**

AS SPECIAL BUSINESS

7. To consider and, if though fit, pass the following Ordinary Resolutions:-
 - a) Authority to issue shares

"THAT pursuant to Section 132D of the Companies Act, 1965, the Directors be and they are hereby authorised to issue shares in the Company at any time until the conclusion of the next Annual General Meeting and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares to be issued does not exceed 10 per centum of the issued and paid-up share capital of the Company for the time being, subject always to the approval of all the relevant regulatory bodies being obtained for such allotment and issue"; **(Resolution 9)**
 - b) Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature pursuant to paragraph 10.09(2) of the Bursa Securities Main Market Listing Requirements **(Resolution 10)**

"THAT subject always to the Companies Act, 1965, the provisions of the Memorandum and Articles of Association of the Company, the requirements of the Bursa Malaysia Securities Berhad ("Bursa Securities") and the approvals of all relevant authorities, approval be and is hereby given to the Company to enter into recurrent transactions, the nature of which is set out in Section 4.1 of the Circular to Shareholders dated 17 August 2009 for the purposes of Paragraph 10.09(2) of the Bursa Securities Main Market Listing Requirements, subject to the following:-

NOTICE OF ANNUAL GENERAL MEETING (continued)

- (a) the transactions are carried out in the ordinary course of business, at arm's length, on normal commercial terms and on terms not more favourable to the related party than those generally available to the public and are not to the detriment of the minority shareholders;
- (b) disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year and that such approval shall continue in force, unless revoked or varied by Ordinary Resolution of the Company in a general meeting and will, subject to renewal thereat, expire at the conclusion of the next Annual General Meeting of the Company following the passing of this Ordinary Resolution or at the expiration of the period within which the next Annual General Meeting of the Company is required to be held under the Companies Act, 1965 (excluding any extension of such period as may be allowed under the Companies Act, 1965); and
- (c) the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution".

c) Proposed Renewal of Authority for Share Buy-Back

(Resolution 11)

"THAT subject always to the Companies Act, 1965, the provisions of the Memorandum and Articles of Association of the Company, the requirements of the Bursa Malaysia Securities Berhad ("Bursa Securities") and the approvals of all relevant governmental and/or regulatory authorities, the Company be and is hereby authorised, to the fullest extent permitted by law, to purchase such amount of ordinary shares of RM0.50 each in the Company ("Proposed Renewal") as may be determined by the Directors of the Company from time to time through the Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that the aggregate number of share purchased pursuant to this resolution does not exceed ten per centum (10%) of the total issued and paid-up share capital of the Company as at the point of purchase and that an amount not exceeding the Company's retained profits and share premium accounts at the time of the purchase(s) will be allocated by the Company for the Proposed Renewal;

AND THAT the authority conferred by this resolution will be effective immediately and shall continue in force until:-

- (a) the conclusion of the next annual general meeting of the Company following the general meeting at which such resolution was passed at which time it shall lapse unless by ordinary resolution passed at that meeting, the authority is renewed, either conditionally or subject to conditions; or
- (b) the expiration of the period within which the next annual general meeting after that date is required by law to be held; or
- (c) revoked or varied by ordinary resolution passed by shareholders in a general meeting,

whichever occurs first.

AND THAT authority be and is hereby given unconditionally and generally to the Directors of the Company to take all such steps as are necessary or expedient (including without limitation, the opening and maintaining of central depository accounts(s) under the Securities Industry (Central Depositories) Act, 1991, and the entering into of all other agreements, arrangements and guarantee with any party or parties) to implement, finalise and give full effect to the aforesaid purchase with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities and with the fullest power to do all such acts and things thereafter (including without limitation, the cancellation or retention as treasury shares of all or any part of the repurchased shares) in accordance with the Companies Act, 1965, the provisions of the Memorandum and Articles of Association of the Company and the requirements and/or guidelines of the Bursa Securities and all other relevant governmental and/or regulatory authorities and to do all such things as the said Directors may deem fit and expedient in the best interest of the Company.

8. To transact any other business of which notice shall have been given.

NOTICE OF ANNUAL GENERAL MEETING

(continued)

NOTICE OF BOOK CLOSURE FOR PAYMENT OF DIVIDEND

NOTICE IS HEREBY GIVEN that the register of members will be closed on 5 October 2009 to determine shareholders' entitlement to the dividend payment. The final tax exempt dividend of 3 sen per share for the financial year ended 31 March 2009, if approved at the above Annual General Meeting, will be paid on 20 October 2009 to shareholders whose names appear in the register of members and record of depositors on 5 October 2009.

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 5 October 2009 in respect of ordinary transfers; and
- B. Shares bought on the Bursa Malaysia Securities Berhad on a cum entitlement basis according to the rules of the Bursa Malaysia Securities Berhad.

By Order of the Board
Complete Logistic Services Berhad

Chia Ong Leong (MIA 4797)
Chia Kia Hock (LS 1825)
Company Secretaries

Klang Selangor Darul Ehsan
17 August 2009

Notes:

1. A Member of the Company entitled to attend and vote at this meeting is entitled to appoint not more than two (2) proxies to attend this meeting and vote in his stead. Where a holder appoints two (2) proxies to attend and vote at the same meeting, such appointment shall be invalid unless he specified the proportion of his shareholdings to be represented by each proxy.
A proxy may but need not be a member of the Company.
2. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or if the appointor is a corporation either under its common seal or under the hand of an officer or attorney duly authorised in writing.
3. The instrument appointing a proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy thereof, shall be deposited at the Registered Office of the Company at 82F, Jalan Pulasan, 41000 Klang, Selangor Darul Ehsan, not less than forty-eight (48) hours before the time set for holding this meeting or at any adjournment thereof.

