CLS

(716241-X)

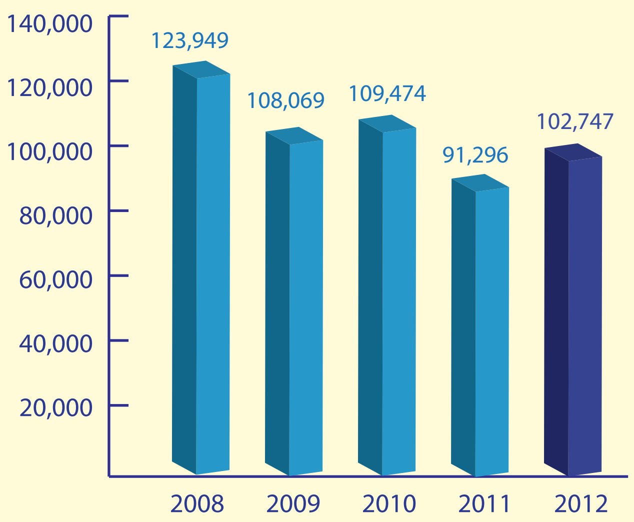
COMPLETE LOGISTIC SERVICES BERHAD

Annual Report 2012

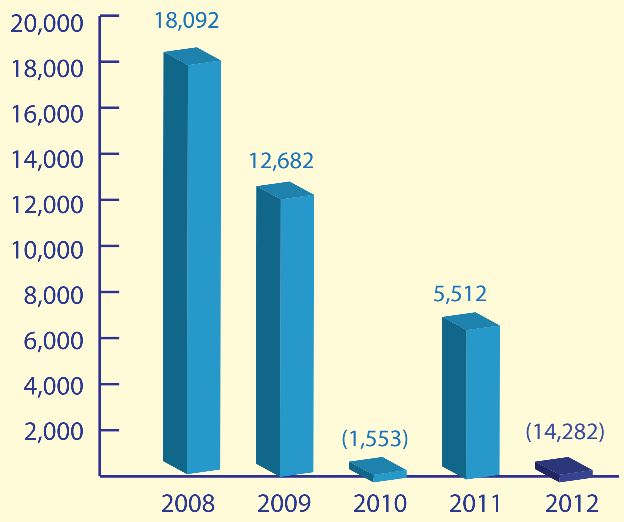
Financial Highlights

	2008	2009	2010	2011	2012
Revenue (RM'000)	123,949	108,069	109,474	91,296	102,747
Profit/(Loss) After Tax (RM'000)	18,092	12,682	(1,553)	5,512	(14,282)
Shareholders' Equity (RM'000)	92,218	97,705	91,695	91,706	75,762
Net Assets Per Share (Sen)	80.18	81.42	76.41	76.42	63.19
Earnings/(Loss) Per Ordinary Share (Sen)	15.70	10.60	(1.90)	3.20	(13.50)

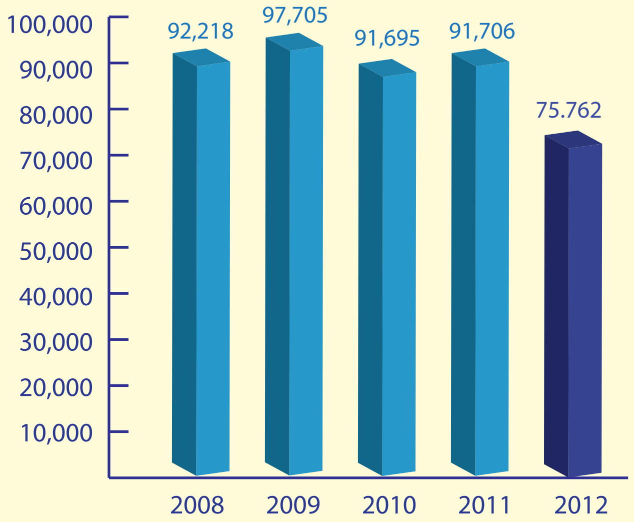
Revenue (RM'000)

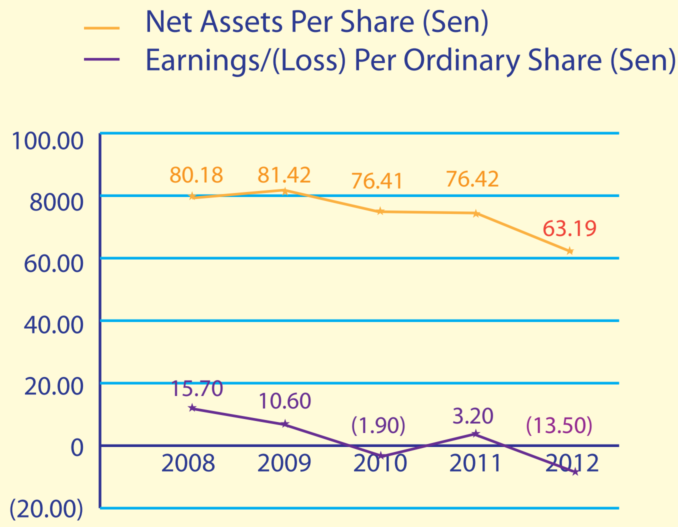


Profit/(Loss) After Tax (RM'000)



Shareholders' Equity (RM'000)





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7th
Annual General Meeting

Place : Nilai Inland Port,
1st Floor,
PT 3907, Nilai Industrial Estate,
71800 Nilai,
Negeri Sembilan Darul Khusus

Time : Tuesday, 25 September 2012 at 11.00 a.m.

Corporate Information

BOARD OF DIRECTORS

Dato' Dr Ibrahim Bin Ahmad
Executive Chairman
(Appointed on 1 June 2012)

Law Hee Ling
Managing Director

Lim Kok Onn
Executive Director

Hoo Mee Lien
Executive Director

Dato' Dr G K Alfred Kumaraseri
Independent Non-Executive Director
(Appointed on 22 September 2011)

Yet Kiong Siang
Independent Non-Executive Director

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

Chia Kah Ying
Executive Director

AUDIT COMMITTEE

Chairman
Tan Sri Dato' Seri Law Hieng Ding
Dr G K Alfred Kumaraseri

Members
Yet Kiong Siang

REMUNERATION COMMITTEE

Chairman
Tan Sri Dato' Seri Law Hieng Ding

Members
Law Hee Ling
Yet Kiong Siang

NOMINATION COMMITTEE

Chairman
Tan Sri Dato' Seri Law Hieng Ding

Members
Lim Kok Onn
Yet Kiong Siang

STOCK EXCHANGE LISTING

Bursa Malaysia Securities Berhad
Main Market

COMPANY SECRETARIES

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

REGISTERED OFFICE

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

HEAD OFFICE

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

AUDITORS

Crowe Horwath (AF 1018)
Level 16 Tower C
Megan Avenue II
12 Jalan Yap Kwan Seng
50450 Kuala Lumpur
Tel: 603-2788 9999
Fax: 603-2788 9998

PRINCIPAL BANKER

Hong Leong Bank Berhad (97141-X)

SHARE REGISTRAR

Equiniti Services Sdn Bhd (11324-H)
Level 8 Menara MIDF
82 Jalan Raja Chulan
50200 Kuala Lumpur
Tel: 603-2166 0933
Fax: 603-2166 0688

Corporate Structure

COMPLETE LOGISTIC SERVICES BERHAD (716241-X)

- **Bagai Pertama Sdn Bhd** (545483-A) — 100% — Shipowner/provision of marine transportation services
- **Complete Container Services Sdn Bhd** (543015- — 100% — Shipowner/provision of marine transportation services
- **Complete International Pte Ltd** (LL06829) W) — 100% — Offshore leasing and general trading
- **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
- **Ecocentre Sdn Bhd** (832539-W) — 65% — Processing and Trading of rubber dust, trading of tyres, lubricants and related products, provision of tyres maintenance services.
- **Guper Integrated Logistics Sdn Bhd** (420531-V) — 100% — Total logistic services with haulage, forwarding & other associated services
- **Guper Properties Sdn Bhd** (632797-D) — 100% — Insurance agent
- **Island Network Sdn Bhd** (466999-W) — 100% — General trading
- **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
- **Complete Biofuel Sdn Bhd** (514505-U) — 100% — Dormant since incorporation
- **Praslin Express Limited** — 50% — Ceased operation

Profile Of Directors

Dato' Dr Ibrahim Bin Ahmad
Executive Chairman

A Malaysian aged 56, was appointed to our Board on1 June 2012.

Prior to getting involved in the logistics industry, he was holding senior management position in various international companies. He started his career in the logistics industry when he was appointed Chief Executive Officer of Port Klang Distribution Park Sdn Bhd ("PKDP"). From the performances and experiences he had in PKDP, he was entrusted to initiate and develop Guper Integrated Logistics Sdn Bhd ("GUPER") as its pioneer Chief Executive Officer.

Due to the need of his vast expertise, experience and exposure, he was appointed the Chief Executive Officer, State Economic Development Corporation, Negeri Sembilan ("SEDC"), where he strategically repositioned the business, raised SEDC to a higher level, thus creating a differentiated value proposition to the stakeholder.

He possess wide experience gained from the various strategic management positions held. He is currently the Chairman of Logistics "Think Tank Group" under the Prime Minister Department.

Besides obtaining a Master degree in Business Administration from the University of Western Sydney, Australia, he also obtained a Professional Doctorate in Business Administration, from Isle International University.

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

A Malaysian aged 77, 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 the Chairman of the Audit Committee, Remuneration Committee and Nomination Committee.

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

Dato' Dr G K Alfred Kumaraseri
Independent Non-Executive Director

A Malaysian aged 69, was appointed to our Board on 22 September 2011. Dato' Dr G K Alfred Kumaraseri graduated from the University of Malaya major in B.A. (Hons.) Degree and obtained his Doctor of Philosophy in International Relations from the University of Colombo.

Dato' Dr G K Alfred Kumaraseri began his distinguished diplomatic career in the Ministry of Foreign Affairs in 1966 and had many interesting and challenging diplomatic assignments in his over 30 years' service. A major landmark in his career was his secondment to the National Institute of Public Administration to set up and head the Centre of International Relations and Strategic Studies (1979 -1981). This was a rewarding and fulfilling experience for, among other things, he developed an interest in training technology and education. Reassignment to the Foreign Ministry saw him posted as Minister in Washington D C (1981-1984). In 1984, he was appointed High Commissioner to Nigeria. After taking a brief academic stint to pursue his doctoral degree (1986-1989), he returned to the Foreign Ministry to assume a number of senior positions namely, Head of Inspectorate and Under Secretary of the Americas Division. He retired in 1995 as Director General of ASEAN.

Dato' Dr G K Alfred Kumaraseri is presently the President of the Human Development and Peace Foundation. He is also a public speaker, addressing audiences across the country and abroad.

Dato' Dr G K Alfred Kumaraseri is a member of the Audit Committee.

Law Hee Ling
Managing Director

A Malaysian aged 47, is the Managing Director and founder of our Group. He is a substantial shareholder of the Company.

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

Mr Law is a member of our Remuneration Committee. There is no conflict of interest with the Company except for those transactions disclosed in page 21 of this report, note 34 to the Financial Statements and the circular on recurrent related party transactions.

Yet Kiong Siang
Independent Non-executive Director

A Malaysian aged 54, 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 o 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, Renumeration Committee and Nomination Committee.

Training programme attended during the financial year are as follows:

- Mastering FRS on Financial Instruments : Risk Quantification Methologies (FRS 7 Perspective)
- National Seminar on Taxation 2011
- Workshop on Recent Tax Cases: Successes and Surprises in Court
- Challenges faced by Accountants as Independent Directors
- Competition Act 2010 and Guidelines

Lim Kok Onn
Executive Director

A Malaysian aged 58, was appointed to our Board on 30 October 2006. Mr Lim graduated with a Bachelor of Social Science (Economics) from the University of Waikato, New Zealand in 1977 and a Master in Business Studies (Marketing) from Massey University, New Zealand in 1980.

He started his career in 1981 as a Planning Executive with Multi-Purpose Holding Berhad and has exposure to 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 21 of this report, note 34 to the Financial Statements and the circular on recurrent related party transactions.

Hoo Mee Lien
Executive Director

A Malaysian aged 50, 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. She has invaluable experience and knowledge in the shipping industry through her involvement in the industry for more than 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 its Marketing Manager and appointed a Director in Oceanteam Shipping Agencies Sdn Bhd in 1995. She joined Complete Logistic Specialists Sdn Bhd in 1997 as Director and is responsible for the overall marketing functions and daily operations of our logistic and freight trading operations.

Chia Kah Ying
Executive Director

A Malaysian, aged 44, was appointed to our Board on 2 July 2007. She is a member 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:

- Advanced Corporate Tax Planning
- Tax Planning for Mergers and Acquisitions and IPO
- 2012 Budget and Tax Planning
- Comprehensive Overview of Standards
- Technical Update on MFRS 2012 (Comprehensive Coverage of Transition from FRS to MFRS)

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 2012 can be found on page 10 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 2012.

Operation Review

For the financial year under review, the Group's Logistics segment has been consolidated with the acquisition of the remaining 40% equity of Guper Integrated Logistics Sdn Bhd ("Guper") not owned by CLSB, thus making Guper a wholly owned subsidiary.

The widening imbalance of an over-supply of shipping capacities against weak demands has continued to pose challenges to the shipping industry, where it not only faced poor freight rates but also burdened by the increasing operation costs due to consistent high fuel price and rising cost of ship maintenance.

Meanwhile the Group's Trading segment has experienced a sharp drop in volume due to weak demand for construction materials in the markets the Group traded in. The poor market condition arises from the continuing global economic slowdown that has severely affected the tourism activities and consequently, a drastic reduction in resort development investments in the said markets.

Despite operating in a difficult business environment, concerted efforts in cost containment and strategic resource deployment to enhance earnings initiated by the Board has returned a satisfactory set of financial results for the financial year under review.

Financial Performance

For the financial year ended 31 March 2012, the Group has registered a revenue growth of RM11.45 million (or 12.5%) to RM102.75 million from RM91.30 million recorded in the previous year.

In term of profit after tax, the Group has registered a loss after tax of RM14.28 million against a profit after tax of RM5.51 million recorded in the previous year. The loss arose from a provision for impairment loss on certain vessels of the Group amounting to RM18.57 million. Without this impairment, the Group would have achieved a net profit of RM4.29 million for the financial year ended 31 March 2012.

Prospect

The Malaysian economy is projected to grow at a rate of between 4% to 5% in 2012, a slight moderation from the 5.1% achieved in 2011.

For the financial year ahead the Group's Logistics segment is expected to perform satisfactorily with volume growth.

Meanwhile the Shipping segment is anticipated to face another difficult year ahead with a swelling over-supply capacity environment. To overcome this tight situation, Management will focus on sustainable shipping routes in the South East Asian region.

On the Trading segment, while focus will be aimed at continuing to supply to existing value added customers, the Management will be on a constant look-out for alternative trading opportunities to complement the Group's growth strategies.

With the Group's Logistics segment reasonably consolidated with efficiency and strategic measures in place to consolidate the Shipping and Trading segments, together with the on-stream Economic Transformation Programmes undertaken by the Government, the Board anticipates that a satisfactory overall financial performance could be attained for the next financial year ending 31 March 2013.

Dividend

The Board has not recommended any dividend payment for the financial year ended 31 March 2012 in order to conserve cash to fund future business expansion.

Corporate Social Responsibility

In carrying out its business commitments, the Group acknowledges its responsibility to its employees, business partners, shareholders, other stakeholders and also to care for the communities and the social environment that it operates in.

As a responsible corporate citizen, the Group will continue to contribute and undertake practices that will provide positive impacts to society and the environment.

Appreciation

On behalf of the Board, I wish to express my sincere gratitude to all employees of the Group, both on shore and on board our vessels, for their full commitment and dedication throughout the year.

I also wish to thank all our customers, suppliers, business associates, stakeholders and the respective authorities for their continuous support and confidence in the Group.

My deep appreciation and thanks to my fellow Directors for their invaluable services, ideas and wisdom in guiding the Board and the respective Committees.

To all the shareholders of CLSB, I wish to thank you once more for your continuing loyal support, trust and confidence in us.

