Annual Report 2010

(716241-X)

COMPLETE LOGISTIC SERVICES BERHAD

Contents

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
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Selangor Darul Ehsan
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HEAD OFFICE
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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

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Crowe Horwath (AF 1018)
Level 16 Tower C,
Megan Avenue II
12 Jalan Yap Kuan Seng
50450 Kuala Lumpur
Tel: 603-2166 0000
Fax: 603-2166 1000

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

COMPLETE LOGISTIC SERVICES BERHAD (716241-X)

Company	Holding	Principal activity
Bagai Pertama Sdn Bhd (545483-A)	100%	Shipowner/provision of marine transportation services
Complete Container Services Sdn Bhd (543015-W)	100%	Shipowner/provision of marine transportation services
Complete International Pte Ltd (LL06829)	100%	General trading and offshore leasing activities
Complete Logistic Specialists Sdn Bhd (445588-V)	100%	Total logistic services provider
Complete Marine Services Sdn Bhd (490761-A)	100%	Shipowner/provision of marine transportation services
Complete Shipping Sdn Bhd (471084-X)	100%	Shipowner/provision of marine transportation services
Complete Transport Services Sdn Bhd (545866-U)	100%	Lorry and trucking services
Complete Tug & Barge Sdn Bhd (527808-A)	100%	Shipowner/provision of marine transportation services
Dolphin Shipping Agency Sdn Bhd (507526-A)	100%	Trading of freight
Guper Integrated Logistics Sdn Bhd (420531-V)	60%	Total logistic services with haulage, forwarding & other associated services
Island Network Sdn Bhd (466999-W)	100%	General trading
— Island Network Shipbuilders Sdn Bhd (514505-U)	100%	Dormant since incorporation
Malsuria Logistics Sdn Bhd (463630-M)	100%	Shipowner/provision of marine transportation services
Malsuria (M) Sdn Bhd (234248-P)	100%	Shipowner/provision of marine transportation services
Malsuria Tanker Services Sdn Bhd (376604-H)	100%	Shipowner/provision of marine transportation services
Sierra Jaya Sdn Bhd (266651-P)	100%	Shipowner/provision of marine transportation services
Praslin Express Limited	50%	Provision of ferry services

Profile Of Directors

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

A Malaysian aged 67, 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, Perak, which he held until February 2008. He previously served as 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.

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 programmes attended during the financial year are as follows:
- "Competitive Strategy Vs Redundant Strategy" Workshop
- Directorship : What To Look Out For
- Audit Committee Round Table Discussion Titled – Going Forward : Risk and Reforms – Implications for Audit Committee oversight

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

A Malaysian aged 75, 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, ie from 1982 to 2008.

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

Tan Sri currently also sits on the Board of Jaks Resources Berhad.

Law Hee Ling
Managing Director

A Malaysian aged 45, 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.

Mr Law is a member of our Remuneration Committee. There is no conflict of interest with the Company except for those transactions disclosed in page 17 of this report, note 32 to the Financial Statements and the circular on recurrent related party transactions.

Yet Kiong Siang
Independent Non-Executive Director

Malaysian, aged 52, 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.

Training programmes attended during the financial year are as follows:
- Risk-based Internal Audit
- National Tax Conference 2009
- Implementation of Enterprise Risk Management
- Risk Action Plan
- National Seminar on Taxation 2009
- FRS 139 -Unravelling the Tax Issues
- Withholding Tax on Section 4(f) Income - Practical and Legal Perspectives

Lim Kok Onn
Executive Director

A Malaysian aged 56, 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. Since then he has acquired 15 years of experience in the plantation industry, marketing and trading of plantation commodities such as palm oil, natural rubber and dried cocoa beans. 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 transactions disclosed in page 17 of this report, note 32 to the Financial Statements and the circular on recurrent related party transactions.

Hoo Mee Lien
Executive Director

A Malaysian aged 48, 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 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 appointed as Director in Oceanteam Shipping Agencies Sdn Bhd in 1995. She joined Complete Logistic Specialists Sdn Bhd, a subsidiary in our group, in 1997 as Director and is responsible for the overall marketing functions and daily operations of our logistics and freight trading operations.

Chia Kah Ying
Executive Director

Malaysian, aged 42, 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 and later joined our Group in 2006.

Training programmes attended during the financial year are as follows:
- Accounting For Financial Instruments
- 2010 Budget & Tax Planning Seminar

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. **Conflict of Interest**

   Other than as disclosed above, none of the directors of the Company have any conflict of interest with the Company.

3. **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.

4. **Attendance at Board Meetings**

   The Board of Directors' attendance record at Board meetings held during the financial year ended 31 March 2010 can be found on page 8 of this report.

Dear Shareholders,

"On behalf of the Board of Directors ("Board") of Complete Logistic Services Berhad ("CLSB"), I am pleased to present the Annual Report of CLSB and its group of companies ("Group") for the financial year ended 31 March 2010"

Economic Review

The impact of the global economic slowdown caused by the financial crisis in the USA and Europe continued to be felt in the financial period under review. The Malaysian economy which recorded a growth of 4.6% in 2008, contracted 1.7% in 2009.

The shrinking global economy and the resultant decline in trading activities have adverse effects in the shipping and logistics industry which depends on voluminuous cargo flow.

With lower cargo flow volume and the softening of freight rates, the shipping industry was further hampered by higher operating costs and excess capacity due to increasing number of newbuilding deliveries for new ships ordered in the booming freight period prior to the financial crisis .

Despite the difficult business environment in which the Group operates in, the Group has returned a respectable financial performance for the financial year under review.

Financial Performance

For the financial year ended 31 March 2010, the Group achieved a revenue growth of RM1.40 million (up 1.3%) to RM109.47 million from RM 108.07 million attained in the preceding financial year.

However, the Group registered a loss of RM1.55 million for the financial year under review. The loss was primarily due to the soft freight rates prevailing in the market and a loss incurred on the sale of a vessel amounting to RM6.1 million.

Dividend

The Board is pleased to recommend a first and final tax exempt dividend of 3.0 sen per share in respect of the financial year ended 31 March 2010.

Corporate Development

On 12 October 2009 the Group completed its acquisition of 60% equity interest in Guper Integrated Logistics Sdn Bhd ("Guper") for a cash consideration of RM13,577,000. Guper operates the Nilai Inland Port and is involved in the businesses of total logistic services, haulage, forwarding and other associated services.

The core businesses of Guper complement that of the Group's activities. The acquisition of Guper with its synergistic and complementary contribution, augurs well for the future growth prospects for the Group.

Prospects

The Malaysian economy is projected to achieve a growth rate of 6.5% for 2010. However key economic indicators of the European Union and USA suggest that their roads to economic recovery are far from certain.

In view of the global economic uncertainty and the looming over-supply of freight spaces against anticipated demands, the shipping industry is expected to endure a difficult environment in the forthcoming financial year.

Notwithstanding this adversity, your Board will continue to vigorously strategize for new markets and optimise resources to sustain profitability for the Group.

Corporate Social Responsibility

The Group, in pursuit of its businesses, also acknowledges its corporate social responsibility and commitment towards the community, its employees, shareholders and other stakeholders. The Group will continue to contribute and undertake practices that have a positive impact on the environment and society.

Appreciation

On behalf of the Board, I would like to extend my profound appreciation to all the hardworking employees of the Group for their continuing dedication and diligence.

To my fellow directors, I like to record my sincere thanks once again, for their experience, support and advice in guiding the Board, the Audit and the respective committees.

Finally to the shareholders of CLSB, I thank you once more for your trust and confidence in us.

Tan Sri Dato' Seri Dr Ting Chew Peh
Independent Non-Executive Chairman
Port Klang
24 August 2010

The Board of Directors ("Board") of Complete Logistic Services Berhad ("the Company") remains committed towards ensuring that high 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 complies with the Bursa Malaysia Securities Berhad ("Bursa") Main Market Listing Requirements ("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 to 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 2010 the Board met seven (7) 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	7/7
Tan Sri Dato' Seri Law Hieng Ding	Independent, Non Executive	4/7
Yet Kiong Siang	Independent, Non Executive	7/7
Law Hee Ling	Executive	7/7
Lim Kok Onn	Executive	7/7
Hoo Mee Lian	Executive	7/7
Chia Kah Ying	Executive	7/7

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 of the Company whose total remuneration falls within the following bands during the financial year ended 31 March 2010 are as follows:

	Number of Directors		
Remuneration Band	**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 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.

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 independent in-house internal audit unit has been established to assist the Board and the Audit Committee in providing independent assessment of the adequacy, efficiency and effectiveness of the internal control system in the key activities within the Group. In relation to the internal audit function, having considered the Group's operational requirements, the Board is of the view that the Group 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 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

The details of the training programme attended by the directors during the financial year are disclosed in pages 4 and 5 of this report. Law Hee Ling, Hoo Mee Lien and Tan Sri Dato' Seri Law Hieng Ding were not able to attend any training during the financial year as they had to attend to other business matter.

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.

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 Committee 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, Executive 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.

DIRECTORS' REMUNERATION

Details of remuneration of Directors of the Company during the financial year ended 31 March 2010 are as follows:

Total Remuneration

	Executive Directors (RM'000)	Non-Executive Directors (RM'000)	Total (RM'000)
Salary	758	-	758
Bonus	161	-	161
Fees	-	72	72
Other benefits	120	-	120
Total	1,039	72	1,111

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 2010.

TERMS OF REFERENCE

Composition

The Committee comprises three (3) independent Non-Executive Directors and the attendance record of each member at the six (6) meetings held during the financial year ended 31 March 2010 is as follows:-

Name of Member	No. of Meetings Attended
Tan Sri Dato' Seri Dr. Ting Chew Peh (Chairman)	6/6
Tan Sri Dato' Seri Law Hieng Ding (Member)	4/6
Yet Kiong Siang (Member)	6/6

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.

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 external auditors.
(h) reviewed the annual internal audit programme and plan;
(i) reviewed the related party transactions entered into by the Group.
(j) reviewed the acquisition / disposal of investment / property, plant and equipment.

