(716241-X)

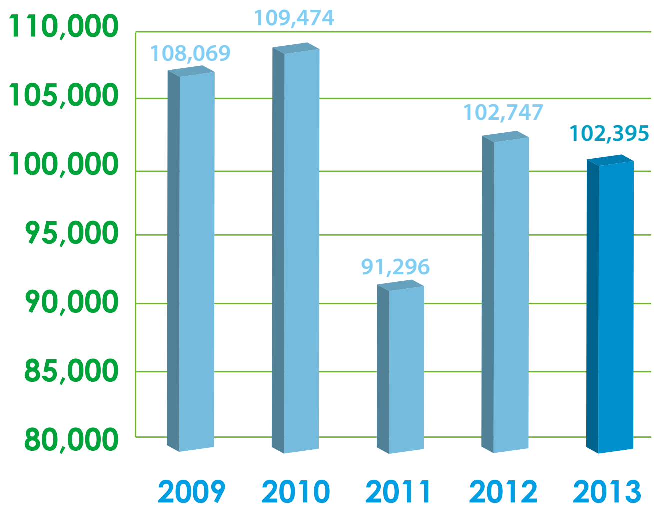
COMPLETE LOGISTIC SERVICES BERHAD

ANNUAL REPORT 2013

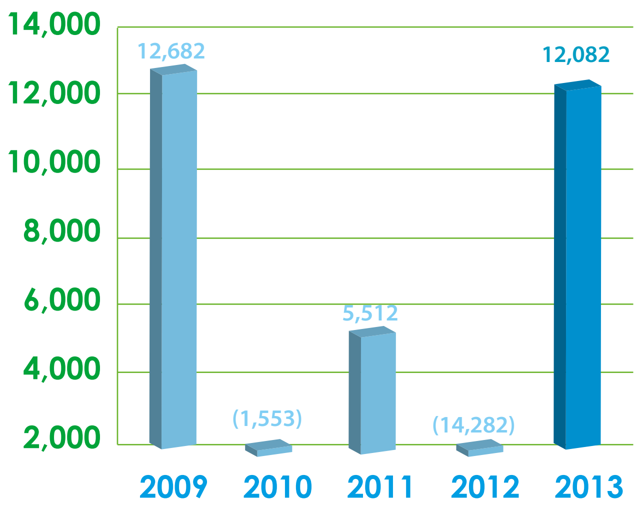
5 Years Financial Highlights

	2009	2010	2011	2012	2013
Revenue (RM'000)	108,069	109,474	91,296	102,747	102,395
Profit/(Loss) After Tax (RM'000)	12,682	(1,553)	5,512	(14,282)	12,082
Shareholders' Equity (RM'000)	97,705	91,695	91,706	75,762	87,717
Net Assets Per Share (Sen)	81.42	76.41	76.42	63.19	73.29
Earnings/(Loss) Per Ordinary Share (Sen)	10.60	(1.90)	3.20	(13.50)	10.00

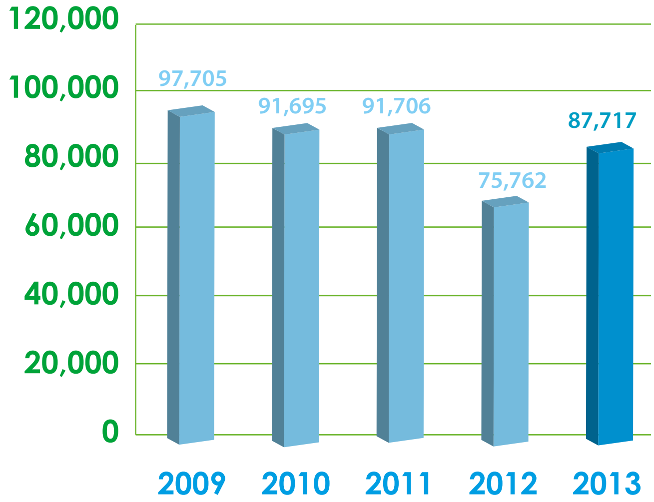
Revenue (RM'000)



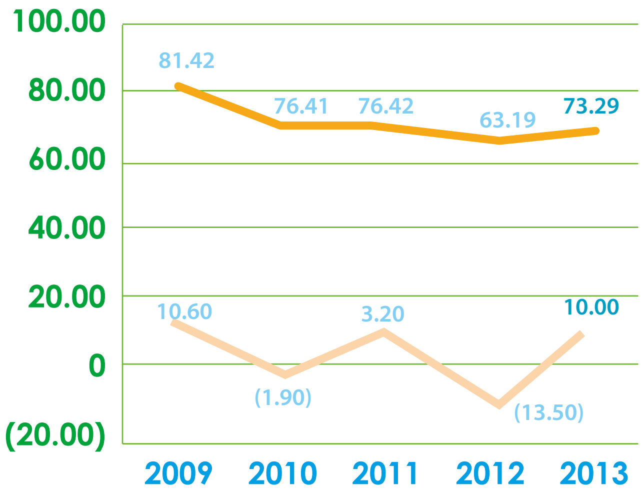
Profit/(Loss) After Tax (RM'000)



Shareholders' Equity (RM'000)



Net Assets Per Share (Sen)
Earnings/(Loss) Per Ordinary Share (Sen)



8th
Annual General Meeting

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

Time : Wednesday, 25 September 2013 at 11.00 a.m.