Dato' Dr Ibrahim Bin Ahmad
Chairman, Executive Director
Port Klang
28 August 2012

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 currently led by an effective and experienced eight (8) member Board, comprising five (5) Executive Directors and three (3) Independent Non-Executive Directors. This composition complies with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa") 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 7 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 processes.

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 2012 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 Law Hieng Ding	Independent, Non-Executive	7/7
Dato' Dr G K Alfred Kumaraseri	Independent, Non-Executive	2/3
Yet Kiong Siang	Independent, Non-Executive	7/7
Law Hee Ling	Executive	7/7
Lim Kok Onn	Executive	7/7
Hoo Mee Lien	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 2012 is 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
RM400,001 to RM500,000	-	-	-
RM500,001 to RM600,000	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 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 18 of this Annual Report.

Internal Control

The Group's Statement on Internal Control is set out on page 17 of the Annual Report to provide an overview on the state of internal control throughout the year.

During the financial year, the Group outsourced the internal audit unit to an independent professional firm 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 set out in the Audit Committee Report on pages 14 to 16 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 provides that at least one-third (1/3) of the Directors shall retire by rotation at each AGM and that all Directors shall retire once every three (3) years. A retiring Director shall be eligible for re-election.

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

Directors' Training

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

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 Law Hieng Ding	(Chairman, Independent Non-Executive Director)
Yet Kiong Siang	(Member, Independent Non Executive Director)
Lim Kok Onn	(Member, Executive Director)

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

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

The Nomination Committee met twice (2) 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 Law Hieng Ding	(Chairman, Independent Non Executive Director)
Yet Kiong Siang	(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 2012 are as follows:

Total Remuneration

	Executive Directors (RM'000)	Non-ExecutiveDirectors (RM'000)	Total (RM'000)
Salary	878,000	-	878,000
Bonus	346,000	-	346,000
Fees	-	60,600	60,600
Other Benefits	181,166	-	181,166
Total	**1,405,166**	**60,600**	**1,465,766**

Audit Committee Report

The Board of Directors ("the Board") of Complete Logistic Services Berhad ("the Company") is pleased to present the Audit Committee ("the Committee") Report for the financial year ended 31 March 2012.

TERMS OF REFERENCE

Composition

The Committee comprises three (3) Independent Non-Executive Directors and the attendance records of each member at the seven (7) meetings held during the financial year ended 31 March 2012 are as follows:-

Name of Member	No. of Meetings Attended
Tan Sri Dato' Seri Law Hieng Ding (Chairman)	7/7
Dato' Dr G K Alfred Kumaraseri (Member)	2/3
Yet Kiong Siang (Member)	7/7

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 Malaysia Securities Berhad ("Bursa").

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

Meetings

The Committee shall meet 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 an 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;
(g) considered and recommended to the Board for approval the audit fees payable to the internal and external auditors;
(h) reviewed the annual internal audit programme and plan;
(i) reviewed the related party transactions entered into by the Group; and
(j) reviewed the acquisition/disposal of investment/fixed assets.

SUMMARY OF ACTIVITIES OF THE INTERNAL AUDIT FUNCTION

During the financial year, the Group's internal audit function was outsourced to an independent professional firm 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 on 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 2012 was RM76,085.60.

Statement On Internal Control
For The Financial Year Ended 31 March 2012

The Board of Directors of Complete Logistic Services Berhad ("the Board") is pleased to provide the following statement on internal control pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa") 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 Bursa.

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 the 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

During the financial year, the independent outsourced professional firm assisted 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 24 July 2012.

Statement Of Directors' Responsibility
For The Preparation Of The Audited Financial Statements

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

In preparing the financial statements for financial year ended 31 March 2012, 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 24 July 2012.

Additional Compliance Information

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, the Company purchased a total of 314,300 of its issued and paid-up share capital from the open market at a total cost of RM129,104, that is at an average price of RM0.41 per share, and the purchases were financed by internally generated funds. The shares purchased are held as treasury shares in accordance with Section 67A of the Companies Act 1965, and the total number of shares retained as treasury shares as at 31 March 2012 was 319,300 ordinary shares of RM0.50 each. Further details of the share purchased and held as Treasury Shares during the financial year ended 31 March 2012 are disclosed in the Directors' Report and note 18 of the Financial Statements.

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 2012 by the external auditors amounted to RM5,000.

Deviation in Results

There was no variance by more than 10% between the audited results for the financial year ended 31 March 2012 and the unaudited results for the same financial year previously announced.

Profit Guarantee

No profit guarantee was issued by the Company.

Revaluation Policy

The Group has not adopted a revaluation policy on its landed properties during the financial year ended 31 March 2012.

Material Contracts

Save as disclosed below, there was no material contract (not being contracts entered into in the ordinary course of business) entered into by the Company and/or its subsidiary companies within the two (2) years immediately preceding the date of this Circular.

On 11 October 2011, the Company entered into a share sale agreement for the acquisition of 100% equity interest in Guper Properties Sdn Bhd, comprising 2 ordinary shares of RM1.00 each from Guper Resources Sdn Bhd for a total cash consideration of RM61,000. The acquisition was completed on 16 November 2011.

On 11 October 2011, the Company entered into a share sale agreement for the acquisition of 65% equity interest in Ecocentre Sdn Bhd, comprising 65,000 ordinary shares of RM1.00 each from Banjaran Unggul Sdn Bhd for a total cash consideration of RM242,000. The acquisition was completed on 16 November 2011.

On 8 November 2011, the Company entered into a conditional Share Sale Agreement with Banjaran Unggul Sdn Bhd for the acquisition of 1,200,000 ordinary shares of Guper Integrated Logistics Sdn Bhd ("Guper), representing the balance 40.0% of the issued and paid-up share capital of Guper for a total purchase consideration of RM13,600,000. The acquisition was approved by the shareholders at the extraordinary general meeting convened an 27 December 2011. The acquisition was completed on 2 March 2012 and Guper became a wholly-owned subsidiary of the Company.

On 21 May 2012, the Company entered into a conditional share sale agreement with Liew Yoke May, Ng Chong Ghee, Kamarudin Bin Mohd Zain and Lim Lay Fong for the proposed acquisition of 1,500,000 ordinary shares of RM1.00 each in Pengangkutan Sekata Sdn Bhd ("Sekata"), representing the entire issued and paid-up share capital of Sekata, for a total cash consideration of RM10,000,000. The proposed acquisition is subject to shareholders' approval at an extraordinary general meeting to be convened.

On 29 May 2012, a wholly-owned subsidiary of the Company, Guper Integrated Logistics Sdn Bhd entered into a Sale and Purchase Agreement with VR Star Sdn. Bhd. for the disposal of a piece of freehold vacant land located on PT 3908, Nilai Industrial Estate, Nilai, Negeri Sembilan, held under Title No. HS(D) 81579 for a total cash consideration of RM3,784,071.

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.

(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.

Recurrent Related Party Transactions of A Revenue or Trading Nature

Details of recurrent related party transactions ("RRPT") entered into between the Company or its subsidiary companies ("CLSB Group") and related parties during the financial year ended 31 March 2012 pursuant to the Shareholders' mandate obtained by the Company at the Annual General Meeting held on 21 September 2011 are as follows:

No.	Transacting parties	Interested parties	Nature of Relationship	Nature of transaction with CLSB Group	Aggregate value (RM'000)
1.	Pengangkutan Sekata Sdn Bhd ("PSSB")	Law Hee Ling ("LHL")	LHL is a Director of PSSB and PSSB is 50% owned by his spouse, Lim Lay Fong.	• Provision of lorry transportation/ haulage services by PSSB. • Provision of logistic/tanker transportation services to PSSB. • Provision of tyres/ tyres maintenance, lubricants and consumables to PSSB. • Provision of insurance agency services to PSSB.	4,691 1,023 ^845 ^25
2.	Lau Ka Nung & Sons Sdn Bhd ("LKNS")	LHL	LKNS is 23% owned by LHL.	• Renting of office premises from LKNS.	31
3.	Jetpack Technologies Sdn Bhd ("JTSB")	Lim Kok Onn ("LKO")	JTSB is 50% owned by LKO.	• Provision of freighting services to JTSB.	19
4.	East West Freight Services Sdn Bhd ("EWF")	LHL	LHL is an indirect major shareholder of EWF via his direct shareholdings in Dolphin Assets Sdn Bhd ("DASB"), a major shareholder of EWF.	• Provision of logistics/ freighting/haulage services to EWF. • Provision of logistic/ forwarding services by EWF. • Renting of office premises to EWF • Provision of insurance agency services to EWF.	4,690 199 11 ^1
5.	East West Logistics Sdn Bhd ("EWL")	LHL	LHL is an indirect major shareholder of EWL via his direct shareholdings in DASB, a mojor shareholder of EWL.	• Provision of warehousing and related services by EWL • Provision of insurance agency services to EWL.	62 ^4
6.	ATE Technology Engineering (M) Sdn Bhd ("ATE")	Dato' Dr Ibrahim Bin Ahmad ("DIA") LHL	ATE is a subsidiary of ATE Technology Group Sdn Bhd ("ATE Group"). Both DIA and LHL (through his major shareholding in DASB) are the major shareholders of Keith Avenue Sdn Bhd, which is a major shareholder of ATE Group. LHL is also a director of ATE.	• Purchase of spare parts from ATE.	282
7.	Ecocentre Sdn Bhd ("Eco") #	DIA	DIA is a director and an indirect major shareholder of Eco through his direct shareholding in Banjaran Unggul Sdn Bhd ("BUSB"), a major shareholder of Eco. BUSB is also a major shareholder of Guper. Law Hee Ling is a director of Eco	• Purchase of tyres, tyres maintenance, lubricants, batteries from Eco.	2,167
8.	Guper Properties Sdn Bhd ("GProp") #	DIA LHL Chia Kah Ying	GProp is a wholly owned subsidiary of Guper Resources Sdn Bhd, a company in which both DIA and LHL (through his major shareholding in DASB) are the major shareholders and directors. Both DIA and LHL are the directors of GProp. Chia Kah Ying, a licensed agent, is the corporate nominee for the insurance agency of GProp..	• Provision of insurance agency services by GProp.	31

Both Eco and GProp became subsidiary companies of CLSB on 16 November 2011.

^ Become RRPT as a result of #, shareholders' ratification and additional shareholders' mandate to be sought at the forthcoming AGM to be convened.

FINANCIAL STATEMENTS

Directors' Report

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 2012.

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	(14,282,347)	3,624,764
Attributable to:		
Owners of the Company	(16,222,185)	3,624,764
Non-controlling interests	1,939,838	-
	(14,282,347)	3,624,764

DIVIDENDS

No dividend has been paid, declared or proposed by the Company since the end of the previous financial year. The Directors do not recommend the payment of any dividend in respect of the current financial year.

RESERVES AND PROVISIONS

All material transfers to or from reserves or provisions during the financial year are disclosed in the financial statements.

ISSUES OF SHARES AND DEBENTURES

During the financial year,

(a) there were no changes in the authorised and issued and paid-up share capital of the Company; and

(b) there were no issues of debentures by the Company.

TREASURY SHARES

During the financial year, the Company purchased a total of 314,300 of its own issued ordinary shares from the open market at an average purchase price of RM0.41 per share under the Company's share buy-back scheme. These shares were held as treasury shares, and the total consideration paid for the purchase of these shares including transaction costs amounted to RM129,105.

As at 31 March 2012, the Company held as treasury shares a total of 319,300 out of its 120,000,000 issued and fully paid-up ordinary shares, at a carrying amount of RM131,249. None of the treasury shares held were sold or cancelled during the financial year.

The detailed movements of the treasury shares during the financial year are disclosed in Note 18 to the financial statements.

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 Law Hieng Ding
Law Hee Ling
Lim Kok Onn
Hoo Mee Lien
Chia Kah Ying
Yet Kiong Siang
Dato' Dr G K Alfred Kumaraseri (*Appointed on 22 September 2011*)
Dato' Dr Ibrahim Bin Ahmad (*Appointed on 1 June 2012*)

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

The Directors due for re-election by rotation pursuant to Article 101 of the Company's Articles of Association are Dato' Dr. G. K. Alfred Kumaraseri and Dato' Dr. Ibrahim Bin Ahmad.

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 2012 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 1.4.2011	Bought	Sold	Balance as at 31.3.2012
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	540,800	1,000,000	-	1,540,800
Indirect interest:				
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 directors 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 34 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 statements of comprehensive income and statements of financial position 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 impairment losses on receivables and have satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for impairment losses on receivables; 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.

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

(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 impairment losses 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.

(III) AS AT THE DATE OF THIS REPORT

(e) There are no charges on the assets of the Group and of the Company which have arisen since the end of the financial year to secure the liabilities of any other person.

(f) There are no contingent liabilities of the Group and of the Company which have arisen since the end of the financial year.

(g) The Directors are not aware of any circumstances not otherwise dealt with in the report or financial statements which would render any amount stated in the financial statements of the Group and of the Company misleading.

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

The significant events during the financial year are disclosed in Note 37 to the financial statements.

SIGNIFICANT EVENTS OCCURRING AFTER THE REPORTING PERIOD

The significant events occurring after the reporting period are disclosed in Note 38 to the financial statements.

AUDITORS

The auditors, Messrs. Crowe 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

24 July 2012
Kuala Lumpur

Statement By Directors

In the opinion of the Directors, the financial statements set out on pages 31 to 98 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 2012 and their financial performance and cash flows of the Group and of the Company for the financial year then ended.

The supplementary information set out in Note 39, which is not part of the financial statements, is prepared in all material respects, in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants and the directive of Bursa Malaysia Securities Berhad.

On behalf of the Board,

Law Hee Ling Director	Lim Kok Onn Director

24 July 2012
Kuala Lumpur

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 31 to 98 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)
24 July 2012)

Before me:
Datin Hajah Raihela Wanchik (No. W-275)
Pesuruhjaya sumpah

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of Complete Logistic Services Berhad, which comprise the statements of financial position as at 31 March 2012 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 31 to 98.

Directors' Responsibility for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements that give a true and fair view in accordance with Financial Reporting Standards and the Companies Act 1965 in Malaysia, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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 about 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 of financial statements that give a true and fair view 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 2012 and of their financial performance and cash flows for the financial year then ended.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 1965 in Malaysia, we also report on 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 have been properly kept in accordance with the provisions of the Act.

(b) 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.

(c) Our 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.