SUMMARY OF ACTIVITIES OF THE INTERNAL AUDIT FUNCTION

The Group's internal audit function is performed in-house to ensure that the systems of internal controls are adequate and effective. The internal audit function reports directly to the Audit Committee.

The internal audit function executes the audits based audit plan approved by the Audit Committee. The results of the audit review are periodically reported to the Audit Committee. The internal audits conducted had not revealed any weaknesses which would result in material losses, contingencies or uncertainties that would require separate disclosure in the Group's annual report.

The cost incurred for the internal audit function in respect of the financial year ended 31 March 2010 was RM65,763.80.

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 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia") which has been prepared in accordance with the 'Statement on Internal Control: Guidance for Directors of Public Listed Companies' issued by the Taskforce on Internal Control with the support and endorsement of Busra Malaysia.

RESPONSIBILITY

The Board affirms its overall responsibility for the establishment of an appropriate and effective 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. In establishing internal control procedures, due considerations is given to the cost of implementation as compared to the expected benefits to be derived from such procedures.

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;

4. The Executive Directors are actively involved in the running of the Group's businesses and operations and report to the Board on significant matters that affect the policies of the Group; and

5. Adequate insurance coverage of major assets to prevent material losses to the Group against any mishap.

INTERNAL AUDIT FUNCTION

An independent in-house internal audit unit has been established to assist the Board and the Audit Committee in providing independent assessment of the adequacy and effectiveness of the internal control system in the key activities within the Group. The internal audit unit reports directly to the Audit Committee with respect to the effectiveness of the system of internal control. The internal audit unit carries out audits in accordance with the internal audit plan approved by the Audit Committee. Based on the internal audit reviews conducted during the current financial year, none of the weaknesses noted have resulted in any material losses, contingencies or uncertainties that would require separate disclosure in this annual report.

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 26 July 2010..

Directors' Responsibility Statement

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 2010, 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 26 July 2010.

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

Utilization of Proceeds

No proceeds were raised by the Company for any corporate exercise during the financial year.

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

The non-audit fees incurred for services rendered to the Group for the financial year ended 31 March 2010 by the external auditors amounted to RM5,000.

Deviation in Results

There were no variance by more than 10% between the audited results for the financial year ended 31 March 2010 and the unaudited results for the same financial year previously announced.

Profit guarantee

No profit guarantee was issued by the Company.

Material Contracts

Saved as disclosed below, there were no material contracts of the Company and its subsidiaries involving directors and major shareholders, either still subsisting as at 31 March 2010 or entered into since the end of the previous financial year.

The company had on 24 August 2009 entered into a share sale agreement for the acquisition of 60% equity interest in Guper, comprising 600,000 ordinary share of RM1.00 each from Banjaran Unggul Sdn Bhd ("BUSB") for a total cash consideration of RM 13,577,000 ("Proposed Acquisition"). The proposed acquisition was completed on 12 October 2009 and consequent to that Guper becomes a direct subsidiary of the Company.

Save for Mr.Law Hee Ling who is a common director in CLSB, BUSB and Guper, Ms.Hoo Mee Lien who is a common director in CLSB and Guper, both of which are substantial shareholders of CLSB but have no interests whatsoever in both BUSB and Guper, none of the Directors and /or major shareholders of the Company or any person connected to them have any interest, whether direct or indirect, in the Proposed Acquisition.

Recurrent Related Party Transactions of Revenue or Trading Nature

Details of recurrent related party transactions entered into between the Company or its subsidiary companies and related parties during the financial year ended 31 March 2010 pursuant to the Shareholders' mandate obtained by the Company at the Annual General Meeting held on 9 September 2009 are 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")	• Complete Tug & Barge Sdn Bhd ("CTB") • Complete Transport Services Sdn Bhd ("CTS") • Complete Logistic Specialists Sdn Bhd ("CLS") • Guper Integrated Logistics Sdn Bhd ("Guper")	Law Hee Ling	Law Hee Ling is a Director of PSSB and PSSB is 50% owned by his spouse, Lim Lay Fong.	CTB, CTS, CLS and Guper hire lorry transportation/ haulage services from PSSB.	2,271#
2.	Lau Ka Nung & Sons Sdn Bhd ("LKNS")	• 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")	• DSA	Lim Kok Onn	JTSB is 50% owned by Lim Kok Onn	DSA provides freight services to JTSB.	27
4.	SJA Freight Services Sdn Bhd ("SJA")	• 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.	86

: The actual value of which had exceeded 10% of the estimated value set out in the Mandate. The increase was due to the completed acquisition of Guper in October 2009 which resulted in the transacted value to exceed the estimated value as set out in the shareholders' Mandate.

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/Social
- Recycling of paper based products.
- Donation to local school.

(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.

Financial Statements

The Directors hereby submit their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 March 2010.

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
(Loss)/Profit for the financial year	(1,553,373)	3,834,039
Attributable to:		
Equity holders of the Company	(2,227,673)	3,834,039
Minority interest	674,300	-
	(1,553,373)	3,834,039

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 2009:	
Final tax exempt dividend of 3 sen per ordinary share, paid on 20 October 2009	3,600,000

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 2010, subject to the approval of the shareholders 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.

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

In accordance with Article 95 of the Company's Articles of Association, Tan Sri Dato' Seri Dr. Ting Chew Peh and Law Hee Ling retire at the forthcoming Annual General Meeting and, being eligible, offer themselves 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 2010 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 1.4.2009	**Bought**	**Sold**	**Balance as at 31.3.2010**
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	50,000	-	540,800
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.

The other director holding office at the end of the financial year had no interest in shares in the Company and its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the Directors have received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received 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 those transactions disclosed in Note 32 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 the 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 allowance for doubtful debts and have satisfied themselves that all known bad debts had been written off and that adequate allowance 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 of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

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

(c) The Directors are not aware of any circumstances:

(i) which would render the amount written off for bad debts or the amount of allowance 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 (12) 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.

OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY (cont'd):

(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, Messrs. Crowe Horwath (formerly known as Messrs. Horwath), 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

Lim Kok Onn
Director

Kuala Lumpur
26 July 2010

STATEMENT BY DIRECTORS

In the opinion of the Directors, the financial statements set out on pages 26 to 71 have been drawn up in accordance with Financial Reporting Standards and the Companies Act 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 March 2010 and their financial performance and cash flows of the Group and of the Company for the financial year then ended.

On behalf of the Board,

Law Hee Ling Director	Lim Kok Onn Director

Kuala Lumpur
26 July 2010

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 71 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	)	
26 July 2010	)	Chia Kah Ying

Before me:
Datin Hajah Raihela Wanchik (No. W-275)
Persuruhanjaya Sumpah

Independent Auditors' Report

to the Members of Complete Logistic Services Berhad (Incorporated in Malaysia)

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 2010 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 71

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 and the Companies Act 1965 in Malaysia. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, 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 Financial Reporting Standards and the Companies Act 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 March 2010 and of their financial performance and cash flows for the financial year then ended.

Other Matters

The financial statements of the Group and of the Company for the preceding financial year were audited by another firm of auditors whose report dated 7 July 2009, expressed an unqualified opinion on those statements.

Report on Other Legal and Regulatory Requirements

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

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

(b) We have considered the financial statements and the auditors' report of the subsidiary of which we have not acted as auditors, which is indicated in Note 8 to the financial statements;

(c) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the 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; and

(d) The audit reports on the financial statements of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Crowe Horwath
Firm No: AF 1018
Chartered Accountants

James Chan Kuan Chee
Approval No: 2271/10/11 (J)
Chartered Accountant

Kuala Lumpur
26 July 2010

Balance Sheets

as at 31 March 2010

	Note	Group 2010 RM	Group 2009 RM	Company 2010 RM	Company 2009 RM
ASSETS					
Non-current assets					
Property, plant and equipment	7	103,337,733	71,531,606	2,313	3,270
Investments in subsidiaries	8	-	-	49,323,212	47,077,786
Investment in an associate	9	-	-	1,000	1,000
Goodwill	10	269,228	-	-	-
		103,606,961	71,531,606	49,326,525	47,082,056
Current assets					
Inventories	11	921,458	280,814	-	-
Trade and other receivables	12	36,336,307	27,176,149	27,748,349	25,183,349
Tax recoverable		1,306,987	478,446	30,337	-
Cash and cash equivalents	13	10,538,551	22,530,826	231,751	16,843,983
		49,103,303	50,466,235	28,010,437	42,027,332
TOTAL ASSETS		152,710,264	121,997,841	77,336,962	89,109,388
EQUITY AND LIABILITIES					
Equity attributable to equity holders of the Company					
Share capital	14	60,000,000	60,000,000	60,000,000	60,000,000
Retained earnings	15	27,550,569	33,378,242	2,575,430	2,341,391
Other reserves	16	4,144,445	4,326,761	11,729,790	23,061,364
SHAREHOLDERS' EQUITY		91,695,014	97,705,003	74,305,220	85,402,755
Minority interest		9,546,149	-	-	-
TOTAL EQUITY		101,241,163	97,705,003	74,305,220	85,402,755
Non-current liabilities					
Borrowings (secured)	17	18,599,860	7,653,557	-	-
Deferred tax liabilities	20	2,657,484	175,810	-	-
		21,257,344	7,829,367	-	-
Current liabilities					
Trade and other payables	21	21,307,754	11,725,587	3,031,742	3,695,871
Borrowings (secured)	17	8,781,162	4,589,883	-	-
Tax liabilities		122,841	148,001	-	10,762
		30,211,757	16,463,471	3,031,742	3,706,633
TOTAL LIABILITIES		51,469,101	24,292,838	3,031,742	3,706,633
TOTAL EQUITY AND LIABILITIES		152,710,264	121,997,841	77,336,962	89,109,388