Explanatory Notes On the Special Business

1. The proposed Resolution 9, if passed, will empower the Directors of the Company, from the date of the Fourth Annual General Meeting, to issue shares in the Company up to and not exceeding in total ten per centum (10%) of the issued and paid-up share capital of the Company for the time being for such purpose as they consider would be in the best interest of the Company. This authority, unless revoked or varied at a general meeting, will expire at the next Annual General Meeting of the Company.
2. The proposed Resolution 10, if passed, will enable the Company to enter into recurrent related party transactions with related parties for the purposes of Paragraph 10.09(2) of the Bursa Securities Main Market Listing Requirements. This authority, subject to renewal thereat, will expire at the conclusion of the next Annual General Meeting of the Company following the passing of the Ordinary Resolution or at the expiration of the period within which the next Annual General Meeting of the Company is required to be held under the Companies Act, 1965 (excluding any extension of such period as may be allowed under the Companies Act, 1965) (unless earlier revoked or varied by Ordinary Resolution of the Company in a general meeting), whichever is earlier.
3. The proposed Resolution 11, if passed, will empower the Directors to purchase the Company's shares of up to a maximum of ten per centum (10%) of the issued and paid-up share capital of the Company by utilising the funds allocated out of the retained profits and share premium accounts of the Company. This authority, unless revoked at a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

1. Details of the following Directors who are standing for either re-election or re-appointment in Agenda 4 and 5 of the Notice of the Fourth Annual General Meeting are set out in the Profile of Directors appearing on pages 4 and 5 of this Annual Report.

- (i) Hoo Mee Lien
- (ii) Chia Kah Ying
- (iii) Yet Kiong Siang
- (iv) Tan Sri Dato' Seri Law Hieng Ding

2. Details of attendance of Directors at Board Meeting.

Five (5) Board Meeting were held during to the financial year ended 31 March 2009. Details of attendance of Directors are as follows:

Director	No. of Meeting attended
Tan Sri Dato' Seri Dr Ting Chew Peh	5/5
Tan Sri Dato' Seri Law Hieng Ding	5/5
Law Hee Ling	5/5
Lim Kok Onn	5/5
Hoo Mee Lien	5/5
Chia Kah Ying	5/5
Yet Kiong Siang (appointed on 23.1.09)	1/1

3. Place, date and time of Board Meeting.

All the Board Meetings were held at 25 Jalan Berangan, 42000 Port Klang.

Date	Time
22.5.08	4.00p.m
23.7.08	12.00 noon
29.8.08	3.30 p.m
26.11.08	11.00 a.m
24.2.09	10.00 a.m



COMPLETE LOGISTIC SERVICES BERHAD

FORM OF PROXY

Number of Shares held	
CDS Account No.	

I/We _____ NRIC/Company No. _____ of

being a member /member of Complete Logistic Services Berhad, hereby appoint _____

of _____

or failing him/her, the Chairman of the Meeting as my/our proxy to attend and vote for me/us on my/our behalf at the 4th Annual General Meeting of the Company to be held at the Crystal Room, Level 1, Crystal Crown Hotel, 217 Persiaran Raja Muda Musa, 42000 Port Klang, Selangor Darul Ehsan on Wednesday, 9 September 2009 at 10.30 a.m. or at any adjournment thereof.

My/our proxy is to vote on the resolution as indicated by an "X" in the appropriate spaces below. If this form is returned without any indication as to how the proxy shall vote, the proxy shall vote or abstain as he/she thinks fit.

ORDINARY BUSINESS		FOR	AGAINST
1. Adoption of Financial Statements and Reports	Resolution 1		
2. Declaration of Dividend	Resolution 2		
3. Approval of Directors' Fees	Resolution 3		
4. a) Re-election of Directors under Article 95			
(i) Hoo Mee Lien	Resolution 4		
(ii) Chia Kah Ying	Resolution 5		
b) Re-election of Director under Article 101			
Yet Kiong Siang	Resolution 6		
5. Re-appointment of Director under S129(6)			
Tan Sri Dato' Seri Law Hieng Ding	Resolution 7		
6. Appointment of Auditors and authorisation for the Directors to fix their remuneration	Resolution 8		
SPECIAL BUSINESS			
7. a) Approval for Directors to allot and issue shares	Resolution 9		
b) Renewal of shareholders' mandate for RRPT	Resolution 10		
c) Renewal of shareholder's mandate for Share Buy-Back	Resolution 11		

Dated this _____ day of _____ 2009

Signature /Common Seal of Shareholder

Notes:

1. A member of the Company entitled to attend and vote at this meeting is entitled to appoint not more than two (2) proxies to attend this meeting and vote in his stead. Where a holder appoints two (2) proxies to attend and vote at the same meeting, such appointment shall be invalid unless he specified the proportion of his shareholdings to be represented by each proxy. A proxy may but need not be a member of the Company.
2. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or if the appointor is a corporation either under its common seal or under the hand of an officer or attorney duly authorised in writing.
3. The instrument appointing a proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy thereof, shall be deposited at Registered Office of the Company at No. 82F, Jalan Pulasan, 41000 Klang, Selangor Darul Ehsan, not less than forty-eight (48) hours before the time set for holding this meeting or at any adjournment thereof.

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stamp

THE COMPANY SECRETARIES
COMPLETE LOGISTIC SERVICES BERHAD
NO. 82F JALAN PULASAN
41000 KLANG
SELANGOR DARUL EHSAN

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