The supplementary information set out in Note 39 on page 99 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

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: 2271/10/13 (J)
Chartered Accountant

24 July 2012
Kuala Lumpur

Statements Of Financial Position
As At 31 March 2012

	Note	Group 2012 RM	Group 2011 RM	Company 2012 RM	Company 2011 RM
ASSETS					
Non-current assets					
Property, plant and equipment	7	81,719,080	97,740,688	399	1,356
Investments in subsidiaries	8	-	-	136,564,708	127,868,963
Investment in an associate	9	-	-	-	-
Goodwill	10	269,228	269,228	-	-
		81,988,308	98,009,916	136,565,107	127,870,319
Current assets					
Inventories	11	395,864	637,398	-	-
Trade and other receivables	12	28,596,831	26,784,299	26,347,089	26,547,189
Tax recoverable		414,949	677,305	63,008	82,809
Cash and cash equivalents	13	10,035,564	11,785,137	160,553	2,584,637
		39,443,208	39,884,139	26,570,650	29,214,635
Non-current asset held for sale	14	655,274	-	-	-
TOTAL ASSETS		122,086,790	137,894,055	163,135,757	157,084,954
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	15	60,000,000	60,000,000	60,000,000	60,000,000
Retained earnings	16	11,932,585	27,813,091	7,604,574	3,979,810
Other reserves	17	3,960,902	3,895,345	90,402,182	90,275,541
Treasury shares	18	(131,249)	(2,144)	(131,249)	(2,144)
SHAREHOLDERS' EQUITY		75,762,238	91,706,292	157,875,507	154,253,207
Non-controlling interests		167,497	11,195,584	-	-
TOTAL EQUITY		75,929,735	102,901,876	157,875,507	154,253,207

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

	Note	Group 2012 RM	Group 2011 RM	Company 2012 RM	Company 2011 RM
Non-current liabilities					
Borrowings (secured)	19	14,286,805	13,884,615	-	-
Deferred tax liabilities	22	4,283,053	2,844,690	-	-
		18,569,858	16,729,305	-	-
Current liabilities					
Trade and other payables	23	20,417,274	12,745,709	5,260,250	2,831,747
Borrowings (secured)	19	6,708,380	5,344,826	-	-
Tax liabilities		461,543	172,339	-	-
		27,587,197	18,262,874	5,260,250	2,831,747
TOTAL LIABILITIES		46,157,055	34,992,179	5,260,250	2,831,747
TOTAL EQUITY AND LIABILITIES		122,086,790	137,894,055	163,135,757	157,084,954

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

Statements Of Comprehensive Income
For The Financial Year Ended 31 March 2012

		Group		Company	
	Note	2012 RM	2011 RM	2012 RM	2011 RM
Revenue	26	102,746,707	91,296,304	10,416,860	6,051,540
Cost of sales	27	(80,249,294)	(73,362,722)	-	-
Gross profit		22,497,413	17,933,582	10,416,860	6,051,540
Other income		1,195,292	3,015,588	89,571	42,988
Marketing and distribution costs		(318,126)	(363,918)	-	-
Administration expenses		(8,340,914)	(6,967,369)	-	-
Other expenses		(24,934,688)	(5,315,907)	(6,872,062)	(265,065)
Finance costs		(1,108,191)	(1,214,752)	-	-
(Loss)/Profit before tax	28	(11,009,214)	7,087,224	3,634,369	5,829,463
Tax expense	29	(3,273,133)	(1,575,267)	(9,605)	(825,083)
(Loss)/Profit after tax		(14,282,347)	5,511,957	3,624,764	5,004,380
Other comprehensive income, net of tax:					
Net profit on available-for-sale financial asset:					
- Fair value changes of available-for-sale financial assets	8	-	-	(6,407,355)	78,545,751
- Cumulative losses reclassified to profit or loss		-	-	6,533,996	-
Foreign currency translation		65,557	(249,100)	-	-
		65,557	(249,100)	126,641	78,545,751
Total comprehensive (expenses)/ income for the financial year		(14,216,790)	5,262,857	3,751,405	83,550,131

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

	Note	Group 2012 RM	Group 2011 RM	Company 2012 RM	Company 2011 RM
(Loss)/Profit after tax attributable to:					
Owners of the Company		(16,222,185)	3,862,522	3,624,764	5,004,380
Non-controlling interests		1,939,838	1,649,435	-	-
		(14,282,347)	5,511,957	3,624,764	5,004,380
Total comprehensive (expenses)/ income attributable to:					
Owners of the Company		(16,156,628)	3,613,422	3,751,405	83,550,131
Non-controlling interests		1,939,838	1,649,435	-	-
		(14,216,790)	5,262,857	3,751,405	83,550,131
Basic (loss)/earnings per ordinary share (sen)	30	(13.5)	3.2		

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

Statements Of Changes In Equity
For The Financial Year Ended 31 March 2012

Group	Note	Attributable to owners of the Company						Non-controlling interests RM	Total equity RM
		Share capital RM	Share premium RM	Treasury shares RM	Exchange fluctuation reserve RM	Retained earnings RM	Total RM		
Balance at 31 March 2010		60,000,000	4,325,375	-	(180,930)	27,550,569	91,695,014	9,546,149	101,241,163
Profit after tax		-	-	-	-	3,862,522	3,862,522	1,649,435	5,511,957
Other comprehensive income, net of tax									
- Foreign currency translation		-	-	-	(249,100)	-	(249,100)	-	(249,100)
Total comprehensive income for the financial year		-	-	-	(249,100)	3,862,522	3,613,422	1,649,435	5,262,857
Contributions by and distributions to owners of the Company:									
- Purchase of treasury shares	18	-	-	(2,144)	-	-	(2,144)	-	(2,144)
- Dividend	31	-	-	-	-	(3,600,000)	(3,600,000)	-	(3,600,000)
Balance at 31 March 2011		60,000,000	4,325,375	(2,144)	(430,030)	27,813,091	91,706,292	11,195,584	102,901,876

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

Statements Of Changes In Equity
For The Financial Year Ended 31 March 2012 (cont'd)

Group	Note	Share capital RM	Share premium RM	Treasury shares RM	Exchange fluctuation reserve RM	Retained earnings RM	Total RM	Non-controlling interests RM	Total equity RM
		← Attributable to owners of the Company					→		
Balance at 31 March 2011/ 1 April 2011		60,000,000	4,325,375	(2,144)	(430,030)	27,813,091	91,706,292	11,195,584	102,901,876
Loss after tax		-	-	-	-	(16,222,185)	(16,222,185)	1,939,838	(14,282,347)
Other comprehensive income, net of tax									
- Foreign currency translation		-	-	-	65,557	-	65,557	-	65,557
Total comprehensive expenses for the financial year		-	-	-	65,557	(16,222,185)	(16,156,628)	1,939,838	(14,216,790)
Contributions by and distributions to owners of the Company:									
- Arising from additional investment in a subsidiary		-	-	-	-	341,679	341,679	(13,941,679)	(13,600,000)
- Arising from acquisition of subsidiaries		-	-	-	-	-	-	173,754	173,754
- Issuance of shares by a subsidiary to non-controlling interests		-	-	-	-	-	-	800,000	800,000
- Purchase of treasury shares	18	-	-	(129,105)	-	-	(129,105)	-	(129,105)
Balance at 31 March 2012		60,000,000	4,325,375	(131,249)	(364,473)	11,932,585	75,762,238	167,497	75,929,735

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

Statements Of Changes In Equity
For The Financial Year Ended 31 March 2012

Company	Note	Share capital RM	Treasury shares RM	Retained earnings RM	Share premium RM	Fair value reserve RM	Total RM
Balance at 31 March 2010		60,000,000	-	2,575,430	4,325,375	7,404,415	74,305,220
Profit after tax		-	-	5,004,380	-	-	5,004,380
Other comprehensive income, net of tax:							
Net profit on available-for-sale financial assets							
- Fair value changes of available-for-sale financial assets		-	-	-	-	78,545,751	78,545,751
Total comprehensive income for the financial year		-	-	5,004,380	-	78,545,751	83,550,131
Contributions by and distributions to owners of the Company							
- Purchase of treasury shares	18	-	(2,144)	-	-	-	(2,144)
- Dividend	31	-	-	(3,600,000)	-	-	(3,600,000)
Balance at 31 March 2011/1 April 2011		60,000,000	(2,144)	3,979,810	4,325,375	85,950,166	154,253,207
Profit after tax		-	-	3,624,764	-	-	3,624,764
Other comprehensive income, net of tax:							
Net profit on available-for-sale financial assets							
- Fair value changes of available-for-sale financial assets	8	-	-	-	-	(6,407,355)	(6,407,355)
- Cumulative losses reclassified to profit or loss		-	-	-	-	6,533,996	6,533,996
Total comprehensive income for the financial year		-	-	3,624,764	-	126,641	3,751,405
Contributions by and distributions to owners of the Company							
- Purchase of treasury shares	18	-	(129,105)	-	-	-	(129,105)
Balance at 31 March 2012		60,000,000	(131,249)	7,604,574	4,325,375	86,076,807	157,875,507

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

Statements Of Cash Flows
For The Financial Year Ended 31 March 2012

		Group		Company	
		2012	2011	2012	2011
	Note	RM	RM	RM	RM
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES					
(Loss)/Profit before tax		(11,009,214)	7,087,224	3,634,369	5,829,463
Adjustments for:					
Bad debts written off		21,153	101,726	-	-
Depreciation of property, plant and equipment	7	5,749,267	5,265,636	957	957
Dividend income from subsidiaries	26	-	-	(10,416,860)	(6,051,540)
Gain on bargain purchase	33	(109,486)	-	-	-
Impairment loss on:					
- investment in subsidiaries	8	-	-	6,533,996	-
- other receivables	12.2	28,284	-	-	-
- property, plant and equipment	7	18,566,449	-	-	-
- trade receivables	12.1	968,200	147,552	-	-
Interest expense		1,104,877	1,214,752	-	-
Interest income		(298,548)	(206,798)	(89,571)	(42,988)
Net (gain)/loss on disposal of property, plant and equipment		(328,355)	619,294	-	-
Property, plant and equipment written off	7	-	93,318	-	-
Unrealised loss on foreign exchange		68,539	67,701	-	-
Write-back of impairment losses on trade and other receivables		-	(105,680)	-	-
Operating profit/(loss) before working capital changes		14,761,166	14,284,725	(337,109)	(264,108)
Decrease in inventories		563,047	284,060	-	-
(Increase)/Decrease in trade and other receivables		(1,918,844)	9,362,135	-	-
Increase/(Decrease) in trade and other payables		2,862,722	(8,375,554)	(50)	(1,085)
Cash generated from/(used in) operations		16,268,091	15,555,366	(337,159)	(265,193)
Tax paid		(1,433,233)	(705,342)	(12,390)	(28,020)
Tax refunded		22,586	-	22,586	-
Net cash from/(used in) operating activities		14,857,444	14,850,024	(326,963)	(293,213)

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

	Note	Group 2012 RM	Group 2011 RM	Company 2012 RM	Company 2011 RM
CASH FLOWS (USED IN)/FROM INVESTING ACTIVITIES					
Additional investments in subsidiaries		(13,600,000)	-	(14,800,100)	-
Dividend income received		-	-	10,416,860	5,202,005
Interest received		298,548	206,798	89,571	42,988
Net cash inflow/(outflow) from acquisition of subsidiaries	33	2,082	-	(303,000)	-
Proceeds from issuance of shares to non-controlling interest in a subsidiary		800,000	-	-	-
Purchase of property, plant and equipment	7	(8,453,099)	(2,476,246)	-	-
Purchase of treasury shares	18	(129,105)	(2,144)	(129,105)	(2,144)
Repayment from subsidiaries		-	-	200,100	1,202,160
Proceeds from disposal of property, plant and equipment		473,900	2,523,500	-	-
Net cash (used in)/from investing activities		(20,607,674)	251,908	(4,525,674)	6,445,009

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

	Note	Group 2012 RM	Group 2011 RM	Company 2012 RM	Company 2011 RM
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES					
Additional fixed deposits pledged to licensed banks		(152,990)	(49,702)	-	-
Advances from a Director		3,392,194	(300,046)	2,250,000	-
Advances from/(Repayment to) subsidiaries		-	-	178,553	(198,910)
Dividend paid		-	(3,600,000)	-	(3,600,000)
Drawdown of term loan		5,000,000	-	-	-
Interest paid		(1,104,877)	(1,214,752)	-	-
Repayment to an associate		(53,960)	(1,722)	-	-
Repayment of bankers' acceptances		-	(959,000)	-	-
Repayment of hire purchase liabilities		(546,201)	(513,436)	-	-
Repayment of term loans		(3,541,293)	(6,154,795)	-	-
Net cash from/(used in) financing activities		2,992,873	(12,793,453)	2,428,553	(3,798,910)
Net (decrease)/increase in cash and cash equivalents		(2,757,357)	2,308,479	(2,424,084)	2,352,886
Effects of exchange rate changes		1,556	30,255	-	-
Cash and cash equivalents at beginning of financial year		9,349,778	7,011,044	2,584,637	231,751
Cash and cash equivalents at end of financial year	13	6,593,977	9,349,778	160,553	2,584,637

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 24 July 2012.

2. PRINCIPAL ACTIVITIES

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

3. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of the Group and of the Company have been prepared in accordance with 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 include the financial statements of the Company and its subsidiaries made up to 31 March 2012.

A subsidiary is defined as a company in which the parent company has the power, directly or indirectly, to exercise control over its financial and operating policies so as to obtain benefits from its activities.

Subsidiaries are consolidated from the date on which control is transferred to the Group up to the effective date on which control ceases, as appropriate.

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.2 Basis of consolidation (cont'd)

Intragroup transactions, balances, income and expenses are eliminated on consolidation. Where necessary, adjustments are made to the financial statements of subsidiaries to ensure consistency of accounting policies with those of the Group.

Non-controlling interests are presented within equity in the consolidated statement of financial position, separately from the Company's shareholders' equity, and are separately disclosed in the consolidated statement of comprehensive income. Transactions with non-controlling interests are accounted for as transactions with owners and are recognised directly in equity. Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

At the end of each reporting period, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

All changes in the parent's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of consideration paid or received is recognised directly in equity and attributed to owners of the parent.

Upon loss of control of a subsidiary, the profit or loss on disposal is calculated as the difference between:-

(i) the aggregate of the fair value of the consideration received and the fair value of any retained interest in the former subsidiary; and

(ii) the previous carrying amount of the assets (including goodwill), and liabilities of the former subsidiary and any non-controlling interests.

Amounts previously recognised in other comprehensive income in relation to the former subsidiary are accounted for (i.e. reclassified to profit or loss or transferred directly to retained profits) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investments retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under FRS 139.

<u>Business combinations from 1 April 2011 onwards</u>

Acquisitions of businesses are accounted for using the acquisition method. Under the acquisition method, the consideration transferred for acquisition of a subsidiary is the fair value of the assets transferred, liabilities incurred and the equity interests issued by the Group at the acquisition date. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs, other than the costs to issue debt or equity securities, are recognised in profit or loss when incurred.

In a business combination achieved in stages, previously held equity interests in the acquiree are remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

Non-controlling interests in the acquiree may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets at the date of acquisition. The choice of measurement basis is made on a transaction-by-transaction basis.

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.2 Basis of consolidation (cont'd)

Business combinations from 1 April 2011 onwards (cont'd)

The Group has applied the FRS 3 (Revised) in accounting for business combinations from 1 April 2011 onwards. The change in accounting policy has been applied prospectively in accordance with the transitional provisions provided by the standard.

Business combinations before 1 April 2011

All subsidiaries are consolidated using the purchase method. At the date of acquisition, the fair values of the subsidiaries' net assets are determined and these values are reflected in the consolidated financial statements. The cost of acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination.

Non-controlling interests are initially measured at their share of the fair values of the identifiable assets and liabilities of the acquiree as at the date of acquisition.

4.3 Property, plant and equipment and depreciation

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

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

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

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

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

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

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

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

Freehold land is not depreciated.

At the end of each reporting period, 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 the end of each reporting period 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.

(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.

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.5 Investments (cont'd)

(a) Subsidiaries (cont'd)

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 statement of financial position 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.

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.

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.5 Investments (cont'd)

(b) Associates (cont'd)

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 is measured at cost less accumulated impairment losses, if any. The carrying value of goodwill is reviewed for impairment annually. The impairment value of goodwill is recognised immediately in profit or loss. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Business combinations from 1 April 2011 onwards

Under the acquisition method, any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interests recognised and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities at the date of acquisition is recorded as goodwill.

Where the latter amount exceeds the former, after reassessment, the excess represents a bargain purchase gain and is recognised as a gain in profit or loss.

Business combinations before 1 April 2011

Under the purchase method, goodwill represents the excess of the fair value of the purchase consideration over the Group's share of the fair values of the identifiable assets, liabilities and contingent liabilities of the subsidiaries at the date of acquisition.

If, after reassessment, the Group's interest in the fair values of the identifiable net assets of the subsidiaries exceeds the cost of the business combinations, the excess is recognised as income immediately in profit or loss.

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 the end of each reporting period 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.

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

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

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

In estimating the value in use, the estimated future cash inflows and outflows to be derived from continuing use of the asset and from its ultimate disposal are discounted to their present 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 in the statements of financial position

Financial instruments are recognised in the statements of financial position when the Group has become a party to the contractual provisions of the instrument.

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.9 Financial instruments (cont'd)

4.9.1 Financial instruments recognised in the statements of financial position (cont'd)

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

4.9.2 Classification

The Group classifies its financial assets in the following categories: held-to-maturity investments, financial assets at fair value through profit or loss, loans and receivables, and available-for-sale financial assets. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this classification at every reporting date.

(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 statement of comprehensive income 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 reporting period. 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. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.9 Financial instruments (cont'd)

4.9.3 Recognition and derecognition

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

4.9.4 Initial measurement

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

4.9.5 Subsequent measurement

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

Realised and unrealised gains and losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are included in the statement of comprehensive income 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 the end of each reporting period 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. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.9 Financial instruments (cont'd)

4.9.8 Financial instruments not recognised in the statements of financial position

There were no financial instruments not recognised in the statements of financial position.

4.10 Financial assets

(a) Receivables

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

Receivables are not held for trading purposes.