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

Income Statements

for the financial year ended 31 March 2010

		Group		Company	
		2010	2009	2010	2009
	Note	RM	RM	RM	RM
Revenue	24	109,473,980	108,068,479	4,100,000	3,117,000
Cost of sales	25	(94,683,296)	(92,062,128)	-	-
Gross profit		14,790,684	16,006,351	4,100,000	3,117,000
Other income		740,282	2,493,285	136,949	404,117
Marketing and distribution costs		(338,511)	(508,011)	-	-
Administration expenses		(4,459,779)	(2,045,078)	-	-
Other expenses		(9,726,172)	(1,372,611)	(373,351)	(223,067)
Finance costs		(1,075,141)	(827,122)	-	-
Share of results of an associate		-	(19,614)	-	-
(Loss)/Profit before tax	26	(68,637)	13,727,200	3,863,598	3,298,050
Tax expense	27	(1,484,736)	(1,044,995)	(29,559)	(234,516)
(Loss)/Profit for the financial year		(1,553,373)	12,682,205	3,834,039	3,063,534
Attributable to:					
Equity holders of the Company		(2,227,673)	12,682,205	3,834,039	3,063,534
Minority interest		674,300	-	-	-
		(1,553,373)	12,682,205	3,834,039	3,063,534
Basic (loss)/earnings per ordinary share (sen)	28	(1.9)	10.6		

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

Statements of Changes In Equity

for the financial year ended 31 March 2010

Group	Note	Share capital RM	Retained earnings RM	Share premium RM	Exchange fluctuation reserve RM	Total RM	Minority interest RM	Total equity RM
		-----------Attributable to equity holders of the Company-----------						
Balance at 31 March 2008		60,000,000	27,896,037	4,325,375	(3,280)	92,218,132	-	92,218,132
Exchange differences recognised directly in equity		-	-	-	4,666	4,666	-	4,666
Gain recognised directly in equity		-	-	-	4,666	4,666	-	4,666
Profit for the financial year		-	12,682,205	-	-	12,682,205	-	12,682,205
Total recognised income and expense for the financial year		-	12,682,205	-	4,666	12,686,871	-	12,686,871
Dividends	29	-	(7,200,000)	-	-	(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	-	97,705,003
Minority interest arising from an acquisition of a subsidiary	31	-	-	-	-	-	8,871,849	8,871,849
Exchange differences recognised directly in equity		-	-	-	(182,316)	(182,316)	-	(182,316)
Loss recognised directly in equity		-	-	-	(182,316)	(182,316)	-	(182,316)
(Loss)/Profit for the financial year		-	(2,227,673)	-	-	(2,227,673)	674,300	(1,553,373)
Total recognised income and expense for the financial year		-	(2,227,673)	-	(182,316)	(2,409,989)	674,300	(1,735,689)
Dividend	29	-	(3,600,000)	-	-	(3,600,000)	-	(3,600,000)
Balance at 31 March 2010		60,000,000	27,550,569	4,325,375	(180,930)	91,695,014	9,546,149	101,241,163

Company	Note	Share capital RM	Retained earnings RM	Share premium RM	Fair value reserve RM	Total RM
Balance at 31 March 2008		60,000,000	6,477,857	4,325,375	22,090,194	92,893,426
Fair value loss from investments in subsidiaries accounted for as available-for-sale financial assets	8	-	-	-	(3,354,205)	(3,354,205)
Loss 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	29	-	(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
Fair value loss from investments in subsidiaries accounted for as available-for-sale financial assets	8	-	-	-	(11,331,574)	(11,331,574)
Loss recognised directly in equity		-	-	-	(11,331,574)	(11,331,574)
Profit for the financial year		-	3,834,039	-	-	3,834,039
Total recognised income and expense for the financial year		-	3,834,039	-	(11,331,574)	(7,497,535)
Dividend	29	-	(3,600,000)	-	-	(3,600,000)
Balance at 31 March 2010		60,000,000	2,575,430	4,325,375	7,404,415	74,305,220

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

Cash Flow Statements

for the financial year ended 31 March 2010

	Note	Group 2010 RM	Group 2009 RM	Company 2010 RM	Company 2009 RM
CASH FLOWS FROM OPERATING ACTIVITIES					
(Loss)/Profit before tax		(68,637)	13,727,200	3,863,598	3,298,050
Adjustments for:					
Bad debts written off		12,249	44,632	-	-
Depreciation of property, plant and equipment	7	4,084,633	2,943,921	957	958
Dividend income from subsidiaries	24	-	-	(4,100,000)	(3,117,000)
Impairment of trade receivables		237,329	42,797	-	-
Interest expense		998,249	827,122	-	-
Interest income		(242,107)	(538,309)	(135,949)	(404,117)
(Loss)/Gain on disposal of property, plant and equipment		6,051,042	(238,080)	-	-
Property, plant and equipment written off	7	13,079	71,900	-	-
Share of results of an associate	9	-	19,614	-	-
Unrealised gain on foreign exchange		-	(562,121)	-	-
Unrealised loss on foreign exchange		348,824	-	-	-
Operating profit/(loss) before working capital changes		11,434,661	16,338,676	(371,394)	(222,109)
(Increase)/Decrease in inventories		(640,644)	650,998	-	-
Decrease in trade and other receivables		989,896	3,664,074	-	-
Increase/(Decrease) in trade and other payables		3,275,757	(2,082,218)	22,561	33,891
Cash generated from/(used in) operations		15,059,670	18,571,530	(348,833)	(188,218)
Tax paid		(938,544)	(1,808,031)	(70,658)	(55,163)
Net cash from/(used in) operating activities		14,121,126	16,763,499	(419,491)	(243,381)

	Note	Group 2010 RM	Group 2009 RM	Company 2010 RM	Company 2009 RM
CASH FLOWS FROM INVESTING ACTIVITIES					
Acquisition of a subsidiary	31	(11,029,898)	-	(10,861,600)	(4)
Additional subscription of shares of a subsidiary	31	-	-	-	(34,671)
(Advances to)/Repayment from subsidiaries		-	-	(2,565,000)	6,871,875
Dividend income received		-	-	4,100,000	2,950,250
Interest received		242,107	538,309	135,949	404,117
Purchase of property, plant and equipment	7	(7,921,302)	(1,812,387)	-	-
Proceeds from disposal of property, plant and equipment		2,339,522	427,400	-	-
Repayment from an associate		1,854	-	-	-
Net cash (used in)/from investing activities		(16,367,717)	(846,678)	(9,190,651)	10,191,567
CASH FLOWS USED IN FINANCING ACTIVITIES					
Additional fixed deposits pledged to licensed banks		(38,774)	(59,732)	-	-
Advances from an associate		12,414	89,982	-	-
Advances from subsidiaries		-	-	198,910	-
Dividends paid		(7,200,000)	(3,600,000)	(7,200,000)	(3,600,000)
Drawdown of term loans		-	9,550,828	-	-
Interest paid		(998,249)	(827,122)	-	-
Drawdown/(Repayment) of bankers' acceptances		657,000	(1,698,000)	-	-
Repayment of hire purchase liabilities		(367,182)	(85,463)	-	-
Repayment of term loans		(4,493,890)	(13,349,713)	-	-
Advances from/(Repayment to) a Director		1,100,425	(788,918)	(1,000)	-
Net cash used in financing activities		(11,328,256)	(10,768,138)	(7,002,090)	(3,600,000)
Net (decrease)/increase in cash and cash equivalents		(13,574,847)	5,148,683	(16,612,232)	6,348,186
Effects of exchange rate changes		(86,158)	1,386	-	-
Cash and cash equivalents at beginning of financial year		20,672,049	15,521,980	16,843,983	10,495,797
Cash and cash equivalents at end of financial year	13	7,011,044	20,672,049	231,751	16,843,983

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

1. CORPORATE INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and listed on the Main Market 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 of the Board of Directors on 26 July 2010.

2. PRINCIPAL ACTIVITIES

The Company is an investment holding companay. 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 Financial Reporting Standards ('FRS') and the Companies Act 1965 in Malaysia.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 Basis of accounting

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

The preparation of financial statements requires the Directors to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses and disclosure of contingent assets and 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.

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.2 Basis of consolidation (cont'd)

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 statement.

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

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.

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.

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.3 Property, plant and equipment and depreciation (cont'd)

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:

Buildings	50 years
Containers	10%
Ferry	25 years
Motor vehicles	10% - 20%
Office equipment	10% - 20%
Operating equipment	15%
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 writedown 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.

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.

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.4 Leases and hire purchase (cont'd)

(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.

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

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

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

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.5 Investments (cont'd)

(b) Associates (cont'd)

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 (3) 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 subsidiaries' 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 associate's identifiable assets, liabilities and continent 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.

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.

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.7 Impairment of non-financial assets (cont'd)

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 values using a pre-tax discount rate that reflects current market assessments of the time values 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 spare parts, consumables and 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.

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. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.9 Financial instruments (cont'd)

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.

(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 statements in the period in which they arise.

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

(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.

Investments in subsidiaries and associates are classified in this category and are measured at fair value.

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. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.9 Financial instruments (cont'd)

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' category are included in the income statements 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.

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 transferred from equity to profit or loss. Impairment losses recognised in profit or loss on equity investments are not reversed through profit or loss.

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 through the 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.

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.10 Financial assets (cont'd)

(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 statements, 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.

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 statements comprise 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.

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.14 Income taxes (cont'd)

(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.

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.

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.17 Employee benefits

(a) 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.

(b) Defined contribution plans

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

(a) 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.

(b) 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.

(c) Foreign operations

Financial statements of foreign operations are translated at exchange rates ruling at the balance sheet date 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.

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

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 acceptance by customers.

(b) Services

Revenue from logistics services is recognised upon services rendered.

(c) Dividend income

Divided 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.

5. ADOPTION OF NEW FRSs AND AMENDMENTS TO FRS

5.1 New FRS, IC Interpretations and amendments adopted

During the current financial year, the Group and the Company have not adopted any new accounting standards and interpretations (including the consequential amendments).