CONTENTS

CORPORATE INFORMATION

BOARD OF DIRECTORS

Dato' Dr Ibrahim Bin Ahmad
(Executive Chairman)

Law Hee Ling
(Managing Director)

Lim Kok Onn
(Executive Director)

Chia Kah Ying
(Executive Director)

Ng Yoon Kin *(Appointed on 12 December 2012)*
(Executive Director)

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

Yet Kiong Siang
(Independent Non-Executive Director)

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

AUDIT COMMITTEE

Chairman
Tan Sri Dato' Seri Law Hieng Ding

Members
Yet Kiong Siang
Dato' Dr G K Alfred Kumaraseri

REMUNERATION COMMITEE

Chairman
Tan Sri Dato' Seri Law Hieng Ding

Members
Law Hee Ling
Yet Kiong Siang

NOMINATION COMMITEE

Chairman
Tan Sri Dato' Seri Law Hieng Ding

Members
Lim Kok Onn
Yet Kiong Siang

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 (AF1018)
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

STOCK EXCHANGE LISTING

Bursa Malaysia Securities Berhad
Main Market

CORPORATE STRUCTURE

As At 31 July 2013

CLS (716241-X)
COMPLETE LOGISTIC SERVICES BERHAD

- 100% **Bagai Pertama Sdn Bhd (545483-A)**
  Shipowner/provision of marine transportation services
- 100% **Complete Biofuel Sdn Bhd (514505-U)**
  Dormant since incorporation
- 100% **Complete Container Services Sdn Bhd (543015-W)**
  Shipowner/provision of marine transportation services
- 100% **Complete International Pte Ltd (LL06829)**
  General trading
- 100% **Complete Logistic Specialists Sdn Bhd (445588-V)**
  Total logistic services provider
- 100% **Complete Marine Services Sdn Bhd (490761-A)**
  Shipowner/provision of marine transportation services
- 100% **Complete Shipping Sdn Bhd (471084-X)**
  Shipowner/provision of marine transportation services
- 100% **Complete Transport Services Sdn Bhd (545866-U)**
  Lorry and trucking services
- 100% **Complete Tug & Barge Sdn Bhd (527808-A)**
  Shipowner/provision of marine transportation services
- 100% **Dolphin Shipping Agency Sdn Bhd (507526-A)**
  Trading of freight
- 65% **Ecocentre Sdn Bhd (832539-W)**
  Processing & trading of rubber dust, trading of tyres, lubricants and related products, provision of tyres maintenance services
- 100% **Gems Logistics Sdn Bhd (949999-H)**
  Dormant
- 100% **Guper Integrated Logistics Sdn Bhd (420531-V)**
  Total Logistic services with haulage, forwarding & other associated services
- 100% **Guper Properties Sdn Bhd (632797-D)**
  Insurance agent
- 100% **Island Network Sdn Bhd (466999-W)**
  General trading
- 100% **Malsuria Logistics Sdn Bhd (463630-M)**
  Shipowner/provision of marine transportation services
- 100% **Malsuria (M) Sdn Bhd (234248-P)**
  Shipowner/provision of marine transportation services
- 100% **Malsuria Tanker Services Sdn Bhd (376604-H)**
  Shipowner/provision of marine transportation services
- 100% **Pengangkutan Sekata Sdn Bhd (154036-K)**
  Lorry transport operator
  - 100% **Dian Pahlawan Sdn Bhd (432061-W)**
    Lorry transport operator
  - 100% **Sin Hiap Hoe Trading and Transport Sdn Berhad (39285-T)**
    Lorry transport operator
- 100% **Sierra Jaya Sdn Bhd (266651-P)**
  Shipowner/provision of marine transportation services