(b) Cash and cash equivalents

Cash and cash equivalents include cash and bank balances, deposits with financial institutions and other short-term, highly liquid investments which are readily convertible to cash and are subject to insignificant risk of changes in value. For the purpose of the statements of cash flows, 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 Non-current assets held for sale

Non current assets that are expected to be recovered primarily through sale rather than through continuing use are classified as held for sale. Upon classification as held for sale, non-current assets or components of a disposal group are not depreciated and are measured at the lower of their carrying amount and fair value less cost to sell. Any differences are recognised in profit or loss.

4.13 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. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.14 Treasury shares

When the Company's own shares recognised as equity are bought back, the amount of the consideration paid, including all costs directly attributable, are recognised as a deduction from equity. Own shares purchased that are not subsequently cancelled are classified as treasury shares and are presented as a deduction from total equity.

Where such shares are subsequently sold or reissued, any consideration received, net of any direct costs, is included in equity.

4.15 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.

4.16 Income taxes

Income taxes include all domestic and foreign taxes on taxable profit. Taxes in the statement of comprehensive incomes 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 end of the reporting period.

(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 statement of financial position 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.

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.16 Income taxes (continued)

(b) Deferred tax (continued)

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 the end of each reporting period. 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 end of the reporting period.

4.17 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 the end of each reporting period 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.

4.18 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.

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.18 Contingent liabilities and contingent assets (cont'd)

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.

4.19 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.

4.20 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 transactions and balances

Transactions in foreign currencies are converted into Ringgit Malaysia at rates of exchange ruling at the transaction dates. Monetary assets and liabilities in foreign currencies at the end of the reporting period 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 end of the reporting period with respect to the assets and liabilities, and at exchange rates at the dates of the transactions with respect to the statement of comprehensive income. All resulting translation differences are recognised as a separate component of equity.

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.20 Foreign currencies (cont'd)

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 end of the reporting period.

4.21 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.

4.22 Operating Segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's operating results are reviewed regularly by the chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

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 has adopted the following new accounting standards and interpretations (including the consequential amendments):-

FRSs and IC Interpretations (including the Consequential Amendments)

FRS 1 (Revised) First-time Adoption of Financial Reporting Standards

FRS 3 (Revised) Business Combinations

FRS 127 (Revised) Consolidated and Separate Financial Statements

Amendments to FRS 1 (Revised): Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters

Amendments to FRS 1 (Revised): Additional Exemptions for First-time Adopters

Amendments to FRS 2: Scope of FRS 2 and FRS 3 (Revised)

Amendments to FRS 2: Group Cash-settled Share-based Payments Transactions

Amendments to FRS 5: Plan to Sell the Controlling Interest in a Subsidiary

Amendments to FRS 7: Improving Disclosures about Financial Instruments

Amendments to FRS 138: Consequential Amendments Arising from FRS 3 (Revised)

IC Interpretation 4 Determining Whether An Arrangement Contains a Lease

IC Interpretation 12 Service Concession Arrangements

IC Interpretation 16 Hedges of a Net Investment in a Foreign Operation

IC Interpretation 17 Distributions of Non-cash Assets to Owners

IC Interpretation 18 Transfers of Assets from Customers

Amendments to IC Interpretation 9: Scope of IC Interpretation 9 and FRS 3 (Revised)

Annual Improvements to FRSs (2010)

The adoption of the above accounting standards and interpretations (including the consequential amendments) did not have any material impact on the Group's financial statements, other than the following:-

(i) FRS 3 (Revised) 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 has been applied prospectively during the current financial year with no financial impact on the financial statements of the Group but may impact the accounting of its future transactions or arrangements.

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

5.1 New FRS, IC Interpretations and amendments adopted (cont'd)

(ii) FRS 127 (Revised) requires accounting for changes in ownership interests by the group in a subsidiary, whilst 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 non-controlling interests to be absorbed by the non-controlling interests instead of by the parent. The Group has applied FRS 127 (Revised) prospectively during the current financial year with no financial impact on the financial statements of the Group but may impact the accounting of its future transactions or arrangements.

(iii) Amendments to FRS 7 expand the disclosure requirements in respect of fair value measurements and liquidity risk. In particular, the amendments require additional disclosure of fair value measurements by level of a fair value measurement hierarchy, as shown in the Note 36(e) to the financial statements. Comparatives are not presented by virtue of the exemption given in the amendments.

(iv) Annual Improvements to FRSs (2010) contain amendments to 11 accounting standards that result in accounting changes for presentation, recognition or measurement purposes. These amendments have no material impact on the financial statements of the Group upon their initial application.

Furthermore, the amendments to FRS 101 (Revised) also clarify that an entity may choose to present the analysis of the items of other comprehensive income either in the statement of changes in equity or in the notes to the financial statements. The Group has chosen to present the items of other comprehensive income in the statement of changes in equity.

5.2 New FRS, IC Interpretations and amendments not adopted

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

FRSs and IC Interpretations (including the Consequential Amendments)	**Effective date**
FRS 9 Financial Instruments	1 January 2015
FRS 10 Consolidated Financial Statements	1 January 2013
FRS 11 Joint Arrangements	1 January 2013
FRS 12 Disclosure of Interests in Other Entities	1 January 2013
FRS 13 Fair Value Measurement	1 January 2013
FRS 119 (Revised) Employee Benefits	1 January 2013
FRS 124 (Revised) Related Party Disclosures	1 January 2012
FRS 127 (2011) Separate Financial Statements	1 January 2013
FRS 128 (2011) Investments in Associates and Joint Ventures	1 January 2013
Amendments to FRS 1 (Revised): Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters	1 January 2012

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

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

FRSs and IC Interpretations (including the Consequential Amendments) (cont'd)	Effective date
Amendments to FRS 1: Government Loans	1 January 2013
Amendments to FRS 7: Disclosures - Transfers of Financial Assets	1 January 2012
Amendments to FRS 7: Disclosures - Offsetting Financial Assets and Financial Liabilities	1 January 2013
Amendments to FRS 9: Mandatory Effective Date of FRS 9 and Transition Disclosures	1 January 2015
Amendments to FRS 101 (Revised): Presentation of Items of other comprehensive income	1 July 2012
Amendments to FRS 112: Recovery of Underlying Assets	1 January 2012
Amendments to FRS 132: Offsetting Financial Assets and Financial Liabilities	1 January 2014
IC Interpretation 15 Agreements for the Construction of Real Estate	Withdrawn on 19 November 2011
IC Interpretation 19 Extinguishing Financial Liabilities with Equity Instruments	1 July 2011
IC Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine	1 January 2013
Amendments to IC Interpretation 14: Prepayments of a Minimum Funding Requirement	1 July 2011

The Group's next set of financial statements for the annual period beginning on 1 April 2012 will be prepared in accordance with the Malaysian Financial Reporting Standards ("MFRSs") issued by the MASB that will also comply with International Financial Reporting Standards. As a result, the Group will not be adopting the above accounting standards and interpretations (including the consequential amendments) that are effective for annual periods beginning on or after 1 January 2012.

The adoption of MFRSs in the next financial year is expected to have no material impact on the financial statements of the Group 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.

6. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (cont'd)

(b) Key sources of estimation of uncertainties

The key assumptions concerning the future and other key sources of estimation of uncertainties at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next year are discussed below:

(i) Income tax and deferred tax

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

(ii) Depreciation of property, plant and equipment

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

(iii) The Group has no major concentration of credit risk as at 31 March 2012 except for trade receivables amounting to RM4.8 million (2011: RM7.4 million) which have 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 statement of comprehensive income. The maximum exposures of credit risk to other receivables are represented by their carrying amounts in the statements of financial position.

(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 approximated their fair values due to the relatively short-term maturity of these financial instruments.

(bb) In respect of long-term borrowings, the carrying amounts approximated their fair values as they are on floating rates and repriced 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 end of the reporting period.

The Group establishes the fair value of investment annually by using discounted future cash flow analysis refined to reflect the issuer's specific circumstances and others, where appropriate.

7. PROPERTY, PLANT AND EQUIPMENT

Group 2012	At 1.4.2011 RM	Acquisition of subsidiaries (Note 33) RM	Reclassified to non-current asset held for sale (Note 14) RM	Additions RM	Disposals RM	Impairment loss RM	Depreciation charge for the financial year RM	Exchange rate fluctuation adjustment RM	At 31.3.2012 RM
Carrying amount									
Freehold land	17,146,440	-	-	-	-	-	-	-	17,146,440
Buildings	9,610,549	-	-	-	-	-	(213,869)	-	9,396,680
Containers	526,413	-	-	-	(83,169)	-	(98,983)	-	344,261
Ferry	2,366,254	-	-	-	-	(865,851)	(90,616)	24,123	1,433,910
Motor vehicles	1,011,963	387,600	-	-	(1)	-	(396,218)	-	1,003,344
Office equipment	565,602	14,934	-	265,415	-	-	(154,781)	-	691,170
Operating equipment	12,049,642	-	-	8,040,854	(62,375)	-	(3,145,912)	-	16,882,209
Plant and machinery	216,202	215,171	-	29,200	-	-	(84,459)	-	376,114
Tug boat and barge	2,289,449	-	-	-	-	-	(50,393)	-	2,239,056
Vessel equipment	646,949	-	-	117,630	-	-	(95,654)	-	668,925
Vessels	51,311,225	-	(655,274)	-	-	(17,700,598)	(1,418,382)	-	31,536,971
	97,740,688	617,705	(655,274)	8,453,099	(145,545)	(18,566,449)	(5,749,267)	24,123	81,719,080

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

Group	At 31.3.2012			
	Cost RM	Accumulated depreciation RM	Accumulated impairment loss RM	Carrying amount RM
Freehold land	17,146,440	-	-	17,146,440
Buildings	10,200,756	(804,076)	-	9,396,680
Containers	1,224,525	(880,264)	-	344,261
Ferry	2,773,125	(473,364)	(865,851)	1,433,910
Motor vehicles	2,602,243	(1,598,899)	-	1,003,344
Office equipment	2,205,360	(1,514,190)	-	691,170
Operating equipment	37,565,137	(20,682,928)	-	16,882,209
Plant and machinery	1,366,358	(990,244)	-	376,114
Tug boat and barge	2,959,697	(720,641)	-	2,239,056
Vessel equipment	1,000,710	(331,785)	-	668,925
Vessels	62,890,770	(13,653,201)	(17,700,598)	31,536,971
	141,935,121	(41,649,592)	(18,566,449)	81,719,080

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

Group 2011	At 1.4.2010 RM	Additions RM	Disposals RM	Written off RM	Depreciation charge for the financial year RM	Exchange rate fluctuation adjustment RM	At 31.3.2011 RM
Carrying Amount							
Freehold land	17,146,440	-	-	-	-	-	17,146,440
Buildings	9,823,670	-	-	-	(213,121)	-	9,610,549
Containers	799,486	-	(97,133)	-	(175,940)	-	526,413
Ferry	2,662,200	-	-	-	(106,903)	(189,043)	2,366,254
Motor vehicles	1,339,963	38,000	-	-	(366,000)	-	1,011,963
Office equipment	438,267	247,843	(5,836)	-	(114,672)	-	565,602
Operating equipment	12,441,486	2,139,065	(155,550)	-	(2,375,359)	-	12,049,642
Plant and machinery	260,291	16,800	-	-	(60,889)	-	216,202
Tug boat and barge	2,340,413	-	-	-	(50,964)	-	2,289,449
Vessel equipment	497,206	220,600	-	-	(70,857)	-	646,949
Vessels	55,588,311	431,438	(2,884,275)	(93,318)	(1,730,931)	-	51,311,225
	103,337,733	3,093,746	(3,142,794)	(93,318)	(5,265,636)	(189,043)	97,740,688

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

Group	At 31.3.2011 Cost RM	Accumulated depreciation RM	Carrying amount RM
Freehold land	17,146,440	-	17,146,440
Buildings	10,200,756	(590,207)	9,610,549
Containers	1,389,678	(863,265)	526,413
Ferry	2,773,125	(406,871)	2,366,254
Motor vehicles	2,037,658	(1,025,695)	1,011,963
Office equipment	1,685,041	(1,119,439)	565,602
Operating equipment	29,647,783	(17,598,141)	12,049,642
Plant and machinery	626,121	(409,919)	216,202
Tug boat and barge	2,502,586	(213,137)	2,289,449
Vessel equipment	877,079	(230,130)	646,949
Vessels	56,816,144	(5,504,919)	51,311,225
	125,702,411	(27,961,723)	97,740,688

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

	Group 2012 RM	Group 2011 RM
Purchase of property, plant and equipment	8,453,099	3,093,746
Financed by hire purchase arrangements	-	(617,500)
Cash payments on purchase of property, plant and equipment	8,453,099	2,476,246

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

	Group 2012 RM	Group 2011 RM
Carrying amount		
Motor vehicles	99,869	139,871
Operating equipment	217,452	1,191,887
	317,321	1,331,758

Details of the terms and conditions of the hire purchase liabilities are disclosed in Note 20 to the financial statements.

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

(c) Certain assets have been charged to licensed banks for banking facilities granted to the Group as disclosed in Note 21 to the financial statements as follows:

	Group 2012 RM	Group 2011 RM
Carrying amount		
Freehold land	16,850,000	16,850,000
Buildings	9,155,097	9,353,788
Operating equipment	1,222,384	1,680,790
Vessels	5,105,243	11,899,272
	32,332,724	39,783,850

(d) Certain buildings of the Group amounting to RM9,155,097 (2011: RM9,353,788) are in the process of being issued the final certificate of fitness for occupation from the local authority.

(e) An impairment loss of RM18,566,449 was recognised for certain vessels of the Group. Those vessels are currently not in operations due to reduction in demand which resulted from oversupply in the shipping industry. The Group assessed the recoverable amount of the vessels to be lower than the carrying amount. The recoverable amout of the vessels (with each vessel as a cash generating unit) is determined based on the fair value less costs to sell which is obtained from independent market quotes. The fair value less costs to sell has been determined after taking into account the intrinsic value of the respective cash-generating unit.

Company 2012	At 1.4.2011 RM	Depreciation charge for the financial year RM	At 31.3.2012 RM
Carrying amount			
Office equipment	1,356	(957)	399

	At 31.3.2012 Cost RM	At 31.3.2012 Accumulated depreciation RM	At 31.3.2012 Carrying amount RM
Office equipment	4,786	(4,387)	399

Company 2011	At 1.4.2010 RM	Depreciation charge for the financial year RM	At 31.3.2011 RM
Carrying amount			
Office equipment	2,313	(957)	1,356

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

	At 31.3.2011		
	Cost RM	Accumulated depreciation RM	Carrying amount RM
Office equipment	4,786	(3,430)	1,356

8. INVESTMENTS IN SUBSIDIARIES

	Company	
	2012 RM	2011 RM
At fair value		
Available-for-sale financial assets: - unquoted shares		
At 1 April 2011/2010	127,868,963	49,323,212
Additional investment in subsidiaries	14,800,100	-
Acquisition of subsidiaries (Note 33)	303,000	-
Fair value (losses)/gain transferred to equity	(6,407,355)	78,545,751
At 31 March 2012/2011	136,564,708	127,868,963

The details of the subsidiaries are as follows:

Name of company	Country of incorporation	Group effective interest 2012	Group effective interest 2011	Principal activities
Bagai Pertama Sdn. Bhd.	Malaysia	100%	100%	Shipowner/provision of marine transportation services
Complete Biofuel Sdn. Bhd.	Malaysia	100%	100%	Dormant since incorporation
Complete Container Services Sdn. Bhd.	Malaysia	100%	100%	Shipowner/provision of marine transportation services
Complete Logistic Specialists Sdn. Bhd.	Malaysia	100%	100%	Total logistics services provider
Complete Marine Services Sdn. Bhd.	Malaysia	100%	100%	Shipowner/provision of marine transportation services
Complete Shipping Sdn. Bhd.	Malaysia	100%	100%	Shipowner/provision of marine transportation services
Complete Tug & Barge Sdn. Bhd.	Malaysia	100%	100%	Shipowner/provision of marine transportation services
Complete Transport Services Sdn. Bhd.	Malaysia	100%	100%	Lorry and trucking services

8. INVESTMENTS IN SUBSIDIARIES (cont'd)

The details of the subsidiaries are as follows: (cont'd)

Name of company	Country of incorporation	Group effective interest 2012	Group effective interest 2011	Principal activities
Dolphin Shipping Agency Sdn. Bhd.	Malaysia	100%	100%	Trading of freight
Guper Integrated Logistics Sdn. Bhd.	Malaysia	100%	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%	Offshore leasing and general trading
Ecocentre Sdn. Bhd.	Malaysia	65%	-	Processing and trading of rubber dust, trading of tyres, lubricants and related products, provision of tyres maintenance services
Guper Properties Sdn. Bhd.	Malaysia	100%	-	Insurance agents

The fair value of the investment in subsidiaries was determined using the discounted cash flow approach. These calculations use 5 years' pre-tax cash flow projections approved by the management. Cash flows beyond financial year 2012 are extrapolated using the estimated growth rates stated below.