5.2 New FRS, IC Interpretations and amendments not adopted

The Group and the Company have not applied in advance the following accounting standards and interpretations (including the consequential amendments) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial year:

FRSs/IC Interpretations (including the Consequential Amendments)	Effective Date
Revised FRS 1 (2010) First-time Adoption of Financial Reporting Standards	1 July 2010
Revised FRS 3 (2010) Business Combinations	1 July 2010
FRS 4 Insurance Contracts	1 January 2010
FRS 7 Financial Instruments: Disclosures	1 January 2010
FRS 8 Operating Segments	1 July 2009
Revised FRS 101 (2009) Presentation of Financial Statements	1 January 2010
Revised FRS 123 (2009) Borrowing Costs	1 January 2010
Revised FRS 127 (2010) Consolidated and Separate Financial Statements	1 July 2010
Amendments to FRS 1 and FRS 127: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	1 January 2010
Amendment to FRS 1: Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters	1 January 2011
Amendments to FRS 1: Additional Exemptions for First-time Adopters	1 January 2011
Amendments to FRS 2: Vesting Conditions and Cancellations	1 January 2010
Amendments to FRS 2: Scope of FRS 2 and Revised FRS 3 (2010)	1 July 2010
Amendments to FRS 2: Group Cash-settled Share-based Payment Transaction	1 January 2011
Amendments to FRS 5: Plan to Sell the Controlling Interest in a Subsidiary	1 July 2010
Amendments to FRS 7, FRS 139 and IC Interpretation 9	1 January 2010
Amendments to FRS 7: Improving Disclosures about Financial Instruments	1 January 2011
Amendments to FRS 101 and FRS 132: Puttable Financial Instruments and Obligations Arising on Liquidation	1 January 2010
Amendments to FRS 132: Classification of Rights Issues and the Transitional Provision in Relation to Compound Instruments	1 January 2010/ 1 March 2010
Amendments to FRS 138: Consequential Amendments Arising from Revised FRS 3 (2010)	1 July 2010
IC Interpretation 4 Determining Whether An Arrangement Contains a Lease	1 January 2011
IC Interpretation 9 Reassessment of Embedded Derivatives	1 January 2010
IC Interpretation 10 Interim Financial Reporting and Impairment	1 January 2010
IC Interpretation 11: FRS 2 – Group and Treasury Share Transactions	1 January 2010
IC Interpretation 12 Service Concession Arrangements	1 July 2010
IC Interpretation 13 Customer Loyalty Programmes	1 January 2010
IC Interpretation 14: FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	1 January 2010
IC Interpretation 15 Agreements for the Construction of Real Estate	1 July 2010
IC Interpretation 16 Hedges of a Net Investment in a Foreign Operation	1 July 2010
IC Interpretation 17 Distributions of Non-cash Assets to Owners	1 July 2010
IC Interpretation 18 Transfers of Assets from Customers	1 January 2011
Amendments to IC Interpretation 9: Scope of IC Interpretation 9 and Revised FRS 3 (2010)	1 July 2010
Annual Improvements to FRSs (2009)	1 January 2010

5. ADOPTION OF NEW FRSs AND AMENDMENTS TO FRS (cont'd)

5.2 New FRS, IC Interpretations and amendments not adopted (cont'd)

The above accounting standards and interpretations (including the consequential amendments) are not relevant to the Group's operations except as follows:

The revised FRS 3 (2010) introduces significant changes to the accounting for business combinations, both at the acquisition date and post acquisition, and requires greater use of fair values. In addition, all transaction costs, other than share and debt issue costs, will be expensed as incurred. This revised standard will be applied prospectively and therefore there will not have any financial impact on the financial statements of the Group for the current financial year but may impact the accounting for future transactions or arrangements.

Amendments to FRS 7 (Improving disclosures about financial statements) expand the disclosures about fair value measurements and liquidity risk. In particular, the amendments require disclosure of fair value measurements by level of a fair value measurement hierarchy. The adoption of these amendments will only impact the content of disclosures of the financial statements of the Group and of the Company in the future.

FRS 8 replaces FRS 114_{2004} Segment Reporting and requires a 'management approach', under which segment information is presented on the same basis as that used for internal reporting purposes. The adoption of this standard only impacts the form and content of disclosures presented in the Group's financial statements. This FRS is expected to have no material impact on the financial statements of the Group upon its initial application.

The revised FRS 101 (2009) has introduced terminology changes (including revised titles for the financial statements) and changes in the format and content of the financial statements. In addition, a statement of financial position is required at the beginning of the earliest comparative period following a change in accounting policy, the correction of an error or the reclassification of items in the financial statements. The adoption of this revised standard will only impact the form and content of the presentation of the financial statements of the Group and of the Company in the next financial year.

The revised FRS 127 (2010) requires accounting for changes in ownership interests by the group in a subsidiary, while maintaining control, to be recognised as an equity transaction. When the group loses control of a subsidiary, any interest retained in the former subsidiary will be measured at fair value with the gain or loss recognised in profit or loss. The revised standard also requires all losses attributable to the minority interest to be absorbed by the minority interest instead of by the parent. The Group will apply the major changes of the revised FRS 127 (2010) prospectively and therefore there will not have any financial impact on the Group's financial statements for the current financial year but may impact the accounting for future transactions or arrangements.

Amendments to FRS 1 and FRS 127 remove the definition of 'cost method' currently set out in FRS 127, and instead require an investor to recognise all dividend from subsidiaries, jointly controlled entities or associates as income in its separate financial statements. In addition, FRS 127 has also been amended to deal with situations where a parent reorganises its group by establishing a new entity as its new parent. Under this circumstance, the new parent shall measure the cost of its investment in the original parent at the carrying amount of its share of the equity items shown in the separate financial statements of the original parent at the reorganisation date. The amendments will be applied prospectively and therefore there will not have any financial impact on the financial statements of the Company for the current financial year but may impact the accounting for future transactions or arrangements.

IC Interpretation 10 prohibits the impairment losses recognised in an interim period on goodwill, investments in equity instruments and financial assets carried at cost to be reversed at a subsequent balance sheet date. This interpretation is expected to have no material impact on the financial statements of the Group and of the Company upon its initial application.

Annual Improvements to FRSs (2009) contain amendments to twenty-one (21) accounting standards that result in accounting changes for presentation, recognition or measurement purposes and terminology or editorial amendments. These amendments are expected to have no material impact on the financial statements of the Group and of the Company upon their initial application.

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 and the Company's accounting policies that have significant effects on the amounts recognised in these financial statements.

(b) Key sources of estimation of uncertainties

The key assumptions concerning the future and other key sources of estimation of uncertainties 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 life 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.

(iii) The Group has no major concentration of credit risk as at 31 March 2010 except for trade receivables amounting to RM8.7 million (2009: RM10.7 million) which has exceeded the credit terms granted. The Directors believe that there is no credit risk on these trade receivables based on the Group's historical experience in their collections. Accordingly, no additional allowance for impairment of trade receivables is made for these trade receivables. However, where the amount is not recoverable, the amount not recoverable will have an impact on the consolidated income statement. The maximum exposures of credit risk to other receivables are represented by their carrying amounts in the balance sheets.

(iv) The methods and assumptions used by the management to determine the 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 their 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' net assets at the balance sheet date. The fair values of the subsidiaries' vessels are arrived at based on the comparison method of valuation.

7. PROPERTY, PLANT AND EQUIPMENT

Group 2010	At 1.4.2009 RM	Acquisition of a subsidiary RM	Additions RM	Disposals RM	Written off RM	Depreciation charge for the financial year RM	Exchange rate fluctuation adjustment RM	At 31.3.2010 RM
Carrying amount								
Freehold land	296,440	16,850,000	-	-	-	-	-	17,146,440
Buildings	287,117	9,650,703	-	-	-	(114,150)	-	9,823,670
Containers	1,045,057	-	-	(58,225)	-	(187,346)	-	799,486
Ferry	-	-	2,773,125	-	-	(117,453)	6,528	2,662,200
Motor vehicles	1,114,955	223,807	330,513	(10,500)	-	(318,812)	-	1,339,963
Office equipment	284,331	146,712	98,384	(6,898)	-	(84,262)	-	438,267
Operating equipment	-	9,395,351	4,090,400	-	-	(1,044,265)	-	12,441,486
Plant and machinery	311,438	-	36,800	-	-	(87,947)	-	260,291
Tug boat and barge	2,392,368	-	-	-	-	(51,955)	-	2,340,413
Vessel equipment	388,925	-	175,980	(11,223)	-	(56,476)	-	497,206
Vessels	65,410,975	-	516,100	(8,303,718)	(13,079)	(2,021,967)	-	55,588,311
	71,531,606	36,266,573	8,021,302	(8,390,564)	(13,079)	(4,084,633)	6,528	103,337,733

	------------------ At 31.3.2010	--------------------	
	Cost RM	Accumulated depreciation RM	Carrying amount RM
Freehold land	17,146,440	-	17,146,440
Buildings	10,200,756	(377,086)	9,823,670
Containers	1,597,678	(798,192)	799,486
Ferry	2,773,125	(110,925)	2,662,200
Motor vehicles	2,368,721	(1,028,758)	1,339,963
Office equipment	1,458,562	(1,020,295)	438,267
Operating equipment	27,752,718	(15,311,232)	12,441,486
Plant and machinery	609,321	(349,030)	260,291
Tug boat and barge	2,502,586	(162,173)	2,340,413
Vessel equipment	656,479	(159,273)	497,206
Vessels	60,916,061	(5,327,750)	55,588,311
	127,982,447	(24,644,714)	103,337,733

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

Group

2009	At 1.4.2008 RM	Additions RM	Disposals RM	Written off RM	Depreciation charge for the financial year RM	At 31.3.2009 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

	------------------ At 31.3.2009 --------------------		
	Cost RM	Accumulated depreciation RM	Carrying amount RM
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

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

	Group 2010 RM	Group 2009 RM
Purchase of property, plant and equipment	8,021,302	2,212,387
Financed by hire purchase arrangements	(100,000)	(400,000)
Cash payments on purchase of property, plant and equipment	7,921,302	1,812,387

7. **PROPERTY, PLANT AND EQUIPMENT (cont'd)**

(b) Included in property, plant and equipment are assets acquired under hire purchase arrangements as follows:

	Group 2010 RM	Group 2009 RM
Carrying amount		
Motor vehicles	890,422	760,073
Operating equipment	504,012	-
	1,394,434	760,073

Details of the terms and conditions of the hire purchase liabilities are disclosed in Note 18 to the financial statements.