EVENTS PHOTOS
ANNUAL DINNER 2013

Theme: Back To School
Awards

15 YEARS LONG SERVICE AWARD

BEST DRIVER

BEST DRIVER

BEST DRIVER

BEST DRIVER

SPEECH BY DIRECTOR

EVENTS PHOTOS
ANNUAL DINNER 2013
Theme: Back To School

OPPA GANGNAM STYLE BEST DANCER TEAM

FEMALE BEST SCHOOL UNIFORM

EVENTS PHOTOS
ANNUAL DINNER 2013
Theme: Back To School

STAFF WELFARE

EVENTS PHOTOS
TEAM BUILDING AT A'FAMOSA RESORT
ON 8-9 SEPTEMBER 2012

BOARD OF DIRECTORS

Front Sitting : From Left to Right

1. Tan Sri Dato' Seri Law Hieng Ding
2. Dato' Dr Ibrahim Bin Ahmad
3. Law Hee Ling

Back Standing : From Right to Left

4. Lim Kok Onn
5. Chia Kah Ying
6. Yet Kiong Siang
7. Ng Yoon Kin

Dato' Dr Ibrahim Bin Ahmad
Executive Chairman

A Malaysian aged 58, was appointed as the Executive Chairman of Complete Logistics Services Berhad ("CLSB" or "the Company") on 1 July 2012. He is a substantial shareholder of the Company.

Prior to getting involved in the logistic industry, he was holding senior management position in various International companies. He started his career in the logistic industry when he was appointed as 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 as its pioneer Chief Executive Officer.

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

His experiences extend across all levels of managements, strategic direction and business acumen. He also holds various positions, among them, Chairman of Logistics "Think Tank Group", under the Prime Ministers 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.

Training programmes attended during the financial year are as follows:
- ❖ Corporate Integrity System Malaysia : CEO Dialogue Session
- ❖ Corporate Governance Blueprint and Malaysian Code of Corporate Governance 2012

Law Hee Ling
Managing Director

A Malaysian aged 48, 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 30 years of experience in the shipping industry. He started his career in shipping in 1983 where he was exposed to all aspects of the shipping operations, marketing and finance. In 1988 he started his own logistics agency business and subsequently ventured into marine transportation services in 1995. Since then, he has grown our fleet of vessels and expanded our Group's business activities to cover marine transportation services, logistics operations and general trading. He is responsible for the overall management and operations of our Group.

Mr Law is a member of our Remuneration Committee. There is no conflict of interest with the Company except for those transactions disclosed in pages 26 and 27 of this Report, note 34(b) to the Financial Statements and the circular on recurrent related party transactions.
-
Training programmes attended during the financial year are as follows:
- ❖ Case Studies For Boardroom Excellence : Fraud Detection & Prevention - a necessity, not a choice
- ❖ Listing Requirements of Bursa Malaysia Securities Bhd, Malaysian Code on Corporate Governance 2012 & Improving Financial Governance

Profile Of Directors (cont'd)

Lim Kok Onn
Executive Director

A Malaysian aged 59, was appointed to our Board on 30 October 2006. Mr Lim graduated with a Bachelor of Social Science (Economics) from University of Waikato, New Zealand in 1977 and a Master in Business Studies (Marketing) from Massey University, New Zealand in 1980.

He started his career in 1981 as a Planning Executive with Multi-Purpose Holding Berhad. Since then he has acquired wide experience in the plantation industry particularly in the field of 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 pages 26 and 27 of this Report, note 34(b) to the Financial Statements and the circular on recurrent related party transactions.

Training programmes attended during the financial year are as follows:
❖ Corporate Integrity System Malaysia : CEO Dialogue Session
❖ Corporate Governance Blueprint and Malaysian Code of Corporate Governance 2012

Chia Kah Ying
Executive Director

A Malaysian, aged 45, was appointed to our Board on 2 July 2007. She is a Certified Public Accountant with 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:
❖ Corporate Financial Reporting Standards (Module 3)
❖ Case Studies For Boardroom Excellence : Fraud Detection & Prevention - a necessity, not a choice
❖ Listing Requirements of Bursa Malaysia Securities Bhd, Malaysian Code on Corporate Governance 2012 & Improving Financial Governance
❖ Financial Reporting with MFRS-W1 : MFRS Compliant Financial Statements - A Step by Step Guide to Preparation

Ng Yoon Kin
Executive Director

A Malaysian aged 61, was appointed to our Board on 12 December 2012. .

In 1976, Mr Ng first ventured into general lorry transportation business in Selangor. Since then he has progressively expanded his transportation business from a general cargo transporter to highly specialised bulk tank carrier, serving the specific transportation needs of the cement, beverages, pre-cast concrete, packaging, audio products industries as well as to provide transportation support to integrated logistic services providers. To-date, he has acquired more than 36 years' experience in the various aspects of the transportation business in Peninsular Malaysia.

There is no conflict of interest with the Company except for those transactions disclosed in pages 26 and 27 of this Report, note 34(b) to the Financial Statements and the circular on recurrent related party transactions.

Training programmes attended during the financial year are as follows:
❖ Mandatory Accreditation Programme For Directors of Public Listed Company

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

A Malaysian aged 78, was appointed to our Board on 2 July 2007. Tan Sri graduated from Nanyang University in 1960 with a Bachelor Degree of Commerce in Accountancy and Banking.