Fair value was determined by discounting the future cash flows expected from the operations of the subsidiaries over the next 5 years based on the following key assumptions:

(i) The subsidiaries will continue in operations over the next 5 years;

(ii) The growth rate for the respective business segments are as follows:-

Business segments	Average growth rate
Marine	Based on the utilisation of the vessel's capacity
Trading	5%
Logistics	6%

8. INVESTMENTS IN SUBSIDIARIES (cont'd)

(iii) Gross profit margin is expected to remain constant; and

(iv) Discount rate is based on the weighted average cost of capital at 8% per annum.

The values assigned to the key assumptions represent management's assessment of future trends in the industry which is the subsidiary's operations and is based on both external sources and internal resources (historical data).

The above estimates are particularly sensitive in the following areas:

(i) a 1% decrease in gross profit margin would have resulted in a decrease in the fair values of the investment in subsidiaries of RM11,024,555.

(ii) a 1% increase in the cost of capital used would have resulted in a decrease in the fair values of the investment in subsidiaries of RM7,337,721.

9. INVESTMENT IN AN ASSOCIATE

	Group/Company 2012 RM	Group/Company 2011 RM
At fair value		
Available-for-sale financial assets:		
- unquoted shares	-	-

The details of the associate are as follows:

Name of company	Country of incorporation	Group effective interest 2012	Group effective interest 2011	Principal activities
Praslin Express Limited#	Seychelles	50%	50%	Ceased operation.

\# *Associate not audited by Messrs. Crowe Horwath*

9. INVESTMENT IN AN ASSOCIATE (cont'd)

The summarised financial information of the associate is as follows:

	Group	
	2012 RM	2011 RM
Assets and liabilities		
Non-current assets	80,609	258,106
Current assets	104,625	131,611
Total assets	185,234	389,717
Non-current liabilities	-	412,216
Current liabilities	2,509,040	2,660,806
Total liabilities	2,509,040	3,073,022
Results		
Revenue	-	19,394
Loss for the financial year	(94,084)	(1,541,604)
Unrecognised amounts of the Group's share of loss of associate:		
- for the current financial year	(47,042)	(770,802)
- cumulative	(1,567,734)	(1,520,692)

10. GOODWILL

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.

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.

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

	Group	
	2012	2011
Gross margin	49%	41%
Average growth rate	5%	6%
Pre-tax discount rate	8%	8%

(b) Sensitivity to changes in assumptions

The management believes that no reasonably possible change in any of the above key assumptions would cause the carrying value of the goodwill to be materially higher than its recoverable amount.

11. INVENTORIES

	Group 2012 RM	Group 2011 RM
At cost		
Spare parts and consumables	61,007	71,367
Trading goods	334,857	566,031
	395,864	637,398

12. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Trade receivables (Note 12.1)	26,991,790	24,261,789	-	-
Other receivables, deposits and prepayments (Note 12.2)	1,605,041	2,522,510	26,347,089	26,547,189
	28,596,831	26,784,299	26,347,089	26,547,189

12.1 Trade receivables

	Group		Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Third parties	27,368,597	25,309,721	-	-
Related parties	2,214,994	1,208,990	-	-
Less: Impairment of trade receivables - third parties	(2,591,801)	(2,256,922)	-	-
	26,991,790	24,261,789	-	-

(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 (2011: three (3) to four (4) months).

12. TRADE AND OTHER RECEIVABLES (cont'd)

12.1 Trade receivables (cont'd)

(b) The movement of the impairment losses of trade receivables is as follows:-

	Group		Company	
	2012 RM	2011 RM	2012 RM	2011 RM
At 1 April 2011/2010	(2,256,922)	(1,688,648)	-	-
Addition for the financial year	(968,200)	(605,215)	-	-
Write-back during the financial year	-	36,941	-	-
Write-off during the financial year	634,994	-	-	-
Exchange rate fluctuation adjustments	(1,673)	-	-	-
At 31 March 2012/2011	(2,591,801)	(2,256,922)	-	-

12.2 Other receivables, deposits and prepayments

	Group		Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Amounts owing by subsidiaries	-	-	26,329,089	26,529,189
Amount owing by an associate	17,456	17,456	-	-
Other receivables	292,076	483,023	-	-
Less: Impairment of other receivables	(28,463)	-	-	-
	281,069	500,479	26,329,089	26,529,189
Deposits	395,668	1,350,104	3,000	3,000
Prepayments	928,304	671,927	15,000	15,000
	1,605,041	2,522,510	26,347,089	26,547,189

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

(b) Amount owing by an associate represents advances, which are unsecured, interest-free and repayable within twelve (12) months.

(c) The movement of the impairment losses of other receivables is as follows:-

	Group		Company	
	2012 RM	2011 RM	2012 RM	2011 RM
At 1 April 2011/2010	-	(68,739)	-	-
Addition for the financial year	(28,284)	-	-	-
Writeback during the financial year	-	68,739		
Exchange rate fluctuation adjustments	(179)	-	-	-
At 31 March 2012/2011	(28,463)	-	-	-

13. CASH AND CASH EQUIVALENTS

	Group 2012 RM	Group 2011 RM	Company 2012 RM	Company 2011 RM
Cash and bank balances	5,971,929	4,356,142	160,553	46,509
Fixed deposits with licensed banks	4,063,635	7,428,995	-	2,538,128
As per statements of financial position	10,035,564	11,785,137	160,553	2,584,637
Bank overdrafts included in borrowings (Note 19)	(1,498,809)	(645,571)	-	-
Fixed deposits pledged to licensed banks (Note 19)	(1,942,778)	(1,789,788)	-	-
As per statements of cash flows	6,593,977	9,349,778	160,553	2,584,637

14. NON-CURRENT ASSET HELD FOR SALE

	Group 2012 RM	Group 2011 RM
Vessel, at cost:-		
At 1 April 2011/2010	-	-
Transfer from property, plant and equipment (Note 7)	655,274	-
At 31 March 2012/2011	655,274	-

The carrying amount of the vessel approximated its fair value.

15. SHARE CAPITAL

	2012 Number of shares	2012 RM	2011 Number of shares	2011 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

16. RETAINED EARNINGS

Company

Subject to the agreement of the tax authorities, at the end of the reporting period, the Company has sufficient tax credits under Section 108 of the Income tax Act 1967 and tax-exempt income to frank the payment of dividends out of its entire retained profits without incurring additional tax liabilities.

16. RETAINED EARNINGS (cont'd)

Company (cont'd)

At the end of the reporting period, the Company has not elected for the single tier tax system. When the tax credit balance is fully utilised, or by 31 December 2013 at the latest, the Company will automatically move to the single tier tax system. Under the single tier tax system, tax on the Company's profits is a final tax, and dividends distributed to the shareholders will be exempted from tax.

17. OTHER RESERVES

	Group		Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Non-distributable				
Share premium	4,325,375	4,325,375	4,325,375	4,325,375
Exchange fluctuation reserve	(364,473)	(430,030)	-	-
Fair value reserve#	-	-	86,076,807	85,950,166
	3,960,902	3,895,345	90,402,182	90,275,541

\# 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.

18. TREASURY SHARES

This amount relates to the acquisition cost of treasury shares net of proceeds received from their subsequent sale or issuance.

The shareholders of the Company, by an ordinary resolution passed at the Annual General Meeting held on 21 September 2011, approved the Company's plan to purchase its own shares under a share buy-back scheme.

During the financial year, the Company purchased the following shares under the share buy-back scheme from the open market:-

	Number of Shares	Average Unit Price RM	Total Consideration RM
At 1 April 2011	5,000	0.4288	2,144
Purchases during the financial year:			
- April 2011	65,000	0.4064	26,416
- May 2011	29,200	0.3979	11,619
- January 2012	32,000	0.4080	13,056
- March 2012	188,100	0.4147	78,014
	314,300	0.4108	129,105
At 31 March 2012	319,300	0.4111	131,249

18. TREASURY SHARES (cont'd)

The above purchases were financed by internally generated funds. The shares purchased were retained as treasury shares in accordance with Section 67A of the Companies Act 1965 and are presented as a deduction from the shareholders' equity.

Of the total 120,000,000 (2011: 120,000,000) issued and fully paid ordinary shares as at 31 March 2012, the number of treasury shares held by the Company amounted to 319,300 (2011: 5,000). None of the treasury shares were cancelled during the financial year.

19. BORROWINGS (SECURED)

	Group	
	2012 RM	2011 RM
Non-current liabilities		
Hire purchase liabilities	13,050	266,545
Term loans	14,273,755	13,618,070
	14,286,805	13,884,615
Current liabilities		
Bank overdrafts	1,498,809	645,571
Hire purchase liabilities	26,238	318,944
Term loans	5,183,333	4,380,311
	6,708,380	5,344,826
	20,995,185	19,229,441
Total borrowings		
Bank overdrafts (Note 13)	1,498,809	645,571
Hire purchase liabilities (Note 20)	39,288	585,489
Term loans (Note 21)	19,457,088	17,998,381
	20,995,185	19,229,441

The bank overdrafts are secured by:

(a) a facility agreement as principal instrument;
(b) a corporate guarantee from the Company as disclosed in Note 25 to the financial statements;
(c) a joint and several guarantee of certain directors of a subsidiary;
(d) a 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% (2011: 1.50%) per annum above the bank's base lending rate.

20. HIRE PURCHASE LIABILITIES

	Group 2012 RM	Group 2011 RM
Minimum hire purchase payments:		
- not later than one (1) year	27,524	351,281
- later than one (1) year but not later than five (5) years	13,455	285,026
Total minimum hire purchase payments	40,979	636,307
Less: Future interest charges	(1,691)	(50,818)
Present value of hire purchase liabilities (Note 19)	39,288	585,489

Information on financial risks of hire purchase liabilities is disclosed in Note 36(a)(iii) to the financial statements.

21. TERM LOANS

	Group 2012 RM	Group 2011 RM
Non-current portion		
Repayable between one (1) to two (2) years	3,214,942	4,193,774
Repayable between two (2) to five (5) years	10,720,130	7,348,266
More than five (5) years	338,683	2,076,030
	14,273,755	13,618,070
Current portion		
Repayable within one (1) year	5,183,333	4,380,311
Total term loans (Note 19)	19,457,088	17,998,381

The term loans are secured by:

(a) a facility agreement as principal instrument;
(b) a corporate guarantee from the Company as disclosed in Note 25 to the financial statements;
(c) a 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 RM10 million over a vessel of the Group;
(f) a legal assignment of marine insurance policy over a vessel of the Group; and
(g) a personal guarantee of certain Directors and/or directors of a subsidiary.

21. TERM LOANS (cont'd)

The details of the term loans outstanding at the end of the reporting period are as follows:

	Group 2012 RM	Group 2011 RM
Term loan I	2,128,986	4,102,475
Term loan II	-	33,747
Term loan III	12,308,795	13,862,159
Term loan IV	5,019,307	-
	19,457,088	17,998,381

	Number of monthly instalments	Monthly instalments RM	Commencement date of repayment	Effective interest rate per annum 2012 %	Effective interest rate per annum 2011 %
Term loan I	60	^	May 2008	5.60	5.30
Term loan II	60	9,464	October 2006	-	7.80
Term loan III	96	227,879	July 2010	5.10	4.80
Term loan IV	60	94,861	April 2012	5.22	-

^ Term loan I 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 36(a)(iii) to the financial statements.

22. DEFERRED TAX LIABILITIES

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

	Group 2012 RM	Group 2011 RM
Balance as at 1 April 2011/2010	2,844,690	2,657,484
Aquisition of subsidiaries (Note 33)	26,023	-
Recognised in profit or loss (Note 29)	1,412,340	187,206
Balance as at 31 March 2012/2011	4,283,053	2,844,690
Presented after appropriate offsetting:		
Deferred tax assets	(183,113)	(108,800)
Deferred tax liabilities	4,466,166	2,953,490
	4,283,053	2,844,690

22. DEFERRED TAX LIABILITIES (cont'd)

(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 2011	2,811,756	141,734	2,953,490
Acquisition of subsidiaries	26,023	-	26,023
Recognised in profit or loss	1,486,653	-	1,486,653
At 31 March 2012	4,324,432	141,734	4,466,166
At 1 April 2010	2,624,550	141,734	2,766,284
Recognised in profit or loss	187,206	-	187,206
At 31 March 2011	2,811,756	141,734	2,953,490

Deferred tax assets of the Group

	Unutilised tax losses RM	Unabsorbed capital allowances RM	Others RM	Total RM
At 1 April 2011	(98,280)	(9,316)	(1,204)	(108,800)
Recognised in profit or loss	-	-	(74,313)	(74,313)
At 31 March 2012	(98,280)	(9,316)	(75,517)	(183,113)
At 1 April 2010	(98,280)	(9,316)	(1,204)	(108,800)
Recognised in profit or loss	-	-	-	-
At 31 March 2011	(98,280)	(9,316)	(1,204)	(108,800)

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

	Group	
	2012 RM	2011 RM
Unutilised tax losses	14,279,900	16,400,500
Unabsorbed capital allowances	5,914,000	1,733,000
	20,193,900	18,133,500

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.

23. TRADE AND OTHER PAYABLES

	Group		Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Trade payables				
Third parties	7,476,717	5,082,820	-	-
Related parties	1,529,224	1,064,357	-	-
	9,005,941	6,147,177	-	-
Other payables				
Other payables	836,964	991,984	131	-
Deposits received	143,734	-	-	-
Accruals	1,512,324	839,597	116,166	116,347
Retention sum payable	2,715,400	2,715,400	2,715,400	2,715,400
Amount owing to a Director	6,033,976	1,961,782	2,250,000	-
Amounts owing to related parties	133,126	-	-	-
Amounts owing to subsidiaries	-	-	178,553	-
Amount owing to an associate	35,809	89,769	-	-
	11,411,333	6,598,532	5,260,250	2,831,747
	20,417,274	12,745,709	5,260,250	2,831,747

(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 (2011: three (3) to four (4) months).

(b) The retention sum payable represents amount payable to the vendors of Guper Integrated Logistics Sdn. Bhd., the subsidiary of the Company. The amount will be fully settled upon the issuance of final certificate of fitness on occupation by the local authority, 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.

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

(e) Amounts owing to the subsidiaries in the previous financial year represented advances and payments made on behalf, which were unsecured, interest-free and repayable within twelve (12) months.