(c) Certain assets have been charged to licensed banks for banking facilities granted to the Group as disclosed in Note 19 to the financial statements as follows:

	Group 2010 RM	Group 2009 RM
Carrying amount		
Freehold land	16,850,000	-
Buildings	9,551,731	-
Operating equipment	2,289,609	-
Vessels	20,777,258	28,544,612
	49,468,598	28,544,612

(d) Certain operating equipment of the Group amounting to RM2,289,609 (2009: RM Nil) are in the process of being registered under the name of a subsidiary.

Company **2010**	At 1.4.2009 RM	Depreciation charge for the financial year RM	At 31.3.2010 RM
Carrying amount			
Office equipment	3,270	(957)	2,313

	------------------ At 31.3.2010 --------------------		
	Cost RM	Accumulated depreciation RM	Carrying amount RM
Office equipment	4,786	(2,473)	2,313

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

Company

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

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

8. INVESTMENTS IN SUBSIDIARIES

	Company	
	2010 RM	2009 RM
At fair value		
Available-for-sale financial assets:		
- unquoted shares		
At 1 April 2009/2008	47,077,786	50,397,316
Acquisition of a subsidiary (Note 31)	13,577,000	4
Additional subscription of shares of a subsidiary (Note 31)	-	34,671
Fair value losses transferred to equity	(11,331,574)	(3,354,205)
At 31 March 2010/2009	49,323,212	47,077,786

The details of the subsidiaries are as follows:

Name of company	Country of incorporation	Group effective interest 2010	Group effective interest 2009	Principal activities
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

8. INVESTMENTS IN SUBSIDIARIES (cont'd)

Name of company	Country of incorporation	Group effective interest 2010	Group effective interest 2009	Principal activities
Complete Transport Services Sdn. Bhd.	Malaysia	100%	100%	Lorry and trucking services
Dolphin Shipping Agency Sdn. Bhd.	Malaysia	100%	100%	Trading of freight
Guper Integrated Logistics Sdn. Bhd.	Malaysia	60%	-	Total logistic services with haulage, forwarding and other associated services
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%	100%	Commenced new businesses on offshore leasing and general trading during the current financial year
Subsidiary of Island Network Sdn. Bhd.				
Island Network Shipbuilders Sdn. Bhd.	Malaysia	100%	100%	Dormant since incorporation

Subsidiary audited by member firm of Crowe Horwath International

9. INVESTMENT IN AN ASSOCIATE

	Group 2010 RM	Group 2009 RM	Company 2010 RM	Company 2009 RM
At fair value				
Available-for-sale financial assets:				
- unquoted shares				
At 1 April 2009/2008	-	16,334	1,000	-
Addition	-	-	-	1,000
Share of results of an associate	-	(19,614)	-	-
Exchange fluctuation reserve	-	3,280	-	-
At 31 March 2010/2009	-	-	1,000	1,000

9. INVESTMENT IN AN ASSOCIATE (cont'd)

The details of the associate are as follows:

Name of company	Country of incorporation	Group effective interest 2010	Group effective interest 2009	Principal activities
Praslin Express Limited#	Seychelles	50%	50%	Passenger ferry services

\# Associate not audited by Messrs. Crowe Horwath

The summarised financial information of the associate is as follows:

	2010 RM	2009 RM
Assets and liabilities		
Non-current assets	248,680	173,991
Current assets	232,590	132,545
Total assets	481,270	306,536
Current liabilities/Total liabilities	2,118,804	803,874
Results		
Revenue	2,581,097	1,201,771
Loss for the financial year	(825,234)	(713,774)

	Group 2010 RM	Group 2009 RM
Unrecognised amounts of the Group's share of loss of associate:		
- for the current financial year	(412,617)	(337,273)
- cumulative	(749,890)	(337,273)

10. GOODWILL

	Group 2010 RM	Group 2009 RM
Balance as at 1 April 2009/2008	-	-
Acquisition of a subsidiary (Note 31)	269,228	-
Balance as at 31 March 2010/2009	269,228	-

Goodwill arising from business combination has been allocated to a subsidiary for impairment testing. No impairment loss on goodwill was recognised during the current financial year as the recoverable amount of the goodwill is higher than its carrying amount.

10. GOODWILL (cont'd)

The recoverable amount of the goodwill was determined based on value-in-use calculations using cash flow projections based on financial budgets approved by the management covering a period of five (5) years based on the past performance and the expectations of market development.

The key assumptions used for the cash flow projections are as follows:

	Group	
	2010	2009
Gross margin	44%	-
Average growth rate	3%	-
Pre-tax discount rate	9%	-

11. INVENTORIES

	Group	
	2010 RM	2009 RM
At cost		
Spare parts and consumables	125,594	-
Trading goods	795,864	280,814
	921,458	280,814

12. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2010 RM	2009 RM	2010 RM	2009 RM
Trade receivables				
Third parties	36,236,601	26,446,923	-	-
Related parties	8,084	212,460	-	-
Less: Impairment of trade receivables – third parties	(1,688,648)	(258,681)	-	-
	34,556,037	26,400,702	-	-
Other receivables, deposits and prepayments				
Amounts owing by subsidiaries	-	-	27,731,349	25,166,349
Amount owing by an associate	17,456	19,310	-	-
Other receivables	1,703,661	283,741	-	-
Deposits	26,300	36,172	2,000	2,000
Prepayments	101,592	436,224	15,000	15,000
Less: Impairment of other receivables – third parties	(68,739)	-	-	-
	1,780,270	775,447	27,748,349	25,183,349
	36,336,307	27,176,149	27,748,349	25,183,349

12. TRADE AND OTHER RECEIVABLES (cont'd)

(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 (2009: three (3) to four (4) months).

(b) Amounts owing by the subsidiaries represent payments made on behalf, 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) The currency exposure profile of receivables are as follows:

	Group		Company	
	2010 RM	2009 RM	2010 RM	2009 RM
Ringgit Malaysia	28,047,058	20,094,079	27,748,349	25,183,349
Singapore Dollar	23,498	61,103	-	-
US Dollar	8,265,751	7,020,967	-	-
	36,336,307	27,176,149	27,748,349	25,183,349

13. CASH AND CASH EQUIVALENTS

	Group		Company	
	2010 RM	2009 RM	2010 RM	2009 RM
Cash and bank balances	4,493,607	3,048,056	20,906	86,832
Fixed deposits with licensed banks	6,044,944	19,482,770	210,845	16,757,151
As per balance sheets	10,538,551	22,530,826	231,751	16,843,983
Bank overdrafts included in borrowings (Note 17)	(1,787,421)	(157,465)	-	-
Fixed deposits pledged to a licensed banks (Note 17)	(1,740,086)	(1,701,312)	-	-
As per cash flow statements	7,011,044	20,672,049	231,751	16,843,983

(a) Information on financial risks of cash and cash equivalents are disclosed in Note 34(a)(iv) to the financial statements.

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

	Group		Company	
	2010 RM	2009 RM	2010 RM	2009 RM
Euro	1,543	96,771	-	-
Indonesian Rupiah	733	70,451	-	-
Ringgit Malaysia	10,031,232	21,854,497	231,751	16,843,983
US Dollar	505,043	509,107	-	-
	10,538,551	22,530,826	231,751	16,843,983

14. SHARE CAPITAL

	2010		2009	
	Number of shares	RM	Number of shares	RM
Ordinary shares of RM0.50 each:				
Authorised	200,000,000	100,000,000	200,000,000	100,000,000
Issued and fully paid	120,000,000	60,000,000	120,000,000	60,000,000

15. 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 sufficient balance in the tax exempt account to frank the payment of dividends out of its entire retained earnings.

16. OTHER RESERVES

	Group		Company	
	2010 RM	2009 RM	2010 RM	2009 RM
Non-distributable				
Share premium	4,325,375	4,325,375	4,325,375	4,325,375
Exchange fluctuation reserve	(180,930)	1,386	-	-
Fair value reserve#	-	-	7,404,415	18,735,989
	4,144,445	4,326,761	11,729,790	23,061,364

Fair value reserve represents cumulative fair value changes in the Company's investments in subsidiaries that are accounted for as available-for-sale financial assets as disclosed in Note 8 to the financial statements.

17. BORROWINGS (SECURED)

	Group	
	2010 RM	2009 RM
Non-current liabilities		
Hire purchase liabilities	117,113	113,293
Term loans	18,482,747	7,540,264
	18,599,860	7,653,557

17. BORROWINGS (SECURED) (cont'd)

	Group 2010 RM	Group 2009 RM
Current liabilities		
Bank overdrafts	1,787,421	157,465
Bankers' acceptances	959,000	302,000
Hire purchase liabilities	364,312	201,244
Term loans	5,670,429	3,929,174
	8,781,162	4,589,883
	27,381,022	12,243,440
Total borrowings		
Bank overdrafts (Note 13)	1,787,421	157,465
Bankers' acceptances	959,000	302,000
Hire purchase liabilities (Note 18)	481,425	314,537
Term loans (Note 19)	24,153,176	11,469,438
	27,381,022	12,243,440

The bank overdrafts 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 of certain directors of a subsidiary;
(d) joint and several guarantee of certain Directors; and
(e) fixed deposits of the Group as disclosed in Note 13 to the financial statements.

Bank overdrafts are charged at an average interest of 1.50% (2009: 1.50%) per annum above the bank's base lending rate.

Bankers' acceptances are charged at an average interest of 1.50% (2009: 1.50%) per annum of 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 34(a)(iv) to the financial statements.

18. HIRE PURCHASE LIABILITIES

	Group 2010 RM	Group 2009 RM
Minimum hire purchase payments:		
- not later than one (1) year	402,190	214,418
- later than one (1) year but not later than five (5) years	124,165	115,391
Total minimum hire purchase payments	526,355	329,809
Less: Future interest charges	(44,930)	(15,272)
Present value of hire purchase liabilities (Note 17)	481,425	314,537

Information on financial risks of hire purchase liabilities is disclosed in Note 34(a)(iv) to the financial statements.