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

24. CAPITAL COMMITMENT

	Group 2012 RM	Group 2011 RM
Capital expenditure in respect of purchase of property, plant and equipment:		
Approved and contracted for	626,600	2,687,175

25. CONTINGENT LIABILITY

	Company 2012 RM	Company 2011 RM
Secured		
Corporate guarantee given to a licensed bank for term loans, bank guarantee and bank overdraft granted to certain subsidiaries (Note 19 and 21)	8,997,102	4,540,834
	8,997,102	4,540,834

26. REVENUE

	Group		Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Sales of goods	6,920,611	11,315,165	-	-
Rendering of services	95,826,096	79,234,077	-	-
Lease rental	-	747,062	-	-
Dividend income from subsidiaries (Note 28)	-	-	10,416,860	6,051,540
	102,746,707	91,296,304	10,416,860	6,051,540

27. COST OF SALES

	Group 2012 RM	Group 2011 RM
Inventories sold	6,194,159	10,613,846
Services rendered	74,055,135	62,748,876
	80,249,294	73,362,722

28. (LOSS)/PROFIT BEFORE TAX

	Group		Company	
	2012 RM	2011 RM	2012 RM	2011 RM
(Loss)/Profit before tax is arrived at after charging:				
Auditors' remuneration:				
Statutory audits				
- current financial year	120,409	108,037	20,000	20,000
- underprovision in the previous financial year	9,750	-	-	-
Other services				
- current financial year	5,000	5,000	5,000	5,000
Bad debts written off	21,153	101,726	-	-
Depreciation of property, plant and equipment (Note 7)	5,749,267	5,265,636	957	957
Directors' remuneration:				
- fees	60,600	72,000	60,600	72,000
- other emoluments	1,405,166	1,288,333	-	-
Impairment loss on:				
- investment in subsidiaries	-	-	6,533,996	-
- trade receivables (Note 12.1)	968,200	147,552	-	-
- other receivables (Note 12.2)	28,284	-	-	-
- property, plant and equipment (Note 7)	18,566,449	-	-	-
Interest expense on:				
- bank overdrafts	15,190	107,415	-	-
- bankers' acceptances	16,612	11,039	-	-
- hire purchase	200,151	57,460	-	-
- letters of credit	-	5,935	-	-
- term loans	872,924	1,032,903	-	-
Loss on disposal of property, plant and equipment	-	954,324	-	-
Property, plant and equipment written off (Note 7)	-	93,318	-	-
Realised loss on foreign exchange	146,935	359,086	-	-
Rental of premises	39,200	25,200	-	-
Rental of machineries	38,000	53,296	-	-
Unrealised loss on foreign exchange	68,539	67,701	-	-
And crediting:				
Dividend income from subsidiaries (Note 26)	-	-	10,416,860	6,051,540
Gain on bargain purchase (Note 33)	109,486	-	-	-
Gain on disposal of property, plant and equipment	328,355	335,029	-	-
Interest income from:				
- fixed deposits	248,982	168,474	83,720	41,933
- others	49,566	38,324	5,851	1,055
Realised gain on foreign exchange	313,100	66,578	-	-
Rental income:				
- office	58,500	51,600	-	-
- forklift	69,160	-	-	-
Rental recovered	-	2,084,426	-	-
Write-back of impairment losses on trade and other receivables	-	105,680	-	-

29. TAX EXPENSE

	Group 2012 RM	Group 2011 RM	Company 2012 RM	Company 2011 RM
Current tax expense	1,892,586	1,246,507	10,474	816,958
Deferred tax (Note 22)	1,352,109	230,158	-	-
	3,244,695	1,476,665	10,474	816,958
(Over)/Underprovision in the previous financial year:				
- tax expense	(31,793)	141,554	(869)	8,125
- deferred tax (Note 22)	60,231	(42,952)	-	-
	28,438	98,602	(869)	8,125
	3,273,133	1,575,267	9,605	825,083

Current tax expense is calculated at the statutory tax rate of 25% (2011: 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 2012 RM	Group 2011 RM	Company 2012 RM	Company 2011 RM
Statutory tax rate of 25% (2011: 25%)	(2,752,302)	1,771,806	908,592	1,457,366
Tax effects in respect of:				
- non-allowable expenses	6,536,407	1,533,556	1,706,097	22,942
- non-taxable income	(57,299)	(1,148,743)	-	-
- utilisation of deferred tax assets not recognised in the previous financial year	(395,225)	(156,510)	-	-
- deferred tax assets not recognised	910,325	757,155	-	-
- tax exempt income	(997,211)	(1,280,599)	(2,604,215)	(663,350)
	3,244,695	1,476,665	10,474	816,958
(Over)/Underprovision in the previous financial year:				
- current tax	(31,793)	141,554	(869)	8,125
- deferred tax	60,231	(42,952)	-	-
	3,273,133	1,575,267	9,605	825,083

Subject to the agreement of the Inland Revenue Board, certain subsidiaries have unabsorbed capital allowances and unutilised tax losses amounting to approximately RM16,623,400 (2011: RM12,437,400) and RM13,631,900 (2011: RM15,410,000) respectively, which are available for offset against their future taxable profits.

30. (LOSS)/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.

	2012	2011
Consolidated (loss)/profit for the financial year (RM)	(16,222,185)	3,862,522
Weighted average number of ordinary shares in issue:-		
Issued ordinary shares at 1 April 2011/2010	119,995,000	120,000,000
Effect of treasury shares held	(101,452)	(1,055)
Weighted average number of ordinary shares at 31 March 2012/2011	119,893,548	119,998,945
Basic (loss)/earnings per ordinary share (sen)	(13.5)	3.2

(b) Diluted

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

31. DIVIDEND

	Group and Company			
	2012		2011	
	Gross dividend per share sen	Amount of dividend RM	Gross dividend per share sen	Amount of dividend RM
Final tax exempt dividend in respect of financial year 2011	-	-	3.00	3,600,000

32. EMPLOYEE BENEFITS

	Group		Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Wages, salaries and bonuses	7,934,936	6,920,911	60,600	128,950
Contributions to defined contribution plans	1,059,980	914,912	-	6,856
Social security contributions	122,518	108,428	-	620
Other benefits	674,259	1,175,946	-	3,600
	9,791,693	9,120,197	60,600	140,026

33. ACQUISITION OF SUBSIDIARIES

On 11 October 2011, the Company entered into Share Sale Agreements for the acquisition of:

(a) a 65% equity interest in Ecocentre Sdn. Bhd., comprising 65,000 ordinary shares of RM1.00 each from Banjaran Unggul Sdn. Bhd. for a total consideration of RM242,000; and

(b) the entire equity interest in Guper Properties Sdn. Bhd., comprising 2 ordinary shares of RM1.00 each from Guper Resources Sdn. Bhd. for a total consideration of RM61,000.

The acquisitions were completed on 16 November 2011.

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

	Fair value recognised on acquisition RM	Acquiree's carrying amount RM
Property, plant and equipment (Note 7)	617,705	617,705
Inventories	321,513	321,513
Receivables	939,986	939,986
Cash and bank balances	305,082	305,082
Deferred tax liabilities (Note 22)	(26,023)	(26,023)
Payables	(790,609)	(790,609)
Amount owing to a Director	(680,000)	(680,000)
Tax liabilities	(101,414)	(101,414)
Total net assets	586,240	586,240
Less: Non-controlling interests	(173,754)	
Group's share of net assets	412,486	
Gain on bargain purchase (Note 28)	(109,486)	
Total cost of the business combination (Note 8)	303,000	

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

	Group 2011 RM	Company 2011 RM
Purchase consideration to be settled in cash	303,000	303,000
Less: Cash and bank balances of subsidiaries acquired	(305,082)	-
Net cash (inflow)/outflow on acquisition	(2,082)	303,000

The acquired subsidiaries have contributed the following results to the Group:-

	2012 RM
Revenue	1,147,823
Profit for the financial year	19,519

33. ACQUISITION OF SUBSIDIARIES (cont'd)

If the acquisition had occurred on 1 April 2011, the Group's results would have been as follows:

	2012 RM
Revenue	104,987,706
Loss for the financial year	(13,908,607)

34. 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) its 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	
	2012 RM	2011 RM
Companies in which certain Directors have interests:		
- revenue from services rendered	5,732,439	1,899,189
- container haulage, tanker and lorry transport service charges payable	4,690,737	4,420,260
- forwarding service charges payable	199,098	104,468
- insurance premium payable	317,679	212,157
- insurance premium receivable	29,890	-
- rental expense payable	31,200	31,200
- rental income receivable	35,000	-
- spare parts, tyres, tyres maintenance services and consumables payable	2,448,981	2,948,347
- spare parts, tyres, tyres maintenance services and consumables receivable	845,089	-
- warehouse expense payable	61,570	-

34. RELATED PARTY DISCLOSURES (cont'd)

(c) Compensation of key management personnel

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

	Group		Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Directors:				
- short-term employee benefits	1,288,866	1,209,163	60,600	72,000
- contributions to defined contribution plans	176,900	151,170	-	-
	1,465,766	1,360,333	60,600	72,000
Other key management personnel:				
- short-term employee benefits	398,040	144,636	-	-
- contributions to defined contribution plans	59,663	20,175	-	-
	457,703	164,811	-	-
	1,923,469	1,525,144	60,600	72,000

35. OPERATING SEGMENTS

(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, insurance agents and investment holding

35. OPERATING SEGMENTS (cont'd)

(a) Business segments (cont'd)

2012	Marine RM	Trading RM	Logistics RM	Others RM	Elimination RM	Total RM
Revenue						
External segment revenue	25,055,972	6,920,611	70,737,497	32,627	-	102,746,707
Inter-segment revenue	1,092,552	930,140	2,142,758	10,446,528	(14,611,978)	-
	26,148,524	7,850,751	72,880,255	10,479,155	(14,611,978)	102,746,707
Results						
Segment results	(15,631,629)	(2,573,321)	10,072,732	3,600,009	(5,666,648)	(10,198,857)
Finance costs						(1,108,191)
Interest income						297,834
Loss before tax						(11,009,214)
Tax expense						(3,273,133)
Loss for the financial year						(14,282,347)
Other information						
Segment assets	40,264,622	8,549,824	62,297,927	148,463,991	(137,904,523)	121,671,841
Tax recoverable						414,949
Total assets						122,086,790
Segment liabilities	37,381,782	6,941,418	10,262,268	5,441,351	(39,609,545)	20,417,274
Deferred tax liabilities						4,283,053
Borrowings						20,995,185
Tax liabilities						461,543
Total liabilities						46,157,055
Capital expenditure	181,953	-	8,271,146	-	-	8,453,099
Depreciation of property, plant and equipment	1,773,797	201,746	3,772,589	1,135	-	5,749,267
Other non-cash income	265,631	80,686	62,724	28,800	-	437,841
Other non-cash expenses	17,967,621	1,410,141	274,863	-	-	19,652,625

35. OPERATING SEGMENTS (cont'd)

(a) Business segments (cont'd)

2011	Marine RM	Trading RM	Logistics RM	Others RM	Elimination RM	Total RM
Revenue						
External segment revenue	21,880,058	11,315,164	57,354,020	747,062	-	91,296,304
Inter-segment revenue	2,819,328	-	3,199,697	6,051,540	(12,070,565)	-
	24,699,386	11,315,164	60,553,717	6,798,602	(12,070,565)	91,296,304
Results						
Segment results	2,698,106	522,290	9,047,947	5,782,946	(9,956,111)	8,095,178
Finance costs						(1,214,752)
Interest income						206,798
Profit before tax						7,087,224
Tax expense						(1,575,267)
Profit for the financial year						5,511,957
Other information						
Segment assets	54,525,376	9,730,831	53,241,241	161,297,272	(141,577,970)	137,216,750
Tax recoverable						677,305
Total assets						137,894,055
Segment liabilities	31,256,095	5,063,988	8,220,765	2,860,238	(34,655,377)	12,745,709
Deferred tax liabilities						2,844,690
Borrowings						19,229,441
Tax liabilities						172,339
Total liabilities						34,992,179
Capital expenditure	698,291	-	2,395,455	-	-	3,093,746
Depreciation of property, plant and equipment	2,133,426	67,956	2,956,394	107,860	-	5,265,636
Other non-cash income	170,029	165,000	-	-	-	335,029
Other non-cash expenses	1,161,423	39,959	163,239	-	-	1,364,621

35. OPERATING SEGMENTS (cont'd)

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

	Revenue RM	Segment assets RM	Capital expenditure RM
2012			
South-East Asia	96,941,292	116,999,993	8,453,099
South-West Indian Ocean	5,805,415	5,086,797	-
	102,746,707	122,086,790	8,453,099
2011			
South-East Asia	79,981,140	129,321,732	3,093,746
South-West Indian Ocean	11,315,164	8,572,323	-
	91,296,304	137,894,055	3,093,746

(c) Major Customers

Revenue from one major customer, with revenue equal to or more than 10% of Group revenue, amounting to RM14,003,314 (2011 - RM12,857,064) arose from sales of the Marine segment.

36. FINANCIAL INSTRUMENTS

The Group's activities are exposed to a variety of market risks (including foreign currency risk, interest rate risk and equity price risk), credit risk and liquidity risk. The Group's overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(a) Financial Risk Management Policies

The Group's policies in respect of the major areas of treasury activity are as follows:-

(i) Market Risk

(i) Foreign Currency Risk

The Group is exposed to foreign currency risk on transactions and balances that are denominated in currencies other than Ringgit Malaysia. The currencies giving rise to this risk are primarily United States Dollar, Singapore Dollar, Australian Dollar, Euro, Indonesian Rupiah. Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level.

36. FINANCIAL INSTRUMENTS (cont'd)

(a) Financial Risk Management Policies (cont'd)

(i) Market Risk (cont'd)

(i) Foreign Currency Risk (cont'd)

The Group's exposure to foreign currency is as follows:-

Group	United States Dollar RM	Singapore Dollar RM	Australian Dollar RM	Euro RM	Indonesian Rupiah RM	Ringgit Malaysia RM	Total RM
2012							
Financial assets							
Trade and other receivables	740,187	-	-	-	-	26,928,340	27,668,527
Cash and cash equivalents	785,912	-	-	11,546	-	9,238,106	10,035,564
	1,526,099	-	-	11,546	-	36,166,446	37,704,091
Financial liabilities							
Trade and other payables	319,786	30,764	2,565	-	284,705	19,779,454	20,417,274
Borrowings	-	-	-	-	-	20,995,185	20,995,185
	319,786	30,764	2,565	-	284,705	40,774,639	41,412,459
Net financial assets/(liabilities)	1,206,313	(30,764)	(2,565)	11,546	(284,705)	(4,608,193)	(3,708,368)
Less: Net financial assets/(liabilities) denominated in the respective entities functional currencies	(104,397)	-	-	-	-	4,608,193	4,503,796
Currency exposure	1,101,916	(30,764)	(2,565)	11,546	(284,705)	-	795,428

36. FINANCIAL INSTRUMENTS (cont'd)

(a) Financial Risk Management Policies (cont'd)

(i) Market Risk (cont'd)

(i) Foreign Currency Risk (cont'd)

Group	United States Dollar RM	Singapore Dollar RM	Euro RM	Rupiah RM	Indonesian Malaysia RM	Ringgit Total RM
2011						
Financial assets						
Trade and other receivables	2,972,626	-	-	-	23,139,746	26,112,372
Cash and cash equivalents	1,295,996	-	35,172	733	10,453,236	11,785,137
	4,268,622	-	35,172	733	33,592,982	37,897,509
Financial liabilities						
Trade and other payables	518,673	99,623	89,769	-	12,037,644	12,745,709
Borrowings	-	-	-	-	19,229,441	19,229,441
	518,673	99,623	89,769	-	31,267,085	31,975,150
Net financial assets/(liabilities)	3,749,949	(99,623)	(54,597)	733	2,325,897	5,922,359
Less: Net financial assets/(liabilities) denominated in the respective entities functional currencies	(1,311,261)	-	-	-	(2,325,897)	(3,637,158)
Currency exposure	2,438,688	(99,623)	(54,597)	733	-	2,285,201

36. FINANCIAL INSTRUMENTS (cont'd)

(a) Financial Risk Management Policies (cont'd)

(i) Market Risk (cont'd)

(i) Foreign Currency Risk (cont'd)

Foreign currency risk sensitivity analysis

The following table details the sensitivity analysis to a reasonably possible change in the foreign currencies as at the end of the reporting period, with all other variables held constant:-

	Group	
	2012 Increase/ (Decrease) RM	2011 Increase/ (Decrease) RM
Effects on (loss)/profit after tax/equity		
United States Dollar:		
- strengthened by 5%	41,322	91,451
- weakened by 5%	(41,322)	(91,451)
Singapore Dollar:		
- strengthened by 5%	(1,154)	(3,736)
- weakened by 5%	1,154	3,736
Australian Dollar:		
- strengthened by 5%	(96)	-
- weakened by 5%	96	-
Euro:		
- strengthened by 5%	433	(2,047)
- weakened by 5%	(433)	2,047
Indonesian Rupiah:		
- strengthened by 5%	(10,676)	27
- weakened by 5%	10,676	(27)

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk arises mainly from interest-bearing financial assets and liabilities. The Group's policy is to obtain the most favourable interest rates available. Any surplus funds of the Group will be placed with licensed financial institutions to generate interest income.

Information relating to the Group's exposure to the interest rate risk of the financial liabilities is disclosed in Note 36(a)(iii) to the financial statements.

36. FINANCIAL INSTRUMENTS (cont'd)

(a) Financial Risk Management Policies (cont'd)

(i) Market Risk (cont'd)

(ii) Interest Rate Risk (cont'd)

Interest rate risk sensitivity analysis

The following table details the sensitivity analysis to a reasonably possible change in the interest rates as at the end of the reporting period, with all other variables held constant:-

	Group	
	2012 (Decrease)/ Increase RM	2011 (Decrease)/ Increase RM
Effects on (loss)/profit after tax/equity		
Increase of 100 basis points (bp)	(157,169)	(139,830)
Decrease of 100 bp	157,169	139,830

(iii) Equity Price Risk

The Group does not have any quoted investments and hence is not exposed to equity price risk.

(ii) Credit Risk

The Group's exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade and other receivables. The Group manages its exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including quoted investments, cash and bank balances and derivatives), the Group minimises credit risk by dealing exclusively with high credit rating counterparties.

The Group establishes an allowance for impairment that represents its estimate of incurred losses in respect of the trade and other receivables as appropriate. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loss component established for groups of similar assets in respect of losses that have been incurred but not yet identified. Impairment is estimated by management based on prior experience and the current economic environment.

Credit risk concentration profile

The Group's major concentration of credit risk relates to the amounts owing by three (3) customers which constituted approximately 34% of its trade receivables as at the end of the reporting period.

Exposure to credit risk

As the Group does not hold any collateral, the maximum exposure to credit risk is represented by the carrying amount of the financial assets as at the end of the reporting period.

36. FINANCIAL INSTRUMENTS (cont'd)

(a) Financial Risk Management Policies (cont'd)

(ii) Credit Risk (cont'd)

Exposure to credit risk (cont'd)

The exposure of credit risk for trade receivables by geographical region is as follows:-

	Group	
	2012 RM	2011 RM
United States Dollar	557,502	2,972,626

Ageing analysis

The ageing analysis of the Group's trade receivables at the end of reporting period is as follows:-

Group	Gross Amount RM	Individual Impairment RM	Collective Impairment RM	Carrying Value RM
2012				
Not past due	22,192,857	-	-	22,192,857
Past due:				
- less than 3 months	3,213,313	-	-	3,213,313
- 3 to 6 months	657,375	-	-	657,375
- over 6 months	3,520,046	(2,591,801)	-	928,245
	29,583,591	(2,591,801)	-	26,991,790
2011				
Not past due	16,830,649	-	-	16,830,649
Past due:				
- less than 3 months	4,408,669	-	-	4,408,669
- 3 to 6 months	1,569,966	(375,826)	-	1,194,140
- over 6 months	3,709,427	(1,881,096)	-	1,828,331
	26,518,711	(2,256,922)	-	24,261,789

At the end of the reporting period, trade receivables that are individually impaired were those in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancement.

The collective impairment allowance is determined based on estimated irrecoverable amounts from the sale of goods, determined by reference to past default experience.

36. FINANCIAL INSTRUMENTS (cont'd)

(a) Financial Risk Management Policies (cont'd)

(ii) Credit Risk (cont'd)

Trade receivables that are past due but not impaired

The Group believes that no impairment allowance is necessary in respect of these trade receivables. They are substantially companies with good collection track record and no recent history of default.

Trade receivables that are neither past due nor impaired

A significant portion of trade receivables that are neither past due nor impaired are regular customers that have been transacting with the Group. The Groups uses ageing analysis to monitor the credit quality of the trade receivables. Any receivables having significant balances past due or more than 120 days, which are deemed to have higher credit risk, are monitored individually.

(iii) Liquidity Risk

Liquidity risk arises mainly from general funding and business activities. The Group practises prudent risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.

36. FINANCIAL INSTRUMENTS (cont'd)

(a) Financial Risk Management Policies (cont'd)

(iii) Liquidity Risk (cont'd)

The following table sets out the maturity profile of the financial liabilities as at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):-

Group	Weighted Average Effective Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 - 5 Years RM	Over 5 Years RM
2012						
Hire purchase liabilities	6.72	39,288	40,979	27,524	13,455	-
Trade payables	-	9,005,941	9,005,941	9,005,941	-	-
Other payables and accruals	-	5,208,422	5,208,422	5,208,422	-	-
Amount owing to a Director	-	6,033,976	6,033,976	6,033,976	-	-
Amount owing to an associate	-	35,809	35,809	35,809	-	-
Amounts owing to related parties	-	133,126	133,126	133,126	-	-
Term loans	5.60	19,457,088	21,919,101	6,062,931	15,516,048	340,122
Bank overdrafts	8.10	1,498,809	1,498,809	1,498,809	-	-
		41,412,459	43,876,163	28,006,538	15,529,503	340,122
2011						
Hire purchase liabilities	7.85	585,489	636,037	351,281	284,756	-
Trade payables	-	6,147,177	6,147,177	6,147,177	-	-
Other payables and accruals	-	4,546,981	4,546,981	4,546,981	-	-
Amount owing to a Director	-	1,961,782	1,961,782	1,961,782	-	-
Amount owing to an associate	-	89,769	89,769	89,769	-	-
Term loans	4.92	17,998,381	21,462,063	5,141,400	15,637,026	683,637
Bank overdrafts	7.80	645,571	645,571	645,571	-	-
		31,975,150	35,489,380	18,883,961	15,921,782	683,637

36. FINANCIAL INSTRUMENTS (cont'd)

(a) Financial Risk Management Policies (cont'd)

(iii) Liquidity Risk (cont'd)

Company	Weighted Average Effective Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 - 5 Years RM	Over 5 Years RM
2012						
Other payables and accruals	-	116,297	116,297	116,297	-	-
Retention sum payable	-	2,715,400	2,715,400	2,715,400	-	-
Amount owing to a Director	-	2,250,000	2,250,000	2,250,000	-	-
Amounts owing to subsidiaries	-	178,553	178,553	178,553	-	-
		5,260,250	5,260,250	5,260,250	-	-
2011						
Other payables and accruals	-	116,347	116,347	116,347	-	-
Retention sum payable	-	2,715,400	2,715,400	2,715,400	-	-
		2,831,747	2,831,747	2,831,747	-	-

36. FINANCIAL INSTRUMENTS (cont'd)

(b) Capital Risk Management

The Group manages its capital to ensure that entities within the Group will be able to maintain an optimal capital structure so as to support their businesses and maximise shareholders' value. To achieve this objective, the Group may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group manages its capital based on debt-to-equity ratio. The Group's strategies were unchanged from the previous financial year. The debt-to-equity ratio is calculated as net debt divided by total equity. Net debt is calculated as borrowings plus trade and other payables less cash and cash equivalents.

The debt-to-equity ratio of the Group as at the end of the reporting period was as follows:-

	Group	
	2012 RM	2011 RM
Hire purchase liabilities	39,288	585,489
Trade payables	9,005,941	6,147,177
Other payables	11,411,333	6,598,532
Bank overdrafts	1,498,809	645,571
Term loans	19,457,088	17,998,381
	41,412,459	31,975,150
Less: Fixed deposits with licensed banks	(4,063,635)	(7,428,995)
Less: Cash and bank balances	(5,971,929)	(4,356,142)
Net debt	31,376,895	20,190,013
Total equity	75,929,735	102,901,876
Debt-to-equity ratio	0.41	0.20

Under the requirement of Bursa Malaysia Practice Note No. 17/2005, the Company is required to maintain a consolidated shareholders' equity (total equity attributable to owners of the Company) equal to or not less than the 25% of the issued and paid-up share capital (excluding treasury shares) and such shareholders' equity is not less than RM40 million. The Company has complied with this requirement.

36. FINANCIAL INSTRUMENTS (cont'd)

(c) Classification Of Financial Instruments

	Group		Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Financial assets				
Available-for-sale financial assets				
Investment in subsidiaries, at fair value	-	-	136,564,708	127,868,963
Loans and receivables financial assets				
Trade receivables	26,991,790	24,261,789	-	-
Other receivables	659,281	1,833,127	3,000	3,000
Amounts owing by subsidiaries	-	-	26,329,089	26,529,189
Amount owing by an associate	17,456	17,456	-	-
Fixed deposits with licensed banks	4,063,635	7,428,995	-	2,538,128
Cash and bank balances	5,971,929	4,356,142	160,553	46,509
	37,704,091	37,897,509	26,492,642	29,116,826
Financial liabilities				
Other financial liabilities				
Hire purchase liabilities	39,288	585,489	-	-
Term loans	19,457,088	17,998,381	-	-
Trade payables	9,005,941	6,147,177	-	-
Other payables	11,411,333	6,598,532	5,260,250	2,831,747
Bank overdrafts	1,498,809	645,571	-	-
	41,412,459	31,975,150	5,260,250	2,831,747

(d) Fair Values Of Financial Instruments

The carrying amounts of the financial assets and financial liabilities reported in the financial statements approximated their fair values.

The following summarises the methods used to determine the fair values of the financial instruments:-

(i) The financial assets and financial liabilities maturing within the next 12 months approximated their fair values due to the relatively short-term maturity of the financial instruments.

(ii) The fair value of hire purchase payables is determined by discounting the relevant cash flows using current interest rates for similar instruments as at the end of the reporting period.

(iii) The carrying amounts of the term loans approximated their fair values as these instruments bear interest at variable rates.

36. FINANCIAL INSTRUMENTS (cont'd)

(e) Fair Value Hierarchy

The fair values of the financial assets and liabilities are analysed into level 1 to 3 as follows:-

Level 1: Fair value measurements derive from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value measurements derive from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Fair value measurements derive from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at 31 March 2012, the Company's financial instruments carried at fair values are analysed as below:-

Group	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
2012				
Financial assets				
Investment in subsidiaries	-	-	136,564,708	136,564,708

Reconciliation of level 3 of the fair value hierarchy

Company	Investments In Subsidiaries RM	Total RM
Balance at 1 April 2011	127,868,963	127,868,963
Acquisition of subsidiaries	14,800,100	14,800,100
Additional investment in subsidiaries (Note 33)	303,000	303,000
Total profit recognised in other comprehensive income	126,641	126,641
	143,098,704	143,098,704
Less: Accumulated impairment losses	(6,533,996)	(6,533,996)
Balance at 31 March 2012	136,564,708	136,564,708

Although the Company believes that its estimates of fair value are appropriate, the use of different methodologies or assumptions could lead to different measurements of fair value.

For fair value measurements in level 3, changing one or more of the assumptions used to reasonably possible alternative assumptions would have the following effects:-

(i) A 1% decrease/increase in gross profit margin would have resulted in a decrease/increase in the fair values of the investments in subsidiaries of RM11,024,555.

(ii) A 1% increase/decrease in the cost of capital used would have resulted in a decrease/increase in the fair values of the investments in subsidiaries of RM7,337,721.

Transfer between level 1 and level 2

There were no transfers between level 1 and level 2 fair value measurements during the current financial year.

37. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

The significant events during the financial year are as follows:-

(i) On 5 May 2011, the Company subscribed for an additional 1,200,000 new ordinary shares of RM1.00 each in Guper Integrated Logistics Sdn. Bhd. ("Guper"), for a total cash consideration of RM1,200,000 to retain its 60% equity interest.

(ii) On 21 July 2011, the Company acquired the entire equity interest of Complete Biofuel Sdn. Bhd. ("CB") from its wholly owned subsidiary, Island Network Sdn. Bhd. for a total cash consideration of RM100. In consequence thereof, CB became a direct wholly-owned subsidiary of the Company.

(iii) On 11 October 2011, the Company entered into a Share Sale Agreement for the acquisition of a 65% equity interest in Ecocentre Sdn. Bhd., comprising of 65,000 ordinary shares of RM1.00 each from Banjaran Unggul Sdn. Bhd. for a total consideration of RM242,000.

The acquisition was completed on 16 November 2011.

(iv) On 11 October 2011, the Company entered into a Share Sale Agreement for the acquisition of the entire equity interest in Guper Properties Sdn. Bhd., comprising of 2 ordinary shares of RM1.00 each from Guper Resources Sdn. Bhd. for a total consideration of RM61,000.

The acquisition was completed on 16 November 2011.

(v) On 8 November 2011, the Company entered into a conditional Share Sale Agreement for the acquisition of the remaining 40% equity interest in Guper, comprising 1,200,000 ordinary shares of RM1 each for a total cash consideration of RM13,600,000.

The acquisition was approved by the shareholders at the Extraordinary General Meeting convened on 27 December 2011 and was completed on 2 March 2012.

Consequently, Guper became a wholly-owned subsidiary of the Company.

(vi) On 26 March 2012, Bagai Pertama Sdn. Bhd., a wholly-owned subsidiary of the Company entered into a Sale and Purchase Agreement with a third party for the disposal of a vessel for a total cash consideration of USD250,000.

38. SIGNIFICANT EVENTS OCCURING AFTER THE REPORTING PERIOD

The significant events occurring after the reporting period are as follows:-

(i) On 21 May 2012, the Company entered into a conditional Share Sale Agreement for the proposed acquisition of the entire equity interest in Pengangkutan Sekata Sdn. Bhd. ("Sekata"), comprising 1,500,000 ordinary shares of RM1 each for a total cash consideration of RM10,000,000. Upon completion, Sekata will become a wholly owned subsidiary of the Company.

The proposed acquisition is subject to the shareholders' approval at an Extraordinary General Meeting to be convened.

(ii) On 29 May 2012, Guper Integrated Logistics Sdn. Bhd., a wholly owned subsidiary of the Company entered into a Sale and Purchase Agreement with a third party for the disposal of a piece of freehold vacant land located on PT3908, Nilai Industrial Estate, Nilai, Negeri Sembilan, held under Title No. HS(D) 81579 for a total cash consideration of RM3,784,071.

39. SUPPLEMENTARY INFORMATION - DISCLOSURE OF REALISED AND UNREALISED PROFITS/LOSSES

The breakdown of the retained earnings of the Group and of the Company as at the end of the reporting period into realised and unrealised profits are presented in accordance with the directive issued by Bursa Malaysia Securities Berhad and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants, as follows:-

	Group		Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Total retained earnings:				
- realised	29,462,383	49,283,657	7,604,574	3,979,810
- unrealised	4,214,514	2,912,391	-	-
	33,676,897	52,196,048	7,604,574	3,979,810
Less: Consolidation adjustments	(21,744,312)	(24,382,957)	-	-
At 31 March	11,932,585	27,813,091	7,604,574	3,979,810

List Of Properties
As At 31 March 2012

Registered Owner	Location	Description/ existing use	Tenure of Land	Land Area (m2)	Audited Net Book Value as at 31.3.12	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	538,023	28	12.11.2007
Guper Integrated Logistics Sdn Bhd	PT3907, Nilai Industrial Estate, 71800 Nilai, Negeri Sembilan Darul Khusus	Container Yard, Office Building, Warehouse and Custom Complex	Freehold	119,649	21,955,097	18	16.11.2007
	PT3905, Nilai Industrial Estate, 71800 Nilai, Negeri Sembilan Darul Khusus	Vacant Land	Freehold	2,428	900,000	-	16.11.2007
	PT3906, Nilai Industrial Estate, 71800 Nilai, Negeri Sembilan Darul Khusus	Vacant Land	Freehold	2,613	950,000	-	16.11.2007
	PT3908, Nilai Industrial Estate, 71800 Nilai, Negeri Sembilan Darul Khusus	Vacant Land	Freehold	10,986	2,200,000	-	16.11.2007

Analysis Of Shareholdings
As At 31 July 2012

Authorised Share Capital	:	RM100,000,000.00
Issued and Paid Up Share Capital	:	RM60,000,000
Class of Shares	:	Ordinary shares of RM0.50 each
Voting Rights	:	1 vote per share
Number of Shareholders	:	1,235

SIZE OF SHAREHOLDINGS

Size of Holdings	No of Shareholders	%	No of Shares *	%
Less than 100	4	0.32	106	0.00
100 - 1,000	195	15.79	173,194	0.14
1,001 - 10,000	618	50.04	3,094,400	2.59
10,001 - 100,000	336	27.21	11,247,900	9.40
100,001 to less than 5% of issued shares	79	6.40	50,153,100	41.91
5% and above of issued shares	3	0.24	55,012,000	45.96
Total	**1,235**	**100.00**	**119,680,700**	**100.00**

DIRECTORS' SHAREHOLDINGS

No.	Name of Director	Direct Interest	% *	Indirect Interest	% *
1	Law Hee Ling	13,234,400	11.06	38,793,500	32.41
2	Hoo Mee Lien	6,777,600	5.66	-	-
3	Lim Kok Onn	3,132,500	2.62	-	-
4	Chia Kah Ying	1,340,800	1.12	-	-
5	Tan Sri Dato' Seri Law Hieng Ding	2,000	-	-	-
6	Dato' Dr Ibrahim bin Ahmad	-	-	5,900,000	4.93
	Total	**24,487,300**	**20.46**	**44,693,500**	**37.34**