19. TERM LOANS

	Group 2010 RM	Group 2009 RM
Non-current portion		
Repayable between one (1) to two (2) years	4,725,290	3,451,355
Repayable between two (2) to five (5) years	9,429,078	4,088,909
More than five (5) years	4,328,379	-
	18,482,747	7,540,264
Current portion		
Repayable within one (1) year	5,670,429	3,929,174
Total term loans (Note 17)	24,153,176	11,469,438

The term loans are secured by:

(a) facility agreement as principal instrument;
(b) corporate guarantee from the Company as disclosed in Note 23 to the financial statements;
(c) deed of covenant accompanying the statutory mortgage;
(d) certain property, plant and equipment of the Group as disclosed in Note 7 to the financial statements;
(e) debentures incorporating fixed charges for RM16 million over certain vessels of the Group;
(f) legal assignment of marine insurance policy over certain vessels of the Group;
(g) corporate guarantee from a company in which certain Directors have interests; and
(h) personal guarantee of certain Directors and/or directors of a subsidiary.

The details of the term loans outstanding at the balance sheet date are as follows:

	Group 2010 RM	Group 2009 RM
Term loan I	-	769,692
Term loan II	1,747,987	2,812,523
Term loan III	6,360,918	7,887,223
Term loan IV	149,667	-
Term loan V	15,894,604	-
	24,153,176	11,469,438

	Number of monthly instalments	Monthly instalments RM	Commencement date of repayment	Effective interest rate per annum 2010 %	Effective interest rate per annum 2009 %
Term loan I	60	89,638	March 2005	-	7.10
Term loan II	60	#	June 2006	5.80	5.79
Term loan III	60	^	May 2008	5.00	4.18
Term loan IV	60	9,464	October 2006	4.05	-
Term loan V	96	227,879	July 2009	4.05	-

\# Term loan II is repayable by monthly instalments ranging from RM110,998 to RM117,071 commencing June 2006

^ Term loan III is repayable by monthly instalments ranging from RM184,979 to RM195,839 commencing May 2008

Information on financial risks of term loans and their remaining maturities are disclosed in Note 34(a)(iv) to the financial statements.

20. DEFERRED TAX LIABILITIES

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

	Group	
	2010 RM	2009 RM
Balance as at 1 April 2009/2008	175,810	139,138
Aquisition of a subsidiary (Note 31)	1,677,828	-
Recognised in the income statement (Note 27)	803,846	36,672
Balance as at 31 March 2010/2009	2,657,484	175,810
Presented after appropriate offsetting:		
Deferred tax assets	(108,800)	(161,355)
Deferred tax liabilities	2,766,284	337,165
	2,657,484	175,810

(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 2009	195,431	141,734	337,165
Acquisition of a subsidiary	1,677,828	-	1,677,828
Recognised in the income statement	751,291	-	751,291
At 31 March 2010	2,624,550	141,734	2,766,284
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

Deferred tax assets of the Group

	Unutilised tax losses RM	Unabsorbed capital allowances RM	Others RM	Total RM
At 1 April 2009	(98,280)	(61,871)	(1,204)	(161,355)
Recognised in the income statement	-	52,555	-	52,555
At 31 March 2010	(98,280)	(9,316)	(1,204)	(108,800)
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)

20. DEFERRED TAX LIABILITIES (cont'd)

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

	Group 2010 RM	Group 2009 RM
Unutilised tax losses	9,023,984	7,459,769
Unabsorbed capital allowances	8,070	8,070
	9,032,054	7,467,839

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.

21. TRADE AND OTHER PAYABLES

	Group		Company	
	2010 RM	2009 RM	2010 RM	2009 RM
Trade payables				
Third parties	9,392,515	4,910,686	-	-
Related parties	6,900	350,398	-	-
	9,399,415	5,261,084	-	-
Other payables				
Other payables	6,438,373	1,265,016	6,520	10,891
Accruals	423,078	332,833	110,912	83,980
Retention sum payable	2,715,400	-	2,715,400	-
Amount owing to a Director	2,234,699	1,169,865	-	1,000
Amounts owing to subsidiaries	-	-	198,910	-
Amount owing to an associate	96,789	96,789	-	-
Dividend payable	-	3,600,000	-	3,600,000
	11,908,339	6,464,503	3,031,742	3,695,871
	21,307,754	11,725,587	3,031,742	3,695,871

(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 (2009: three (3) to four (4) months).

(b) The retention sum payable represents amount payable to the vendors of Guper Integrated Logistics Sdn. Bhd., a newly acquired subsidiary during the current financial year. The amount will be fully settled upon the registration of the Group's operating equipment under the name of a subsidiary as disclosed in Note 7 to the financial statements.

(c) Amount owing to a Director represents advances and payments made on behalf, which are unsecured, interest-free and repayable within twelve (12) months.

21. TRADE AND OTHER PAYABLES (cont'd)

(d) Amounts owing to the subsidiaries represent advances and payments made on behalf, which are unsecured, interest-free and repayable within twelve (12) months.

(e) Amount owing to an associate represents advances and payments made on behalf, which are unsecured, interest-free and repayable within twelve (12) months.

(f) The currency exposure profile of payables are as follows:

	Group		Company	
	2010 RM	2009 RM	2010 RM	2009 RM
Euro	96,789	96,789	-	-
Ringgit Malaysia	16,692,056	11,054,320	3,031,742	3,695,871
Singapore Dollar	103,448	200,734	-	-
US Dollar	4,415,461	373,744	-	-
	21,307,754	11,725,587	3,031,742	3,695,871

22. CAPITAL COMMITMENTS

	Group	
	2010 RM	2009 RM
Capital expenditure in respect of purchase of property, plant and equipment:		
Approved and contracted for	-	3,099,525

23. CONTINGENT LIABILITY

	Company	
	2010 RM	2009 RM
Secured		
Corporate guarantee given to licensed banks for term loans granted to certain subsidiaries (Note 19)	8,108,905	11,469,438

24. REVENUE

	Group		Company	
	2010 RM	2009 RM	2010 RM	2009 RM
Sales of goods	43,837,514	43,386,898	-	-
Rendering of services	65,047,819	64,681,581	-	-
Lease rental	588,647	-	-	-
Dividend income from subsidiaries	-	-	4,100,000	3,117,000
	109,473,980	108,068,479	4,100,000	3,117,000

25. COST OF SALES

	Group 2010 RM	Group 2009 RM
Inventories sold	41,147,841	43,261,514
Services rendered	53,535,455	48,800,614
	94,683,296	92,062,128

26. (LOSS)/PROFIT BEFORE TAX

(Loss)/Profit before tax is arrived at after charging:

	Group 2010 RM	Group 2009 RM	Company 2010 RM	Company 2009 RM
Auditors' remuneration:				
Statutory audits				
- current financial year	110,668	86,860	20,000	20,000
- underprovision in the previous financial year	50	13,950	-	8,000
Other services				
- current financial year	5,000	7,000	5,000	7,000
- underprovision in the previous financial year	-	7,000	-	7,000
Bad debts written off	12,249	44,632	-	-
Depreciation of property, plant and equipment (Note 7)	4,084,633	2,943,921	957	958
Directors' remuneration:				
- fees	72,000	52,000	72,000	52,000
- other emoluments	1,038,949	1,014,500	-	-
Impairment of trade receivables	237,329	42,797	-	-
Interest expenses on:				
- bank overdrafts	43,710	5,545	-	-
- bankers' acceptances	71,995	30,858	-	-
- hire purchase	29,300	13,023	-	-
- letters of credit	26,760	67,939	-	-
- term loans	826,484	709,757	-	-
Loss on disposal of property, plant and equipment	6,051,042	-	-	-
Property, plant and equipment written off (Note 7)	13,079	71,900	-	-
Realised loss on foreign exchange	391,761	129,670	-	-
Rental of premises	25,200	31,200	-	-
Rental of machineries	100,428	-	-	-
Unrealised loss on foreign exchange	348,824	-	-	-

And crediting:

	Group 2010 RM	Group 2009 RM	Company 2010 RM	Company 2009 RM
Dividend income from subsidiaries (Note 24)	-	-	4,100,000	3,117,000
Gain on disposal of property, plant and equipment	-	238,080	-	-
Interest income from:				
- fixed deposits	223,912	510,049	134,335	403,099
- others	18,195	28,260	1,614	1,018
Realised gain on foreign exchange	77,283	973,698	-	-
Rental income	28,297	16,649	-	-
Unrealised gain on foreign exchange	-	562,121	-	-

27. TAX EXPENSE

	Group		Company	
	2010 RM	2009 RM	2010 RM	2009 RM
Current tax expense	873,065	978,685	24,663	232,512
Deferred tax (Note 20)	547,238	126,544	-	-
	1,420,303	1,105,229	24,663	232,512
Under/(Over)provision in the previous financial year:				
- tax expense	(192,175)	29,638	4,896	2,004
- deferred tax (Note 20)	256,608	(89,872)	-	-
	64,433	(60,234)	4,896	2,004
	1,484,736	1,044,995	29,559	234,516

Current tax expense is calculated at the statutory tax rate of 25% (2009: 25%) 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	
	2010 RM	2009 RM	2010 RM	2009 RM
Statutory tax rate of 25% (2009: 25%)	(17,159)	3,431,800	965,900	824,513
Tax effects in respect of:				
- non-allowable expenses	3,406,435	726,590	83,763	20,499
- non-taxable income	(1,466,182)	-	-	-
- reduction in statutory tax rate on chargeable income up to RM500,000 for certain subsidiaries	-	(62,351)	-	-
- utilisation of deferred tax assets not recognised in the previous financial year	(299,250)	-	-	-
- deferred tax assets not recognised	690,304	896,153	-	-
- tax exempt income	(893,845)	(3,886,963)	(1,025,000)	(612,500)
	1,420,303	1,105,229	24,663	232,512
(Over)/Underprovision of tax expense in the previous financial year	(192,175)	29,638	4,896	2,004
Under/(Over)provision of deferred tax in the previous financial year	256,608	(89,872)	-	-
	1,484,736	1,044,995	29,559	234,516

Subject to the agreement of the Inland Revenue Board, certain subsidiaries have unabsorbed capital allowances and unutilised tax losses amounting to approximately RM45,335 (2009: RM255,554) and RM9,417,102 (2009: RM7,852,887) respectively, which are available for offset against their future taxable profits.

28. EARNINGS PER ORDINARY SHARE

Group

(a) Basic

The basic (loss)/earnings per ordinary share has been calculated based on the consolidated (loss)/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.

	2010	2009
Consolidated (loss)/profit for the financial year (RM)	(2,227,673)	12,682,205
Weighted average number of ordinary shares in issue	120,000,000	120,000,000
Basic (loss)/earnings per ordinary share (sen)	(1.9)	10.6

(b) Diluted

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

29. DIVIDENDS

	Group and Company			
	2010		2009	
	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
Final tax exempt dividend in respect of financial year 2009/2008	3.00	3,600,000	3.00	3,600,000
	3.00	3,600,000	6.00	7,200,000

A final tax exempt dividend in respect of the financial year ended 31 March 2010 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 the shareholders, will be accounted for as an appropriation of retained earnings in the financial year ending 31 March 2011.

30. EMPLOYEE BENEFITS

	Group		Company	
	2010 RM	2009 RM	2010 RM	2009 RM
Wages, salaries and bonuses	6,138,673	5,112,357	72,000	52,000
Contributions to defined contribution plans	593,949	279,450	-	-
Social security contributions	62,704	18,115	-	-
Other benefits	966,711	654,346	-	-
	7,762,037	6,064,268	72,000	52,000

31. ACQUISITION OF A SUBSIDIARY

2010

On 12 October 2009, the Company acquired 600,000 ordinary shares of RM1.00 each, representing the 60% issued and paid-up ordinary share capital of Guper Integrated Logistics Sdn. Bhd., a company incorporated in Malaysia under the Companies Act 1965 which is engaged in rendering total logistic services with haulage, forwarding and other associated services for a cash consideration of RM13,577,000.

The acquired subsidiary has contributed the following results to the Group during the financial year:

	2010 RM
Revenue	12,627,776
Profit for the financial year	1,243,142

If the acquisition had occurred on 1 April 2009, the Group's results would have been as follows:

	2010 RM
Revenue	122,123,595
Loss for the financial year	(161,324)

The fair values of the assets and liabilities of the subsidiary at the date of acquisition are as follows:

	Fair value recognised on acquisition RM	Acquiree's carrying amount RM
Property, plant and equipment (Note 7)	36,266,573	23,497,472
Receivables (included impairment loss of RM1,261,377)	11,109,262	11,109,262
Tax recoverable	594,872	594,872
Cash and bank balances	346,765	346,765
Borrowings	(18,126,761)	(18,126,761)
Payables	(6,333,262)	(6,333,262)
Deferred tax liabilities (Note 20(a))	(1,677,828)	(211,000)
Total net assets	22,179,621	10,877,348
Less: Minority interest	(8,871,849)	
Group's share of net assets	13,307,772	
Goodwill (Note 10)	269,228	
Total cost of the business combination (Note 8)	13,577,000	

31. ACQUISITION OF A SUBSIDIARY (cont'd)

The effects of the acquisition on cash flow on acquisition are as follows:

	Group 2010 RM	Company 2010 RM
Purchase consideration to be settled in cash	13,577,000	13,577,000
Add: Bank overdrafts included in borrowings	515,063	-
Less: Retention sum (Note 21(b))	(2,715,400)	(2,715,400)
Less: Cash and bank balances of subsidiary acquired	(346,765)	-
Net cash flow on acquisition	11,029,898	10,861,600

2009

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 had contributed net loss amounting to RM16,156 to the Group during the financial year ended 31 March 2009.

The Group did 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 subsidiary was incorporated on 27 November 2008.

The fair values of the assets and liabilities of the subsidiary at the date of acquisition were as follows:

	Fair value recognised on acquisition RM	Acquiree's Carrying Amount RM
Cash and bank balances	4	4
Total net assets	4	4
Goodwill	-	
Total cost of business combination (Note 8)	4	

The effects of the acquisition on cash flow were as follows:

	Group 2010 RM	Company 2010 RM
Purchase consideration settled in cash	4	4
Cash and bank balances of subsidiary acquired	(4)	-
Net cash flow on acquisition	-	4

32. RELATED PARTY DISCLOSURES

(a) Identities of related parties

Parties are considered to be related to the Group and the Company if the Group and the Company have 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/Company 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 Company and of the subsidiaries;

(iii) companies in which certain directors of the Company and of the subsidiaries have direct and indirect financial interests; and

(iv) key management personnel which comprises persons (including the directors of the Company and of the subsidiaries) having authority and responsibility for planning, directing and controlling the activities of the Company and of the subsidiaries directly or indirectly.

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

	Group	
	2010 RM	2009 RM
Companies in which certain Directors have interests:		
- revenue from services rendered	112,214	373,190
- rental expense payable	31,200	31,200
- container haulage service charges payable	2,746,530	1,375,706
- tanker and lorry transport service charges payable	80,728	187,768

(c) Compensation of key management personnel

The remuneration of Directors and other key management personnel is as follows:

	Group		Company	
	2010 RM	2009 RM	2010 RM	2009 RM
Directors:				
- short-term employee benefits	923,029	899,720	72,000	52,000
- contributions to defined contribution plans	115,920	114,780	-	-
	1,038,949	1,014,500	72,000	52,000
Other key management personnel:				
- short-term employee benefits	91,000	98,620	-	-
- contributions to defined contribution plans	10,920	11,760	-	-
	101,920	110,380	-	-
	1,140,869	1,124,880	72,000	52,000

33. 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 including trading of freight, haulage, lorry and trucking, customs clearance and Inland Port operations
Others	:	Leasing of passenger ferry and investment holding

2010	Marine RM	Trading RM	Logistics RM	Others RM	Elimination RM	Total RM
Revenue						
External segment revenue	20,381,415	43,837,514	44,666,404	588,647	-	109,473,980
Inter-segment revenue	6,998,543	-	1,234,643	4,100,000	(12,333,186)	-
	27,379,958	43,837,514	45,901,047	4,688,647	(12,333,186)	109,473,980
Results						
Segment results	3,427,097	1,348,882	5,146,256	3,723,513	(12,881,351)	764,397
Finance costs						(1,075,141)
Interest income						242,107
Share of results of an associate						-
Loss before tax						(68,637)
Tax expense						(1,484,736)
Loss for the financial year						(1,553,373)

33. SEGMENT REPORTING (cont'd)

(a) Business segments (cont'd)

2010	Marine RM	Trading RM	Logistics RM	Others RM	Elimination RM	Total RM
Other information						
Segment assets	60,450,485	20,881,444	55,376,681	79,968,845	(65,274,178)	151,403,277
Tax recoverable						1,306,987
Total assets						152,710,264
Segment liabilities	33,743,171	18,540,555	11,064,338	3,056,704	(45,097,014)	21,307,754
Deferred tax liabilities						2,657,484
Borrowings						27,381,022
Tax liabilities						122,841
Total liabilities						51,469,101
Capital expenditure	776,672	117,128	4,354,377	2,773,125	-	8,021,302
Depreciation of property, plant and equipment	2,450,082	63,945	1,452,196	118,410	-	4,084,633
Other non-cash income	-	-	-	-	-	-
Other non-cash expenses	6,110,971	562,153	(22,110)	-	-	6,651,014

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

33. SEGMENT REPORTING (cont'd)

(a) Business segments (cont'd)

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
Borrowings						12,243,440
Tax liabilities						148,001
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

(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 (investment holding)

South-West Indian Ocean : Trading of goods and others (leasing of passenger ferry)

2010	Revenue RM	Segment assets RM	Capital expenditure RM
South-East Asia	65,636,466	131,500,962	7,904,174
South-West Indian Ocean	43,837,514	21,209,302	117,128
	109,473,980	152,710,264	8,021,302
2009			
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

34. 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 placed to control and manage risks associated with financial instruments. It is, and has been throughout the financial year 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 Group and the Company have significant exposures to the amounts owing by subsidiaries and those 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's policies to enter into foreign exchange contract in managing its foreign exchange risk.

(iv) Interest rate risk

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

34. FINANCIAL INSTRUMENTS (cont'd)

(a) Financial risk management objectives and policies (cont'd)

(iv) Interest rate risk (cont'd)

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
2010									
Fixed rate									
Fixed deposits with licensed banks	13	2.96	6,044,944	-	-	-	-	-	6,044,944
Floating rate									
Bankers' acceptances	17	2.31	959,000	-	-	-	-	-	959,000
Bank overdrafts	17	7.29	1,787,421	-	-	-	-	-	1,787,421
Hire purchase liabilities	17	7.48	364,312	117,113	-	-	-	-	481,425
Term loans	19	4.50	5,670,429	4,725,290	4,520,343	2,404,757	2,503,978	4,328,379	24,153,176
2009									
Fixed rate									
Fixed deposits with licensed banks	13	3.23	19,482,770	-	-	-	-	-	19,482,770
Floating rate									
Bankers' acceptances	17	5.03	302,000	-	-	-	-	-	302,000
Bank overdrafts	17	7.05	157,465	-	-	-	-	-	157,465
Hire purchase liabilities	17	6.75	201,244	113,293	-	-	-	-	314,537
Term loans	19	5.07	3,929,174	3,451,355	2,440,342	1,648,567	-	-	11,469,438

(b) Fair values

(i) The carrying amounts of the financial instruments of the Group and of the Company maturing within twelve (12) months approximated their fair values due to the relatively short-term maturity of the financial instruments.

(ii) The fair values of the long-term borrowing approximated their carrying amounts as they are floating rate and reprice to market interest rates for liabilities with similar risk profiles.