INFORMATION ON SUBSTANTIAL SHAREHOLDERS

No.	Name	No of Shares	% *
1	Dolphin Assets Sdn. Bhd.	35,000,000	29.24
2	Law Hee Ling	13,234,400	11.06
3	Hoo Mee Lien	6,777,600	5.66
	Total	**55,012,000**	**45.96**

LIST OF TOP 30 SHAREHOLDERS

No.	Name	No of Shares	% *
1	DOLPHIN ASSETS SDN BHD	35,000,000	29.24
2	LAW HEE LING	13,234,400	11.06
3	HOO MEE LIEN	6,777,600	5.66
4	PUSAKA UNGGUL SDN BHD	5,900,000	4.93
5	LIM LAY FONG	3,793,500	3.17
6	CHANDRA SEKARAN A/L SUBRAYAN	3,452,300	2.89
7	LIM KOK ONN	3,132,500	2.62
8	MALAYSIA NOMINEES (TEMPATAN) SENDIRIAN BERHAD GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD (LPF)	2,808,000	2.35
9	LEMBAGA TABUNG HAJI	2,776,300	2.32
10	TAN CHOON LEONG	2,455,700	2.05
11	AMCORP GROUP BERHAD	2,381,000	1.99
12	CHANDRA SEKARAN A/L SUBRAYAN	2,313,800	1.93
13	CHIA KAH YING	1,340,800	1.12
14	TAN CHOON LEONG	1,022,600	0.85
15	TAN MEE LEY	1,011,000	0.84
16	SIN SIEW WAH	1,000,000	0.84
17	KUNTUM ENTERPRISES SDN BHD	988,900	0.83
18	LOH CHOOI FUN	700,000	0.59
19	TIONG HEW PING	636,900	0.53
20	TANG TECK PO	582,100	0.49
21	KAMARUDIN BIN MOHD ZAIN	523,900	0.44
22	TENG CHU LEN	517,000	0.43
23	KOH SEN CHUN	484,500	0.40
24	SIM AH LEN	468,000	0.39
25	TAN CHOON LEONG	460,100	0.38
26	LAU PIK	420,600	0.35
27	HLG NOMINEE (TEMPATAN) SDN BHD HONG LEONG BANK BHD FOR FOONG CHEE HWA	418,500	0.35
28	TEO YU THIAN	390,000	0.33
29	EB NOMINEES (TEMPATAN) SENDIRIAN BERHAD PLEDGED SECURITIES ACCOUNT FOR YOUNG WONG @ YEO SUAN SAM (SFC)	337,900	0.28
30	CHONG VOON WEI	337,000	0.28
	TOTAL	**95,664,900**	**79.93**

Note :

* Excluding a total of 319,300 ordinary shares of RM0.50 each bought back by the Company and retained as treasury shares.

Notice Of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Seventh (7th) Annual General Meeting of Complete Logistic Services Berhad will be held at Nilai Inland Port, 1st Floor, PT 3907, Nilai industrial Estate, 71800 Nilai, Negeri Sembilan on Tuesday 25 September 2012 at 11.00 a.m. for the following purposes:-

AS ORDINARY BUSINESS

1. To receive the audited financial statements for the financial year ended 31March 2012 and the Reports of the Directors and Auditors thereon;

2. To approve the payment of Directors' fees of RM60,600 for the financial year ended 31 March 2012; (2011-RM72,000); **(Ordinary Resolution 1)**

3. To re-elect the following Directors retiring pursuant to Article 95 of the Articles of Association of the Company:
   (i) Hoo Mee Lien; and **(Ordinary Resolution 2)**
   (ii) Chia Kah Ying **(Ordinary Resolution 3)**

4. To re-elect the following Directors retiring pursuant to Article 101 of the Articles of Association of the Company:-
   (i) Dato' Dr G K Alfred Kumaraseri; and **(Ordinary Resolution 4)**
   (ii) Dato' Dr Ibrahim Bin Ahmad **(Ordinary Resolution 5)**

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 ("Act"); **(Ordinary Resolution 6)**

6. To re-appoint Crowe Horwath as Auditors of the Company and to authorise the Directors to fix their remuneration; **(Ordinary Resolution 7)**

7. **SPECIAL BUSINESS**

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

   (A) <u>Authority to Allot and Issue Shares Pursuant to Section 132D of the Act</u> **(Ordinary Resolution 8)**

   "That pursuant to Section 132D of the Act, full authority be and is hereby given to the Directors to issue shares of the Company from time to time 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 pursuant to this resolution does not exceed ten percent (10%) of the issued share capital of the Company and that such authority shall continue in force until the conclusion of the next AGM of the Company, and that the Directors be and is hereby empowered to obtain the approval of the Bursa Malaysia Securities Berhad ("Bursa Securities") for the listing of and quotation for the new shares so issued."
   (See Explanatory Note 5 (i) on Special Business below)

   (B) <u>Proposed Renewal of Shareholders' Mandate to Enable the Company to Purchase up to 10% of its Issued and Paid-up Share Capital ("Proposed Renewal of Share Buy-Back Authority")</u> **(Ordinary Resolution 9)**

   "That subject to the Act, rules, regulations and orders made pursuant to the Act, provisions of the Company's Memorandum and Articles of Association and the Listing Requirements of Bursa Securities ("Listing Requirements") and any other relevant authority, the Company be and is hereby authorised to purchase and/or hold such amount of ordinary shares of RM0.50 each in the Company's issued and paid-up share capital through Bursa Securities upon such terms and conditions as the Directors may deem fit in the interest of the Company provided that:-

7. **SPECIAL BUSINESS (cont'd)**

(B) Proposed Renewal of Shareholders' Mandate to Enable the Company to Purchase up to 10% of its Issued and Paid-up Share Capital ("Proposed Renewal of Share Buy-Back Authority") (cont'd)

(a) the aggregate number of shares so purchased and/or held pursuant to this ordinary resolution ("Purchased Shares") does not exceed ten percent (10%) of the total issued and paid-up share capital of the Company at any one time; and

(b) the maximum amount of funds to be allocated for the Purchased Shares shall not exceed the aggregate of the retained profits and/or share premium of the Company;

And that the authority conferred by this ordinary resolution shall be effective immediately upon passing of this ordinary resolution and shall continue in force until the conclusion of the next AGM of the Company or the expiry of the period within which the next AGM of the Company is required by law to be held (whichever is earlier), unless earlier revoked or varied by ordinary resolution of the shareholders of the Company in general meeting, but shall not prejudice the completion of purchases(s) by the Company before that aforesaid expiry date and in any event in accordance with provisions of the Listing Requirements and other relevant authorities." (See Explanatory Note 5(ii) on Special Business below)

(C) Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions ("RRPT") of a Revenue and/or Trading Nature and New Mandate for Additional RRPT of a Revenue and/or Trading Nature ("Proposed Shareholders' Mandate for RRPT") **(Ordinary Resolution 10)**

"That authority be and is hereby given in line with Paragraph 10.09 of the Listing Requirements, for the Company, its subsidiaries or any of them to enter into any of the transactions falling within the types of the RRPT, particulars of which are set out in the Circular to Shareholders dated 28 August 2012 ("the Circular"), with the Related Parties as described in the Circular, provided that such transactions are of revenue and/or trading nature, which are necessary for the day-to-day operations of the Company and/or its subsidiaries, within the ordinary course of business of the Company and/or its subsidiaries, made on an arm's length basis and on normal commercial terms which those generally available to the public and are not detrimental to the minority shareholders of the Company;

That such authority shall commence immediately upon the passing of this ordinary resolution until:-

(a) the conclusion of the next AGM of the Company following the general meeting at which the ordinary resolution for the Proposed Shareholders' Mandate for RRPT is passed, at which time it shall lapse, unless the authority is renewed by a resolution passed at the next AGM; or

(b) the expiration of the period within which the next AGM after the date it is required by law to be held; or

(c) revoked or varied by ordinary resolution passed by the shareholders of the Company at a general meeting of the Company,

whichever occurs first;

7. **SPECIAL BUSINESS (cont'd)**

(C) Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions ("RRPT") of a Revenue and/or Trading Nature and New Mandate for Additional RRPT of a Revenue and/or Trading Nature ("Proposed Shareholders' Mandate for RRPT") (cont'd)

And that the Directors of the Company be authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary or give effect to the Proposed Shareholders' Mandate for RRPT. (See Explanatory Note 5(iii) on Special Business below)

(D) Proposed Amendments to the Company's Articles of Association **(Special Resolution 1)**

"That the Articles of Association of the Company be and are hereby amended in the manner as set out in Part A (II) of the Circular to Shareholders dated 28 August 2012;

And that the Directors of the Company be and are hereby authorised to give effect to the said amendments, alteration, modification, deletion and/or addition to the Articles of Association of the Company as may be required by any relevant authorities as they deem fit, necessary or expedient in order to give full effect to the Proposed Amendments to the Company's Articles of Association." (See Explanatory Note 5(iv) on Special Business below)

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

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
28 August 2012

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 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 adjournment thereof.

4. With respect to deposited securities, only members whose names appear in the Record of Depositors on 18 September 2012 (General Meeting Record of Depositors) shall be eligible to attend the AGM or appoint proxy(ies) to attend and / or vote on his behalf.

5. Explanatory Notes on Special Business:

   (i) Ordinary Resolution 8 - Proposed Renewal of Authority for Directors to Issue Shares.

   Ordinary Resolution 8 is proposed for the purpose of granting a renewal of the general mandate for issuance of shares by the Company under Section 132D of the Act. Ordinary Resolution 8, if passed, will give the Directors of the Company authority to issue ordinary shares in the Company at any time in their absolute discretion without convening a general meeting. The authorisation, unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the next AGM of the Company.

   The Company had, at the 6th AGM held on 21 September 2011, obtained its shareholders' approval for the general mandate for issuance of shares pursuant to Section 132 D of the Act. The Company did not issue any new shares pursuant to this mandate obtained as at the date of this notice. Ordinary Resolution 8 is a renewal of the general mandate. At this juncture, there is no decision to issue new shares. If there should be a decision to issue new shares after the general mandate is obtained, an announcement will be made by the Company in respect of the purpose and utilisation of proceeds arising from such issue.

   The general mandate, if granted, will provide flexibility to the Company for any possible fund raising activities, including but not limited to placing of shares, for the purpose of funding future investment project(s), working capital and/or acquisition(s).

   (ii) Ordinary Resolution 9 – Proposed Renewal of the Share Buy-Back Authority.

   Ordinary Resolution 9, if passed, will enable the Company to utilise any of its surplus financial resources to purchase its own shares through Bursa Securities up to 10% of the issued and paid-up capital of the Company. This authority will, unless revoked or varied at a general meeting, expire at the conclusion of the next AGM of the Company.

   Further information on the proposed Renewal of the Share Buy-Back Authority are set out in the Statement to Shareholders of the Company dated 28 August 2012, which is dispatched together with the Company's 2012 Annual Report.

   (iii) Ordinary Resolution 10 - Proposed Shareholders' Mandate for RRPT.

   Ordinary Resolution 10, if passed, is primarily to authorise the Company and/or its unlisted subsidiaries to enter into arrangements or transactions with Related Parties, particulars of which are set out in Section 4.1 of the Circular to Shareholders dated 28 August 2012, which is dispatched together with the Company's 2012 Annual Report, which are necessary for the day-to-day operations of the Group and are based on normal commercial terms that are not more favourable to the Related Parties than those generally made available to the public.

   (iv) Special Resolution 1 – Proposed Amendments to the Company's Articles of Association.

   Special Resolution 1, if passed, will give authority to the Directors to amend the Company's Articles of Association in order to be in line with the new Listing Requirements of Bursa Malaysia Securities Berhad, prevailing statutory and regulatory requirements, and to update the Articles of Association of the Company. Further explanatory notes on Special Resolution 1 are set out in the Circular to Shareholders dated 28 August 2012, which is dispatched together with the Company's 2012 Annual Report.

Statement Accompany Notice Of Annual General Meeting

1. Details of the following Directors who are standing for either re-election or re-appointment in Agenda 3, 4 and 5 of the Notice of the Seventh Annual General Meeting are set out in the Profile of Directors appearing on pages 4 and 7 of this Annual Report.
   (i) Hoo Mee Lien
   (ii) Chia Kah Ying
   (iii) Dato' Dr G K Alfred Kumaraseri
   (iv) Dato' Dr Ibrahim Bin Ahmad
   (v) Tan Sri Dato' Seri Law Hieng Ding

2. Details of attendance of Directors at Board Meetings.
   Seven (7) Board Meetings were held during the financial year ended 31 March 2012. Details of the attendance of Directors are as follows:

Directors	No. of Meetings attended
Tan Sri Dato' Seri Law Hieng Ding	7/7
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
Dato' Dr G K Alfred Kumaraseri (appointed on 22 September 2011)	2/3
Dato' Dr Ibrahim Bin Ahmad (appointed on 1 June 2012)	0/0

3. Place, date and time of Board Meeting

Place of meeting	Date	Time
25 Jalan Berangan, 42000 Port Klang.	25.5.2011	11.30 a.m.
25 Jalan Berangan, 42000 Port Klang.	25.7.2011	12.00 noon
25 Jalan Berangan, 42000 Port Klang.	23.8.2011	11.30 a.m.
25 Jalan Berangan, 42000 Port Klang.	27.2.2012	2.00 p.m.
Premiere Hotel, Jalan Langat, 41200 Klang.	21.9.2011	3.30 p.m.
8 Jalan Rosa 5, Changkat Semantan, 50490 Kuala Lumpur.	19.10.2011	12.00 noon
Nilai Inland Port, PT 3907 Nilai Industrial Estate, 71800 Nilai.	25.11.2011	2.20 p.m.

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PROXY FORM

Number of Shares held	
CDS Account No.	

(716241-X)

COMPLETE LOGISTIC SERVICES BERHAD

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 Meeting as my/our proxy to attend and vote for me/us on my/our behalf at the 7th Annual General Meeting of the Company to be held at Nilai Inland Port, 1st Floor PT 3907, Nilai Industrial Estate on Tuesday, 25 September 2012 at 11 a.m. or at any adjournment thereof.

My/our proxy is to vote on the resolutions 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 the 2012 Audited Financial Statements and Reports			
2. To approve payment of Directors' Fees	Ordinary Resolution 1		
3. To re-elect Directors under Article 95			
(i) Hoo Mee Lien	Ordinary Resolution 2		
(ii) Chia Kah Ying	Ordinary Resolution 3		
4. To re-elect Directors under Article 101			
(i) Dato' Dr. G.K. Alfred Kumaraseri	Ordinary Resolution 4		
(ii) Dato' Dr. Ibrahim Bin Ahmad	Ordinary Resolution 5		
5. To re-appoint Director under S129(6) of the Act			
(i) Tan Sri Dato' Seri Law Hieng Ding	Ordinary Resolution 6		
6. To re-appoint Messrs Crowe Horwarth as the Auditors of the Company.	Ordinary Resolution 7		
SPECIAL BUSINESS			
7. (a) To approve authority for Directors to allot and issue shares	Ordinary Resolution 8		
(b) To renew shareholders' mandate for Share Buy-Back	Ordinary Resolution 9		
(c) To renew and obtain additional shareholders' mandate for RRPT	Ordinary Resolution 10		
(d) To approve amendments to the Articles of Association	Special Resolution 1		

Dated this ______________ day of ______________ 2012

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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 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 adjournment thereof.
4. With respect to deposited securities, only members whose names appear in the Record of Depositors on 18 September 2012 (General Meeting Record of Depositors) shall be eligible to attend the AGM or appoint proxy(ies) to attend and / or vote on his behalf.

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STAMP

THE COMPANY SECRETARIES
COMPLETE LOGISTIC SERVICES BERHAD

NO. 82F JALAN PULASAN
41000 KLANG
SELANGOR DARUL EHSAN

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(716241-X)

COMPLETE LOGISTIC SERVICES BERHAD

No.25, Jalan Berangan, 42000 Port Klang, Selangor Darul Ehsan.
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Website: www.complete-group.com