List of Properties

List of properties held by the Group as at 31 March 2010

Registered Owner	Location	Description/ existing use	Tenure of Land	Land Area (m2)	Audited Net Book Value as at 31.3.10 (RM)	Approximate Age of Building (Years)	Date of Acquisition
Complete Logistic Specialists Sdn Bhd	No. 27, Jalan Berangan, 42000 Port Klang, Selangor Darul Ehsan.	3 Storey Shophouse	Freehold	180	568,379	26	12.11.2007
Guper Integrated Logistics Sdn Bhd	PT3907, Nilai Industrial Estate, 71800 Nilai, Negeri Sembilan.	Container Yard, Office Building, Warehouse and Custom Complex	Freehold	119,649	22,351,731	16	16.11.2007
	PT3905, Nilai Industrial Estate, 71800 Nilai, Negeri Sembilan.	Vacant Land	Freehold	2,428	900,000	-	16.11.2007
	PT3906, Nilai Industrial Estate, 71800 Nilai, Negeri Sembilan.	Vacant Land	Freehold	2,613	950,000	-	16.11.2007
	PT3908, Nilai Industrial Estate, 71800 Nilai, Negeri Sembilan.	Vacant Land	Freehold	10,986	2,200,000	-	16.11.2007

Analysis by Size of Shareholdings (cont'd)

as at 5 August 2010

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	0.34	106	0.00
100 - 1,000	228	15.78	209,494	0.17
1,001 - 10,000	755	52.25	3,802,300	3.17
10,001 - 100,000	377	26.09	12,902,300	10.75
100,001 - less than 5% of the shares	77	5.33	38,873,800	32.40
5% and above of Issued shares	3	0.21	64,212,000	53.51
	1,445	**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	40.20	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	0.45	-	-

SUBSTANTIAL SHAREHOLDERS

No	Name	No. of Shares Held Through Own Name	No. of Shares held through Nominees	Total Shareholdings	%
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

COMPLETE LOGISTIC SERVICES BERHAD
LIST OF TOP 30 SHAREHOLDERS

	Names	No of Shares	% of Shares
1	LAW HEE LING	48,234,400	40.20
2	EB NOMINEES (TEMPATAN) SENDIRIAN BERHAD PLEDGED 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	MALAYSIA NOMINEES (TEMPATAN) SENDIRIAN BERHAD GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD (LPF)	2,808,000	2.34
7	LEMBAGA TABUNG HAJI	2,776,300	2.31
8	AMCORP GROUP BERHAD	2,381,000	1.98
9	CHANDRA SEKARAN A/L SUBRAYAN	2,313,800	1.93
10	AFFIN NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHOW SHEP PHENG (CHO2021C)	1,322,000	1.10
11	TAN MEE LEY	1,011,000	0.84
12	SIN SIEW WAH	1,000,000	0.83
13	KUNTUM ENTERPRISES SDN BHD	988,900	0.82
14	MALAYSIA NOMINEES (TEMPATAN) SENDIRIAN BERHAD GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD (LBF)	787,200	0.66
15	LOH CHOOI FUN	700,000	0.58
16	TAN KOK SING	646,700	0.54
17	TIONG HEW PING	636,900	0.53
18	TAN CHOON LEONG	591,900	0.49
19	TANG TECK PO	582,100	0.49
20	CHIA KAH YING	540,800	0.45
21	TENG CHU LEN	517,000	0.43
22	KOH SEN CHUN	484,500	0.40
23	TAN CHOON LEONG	460,100	0.38
24	LAU PIK	420,600	0.35
25	HLG NOMINEE (TEMPATAN) SDN BHD HONG LEONG BANK BHD FOR FOONG CHEE HWA	418,500	0.35
26	AFFIN NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SIM AH LEN (SIM0275M)	418,000	0.35
27	EB NOMINEES (TEMPATAN) SENDIRIAN BERHAD PLEDGED SECURITIES ACCOUNT FOR YOUNG WONG @ YEO SUAN SAM (SFC)	337,900	0.28
28	CHONG VOON WEI	337,000	0.28
29	TEO YU THIAN	330,000	0.28
30	KOE LIE CHENG	308,100	0.26
	Total Shares	**94,256,300**	**78.55**

NOTICE IS HEREBY GIVEN that the Fifth (5th) 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 Thursday, 23 September 2010 at 11.00 a.m. for the following purposes: -

AS ORDINARY BUSINESS

1. To receive the audited financial statements for the financial year ended 31 March 2010 and the Reports of the Directors and Auditors thereon;

2. To approve the payment of a final tax exempt dividend of 3 sen per ordinary share of RM 0.50 each in respect of the financial year ended 31 March 2010; **(Resolution 1)**

3. To approve the payment of Directors' fees of RM72,000 for the financial year ended 31 March 2010; (2009-RM52,000); **(Resolution 2)**

4. To re-elect the following Directors retiring pursuant to Article 95 of the Articles of Association of the Company:-

   (i) Tan Sri Dato' Seri Dr. Ting Chew Peh; and **(Resolution 3)**
   (ii) Law Hee Ling; **(Resolution 4)**

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 5)**

6. To re-appoint Crowe Horwath as Auditors for the ensuing year and to authorise the Directors to fix their remuneration; **(Resolution 6)**

AS SPECIAL BUSINESS

7. To consider and, if though fit, pass the following Ordinary Resolutions:-

   a) Proposed Renewal of 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 ten per centum (10%) 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 7)**

   b) Proposed Renewal of Shareholders' Mandate and New Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature pursuant to Paragraph 10.09 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements. **(Resolution 8)**

      "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 of the Circular to Shareholders dated 24 August 2010 for the purposes of Paragraph 10.09 of the Bursa Securities Main Market Listing Requirements, subject to the following:-

      (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 9)**

"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 Share Buy-Back") 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 shares purchased pursuant to this resolution does not exceed ten per centum (10%) of the 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 Share Buy-Back;

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 unconditionally 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 BOOK CLOSURE FOR PAYMENT OF DIVIDEND

NOTICE IS HEREBY GIVEN that the register of members will be closed on 5 October 2010 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 2010, if approved at the Annual General Meeting to be held on 23 September 2010, will be paid on 28 October 2010 to shareholders whose names appear in the register of members and record of depositors on 5 October 2010.

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 2010 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
24 August 2010

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 yhe 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 82F,Jalan Pulasan, 41000 Klang, Selangor Darul Ehsan, not less that forty-eight (48) hours before the time set for holding this meeting or at any adjourment thereof.

4. Notes on Special Business

   (i) Authority to directors to issue shares pursuant to Section 132D

   This is a renewal of the mandate obtained at the last Annual General Meeting ("the previous mandate"). The previous mandate was not utilised and no proceeds were raised. Ordinary Resolution 7, if passed, will give the Directors the authority to issue shares up to an aggregate amount not exceeding 10% of the issued and paid up share capital of the Company for the time being for such purposes as the Directors would consider in the best interest of the Company. This authority, unless revoked or varied by the Company in general meeting, will expire at the conclusion of the next Annual General Meeting.

   The renewal of this mandate will provide flexibility to the Company for any fund raising activities, including but not limited to any placement of shares to fund future investment projects, working capital and/or acquisitions.

   (ii) Proposed Renewal and New mandate for RRPT

   a) This is a renewal of the mandate obtained at the last Annual General Meeting ("the previous mandate"). The renewed mandate, if passed, will enable the Company to enter into recurrent related party transactions with related parties for the purposes of Paragraph 10.09 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 the earlier.

   b) The additional mandate is due to the acquisition of Guper Integrated Logistics Sdn. Bhd. The additional mandate is also subject to renewal at the next Annual General Meeting.

   (iii). Authority to buy back shares

   This is a renewal of the mandate obtained at the last Annual General Meeting ("the previous mandate"). The previous mandate was not utilised and no shares were bought back by the Company. The renewed mandate, 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 premise 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 Fifth Annual General Meeting are set out in the Profile of Directors appearing on pages 4 and 5 of this Annual Report.

   (i) Tan Sri Dato' Seri Dr. Ting Chew Peh
   (ii) Law Hee Ling
   (iii) Tan Sri Dato' Seri Law Hieng Ding

2. Details of attendance of Directors at Board Meeting.
   Seven (7) Board Meeting were held in the financial year ended 31 March 2010. Details of attendance of Directors were as follows:

Director	No. of Meeting attended
Tan Sri Dato' Seri Dr Ting Chew Peh	7/7
Tan Sri Dato' Seri Law Hieng Ding	4/7
Law Hee Ling	7/7
Lim Kok Onn	7/7
Hoo Mee Lien	7/7
Chia Kah Ying	7/7
Yet Kiong Siang	7/7

3. Place, date and time of Board Meeting.

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

Date	Time
06.04.09	4.30p.m
22.05.09	12.30 noon
07.07.09	11.30 a.m
31.07.09	11.00 a.m
26.08.09	11.00 a.m
25.11.09	11.15 a.m
25.02.10	11.30 a.m

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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 5th 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 Thursday, 23 September 2010 at 11.00 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.	To receive Audited Financial Statements and Reports			
2.	Declaration of Dividend	Resolution 1		
3.	Approval of Directors' Fees	Resolution 2		
4.	a) Re-election of Directors under Article 95			
	(i) Tan Sri Dato' Seri Dr. Ting Chew Peh	Resolution 3		
	(ii) Law Hee Ling	Resolution 4		
5.	Re-appointment of Director under S129(6)			
	Tan Sri Dato' Seri Law Hieng Ding	Resolution 5		
6.	Reappointment of Crowe Horwath as Auditors and authorisation for the Directors to fix their remuneration	Resolution 6		
	SPECIAL BUSINESS			
7.	a) Approval for Directors to allot and issue shares	Resolution 7		
	b) Renewal of and new shareholders' mandate for recurrent related party transactions	Resolution 8		
	c) Renewal of shareholder's mandate for Share Buy-Back	Resolution 9		

Dated this ________ day of ________________________ 2010

____

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.

Please Fold Here

Affix
Stamp

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

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(716241-X)

COMPLETE LOGISTIC SERVICES BERHAD

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