He joined the Sarawak United People's Party ("SUPP") in the 1960s and was elected one of the councillors for Sibu Urban District Council from 1964 to 1981. He also served as the Chairman of Sibu Urban District Council from 1978 to 1981. He was elected as Member of Parliament for the constituency of Sarikei in 1982, a position which he held for 6 consecutive terms, ie from 1982 to 2008.

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

Tan Sri is a member of the Audit Committee, Remuneration Committee and Nomination Committee.

Yet Kiong Siang
Independent Non-executive Director

A Malaysian, aged 55, was appointed to our Board on 23 January 2009. He is a Chartered Accountant with the Malaysian Institute of Accountants. He is also a member of the Association of Chartered Certified Accountants, Chartered Tax Institute of Malaysia and Institute of Internal Auditors of Malaysia.

Mr. Yet is the proprietor of an audit firm. He has over 30 years of experience in the fields of auditing, taxation and management consultancy.

Mr Yet is a member of the Audit Committee, Remuneration Committee and Nomination Committee.

Training programme attended during the financial year are as follows:
- Implementing Audit Quality Control
- Corporate Governance Blueprint and Malaysian Code of Corporate Governance 2012
- National Tax Conference 2012
- Transfer Pricing and Advance Pricing Arrangement Rules 2012
- 2013 Budget Seminar
- Understanding Malaysian Property & Tax Planning Strategies

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

A Malaysian, aged 71, 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 over 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.

Training programmes attended during the financial year are as follows:
- Ethics Shift for Accountant

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 2013 can be found on page 15 of this report.

Dear Shareholders,

On behalf of the Board of Directors ("Board") of Complete Logistic Services Berhad ("CLSB" or "the Company"), I am pleased to present the Annual Report of CLSB and its subsidiaries ("the Group") for the financial year ended 31 March 2013.

Operation Review

All business segments of the Group performed satisfactorily during the financial year under review. The positive financial performance of the Group was made possible from a plan, mooted about four years ago with the aim of developing the Group's logistic business as the segment of growth and profitability to counter the then anticipated deteriorating shipping industry.

To realise the planned objectives, a programme of strategic measures were implemented that included:
(i) The acquisition and investment in productive logistic assets and trading subsidiaries;
(ii) Rationalisation of the operations of each business segment of the Group for productivity and efficiency; and
(iii) As well as to optimise the Group's resources for maximum benefits.

Through sheer hard work on the part of the management team and also the cooperative response from the employees over the past three to four years, I am pleased to inform shareholders that the Group's businesses have now been reasonably well structured with stable footing on its march forward into the future.

Financial Performance

For the financial year ended 31 March 2013, the Group has registered a slight revenue drop of RM0.35 million (or 0.34%) to RM102.40 million from RM102.75 million recorded in the previous corresponding year.

In term of profit after tax, the Group has registered a profit after tax of RM12.08 million against a loss after tax of RM14.28 million recorded in the previous financial year. The improvement was contributed by all business segments particularly the Logistics Segment.

Prospect

With the acquisition of Pengangkutan Sekata Sdn Bhd and its subsidiaries completed on 19 April 2013, the Group's Logistics Segment is expected to be the segment of growth for the financial year ahead.

The shipping industry is expected to remain difficult in the next financial year. To meet the challenges ahead, the Group will have to be ever alert by drawing on its experiences and wisdom to develop varied and innovative shipping packages to stay ahead and for sustainability. The Group is also planning to down-size its vessel fleet in view of the anticipated depressed freight markets to mitigate costs outlay and to ultimately conserve Group resources.

For the Trading Segment, its strategy to maintain its business with existing customers will be continued. The Group will meanwhile be also on the lookout for any new profitable and sustainable market opportunities.

The Malaysian Institute of Economy Research has projected the Malaysian economy to grow at a healthy rate of 4.8% per annum for 2013 and between 5 to 5.5% per annum for 2014.

With the Malaysian economy well on its steady path of growth and also the Group's business well transformed and structured to grow, your Board is optimistic that the financial performance for the forthcoming financial year will continue to be profitable.

Dividend

In order to conserve cash reserves to fund future business expansion, the Board has decided not to recommend any dividend payment for the financial year ended 31 March 2013.

Corporate Social Responsibility

As a responsible corporate citizen, the Group acknowledges its responsibility to its employees, business partners, shareholders, stakeholders as well as the social communities and environment that it operates in and will continue to contribute and undertake practices that will provide a positive impact to society and its environment.

For the financial year under review, the Group's management has initiated a voluntary food aid programme funded by contributions from Directors of the Group with the aim of providing food items to certain family of employees to alleviate their hardship. The Group is aiming to make their initiative a permanent part of its Corporate Social Responsibility programme once the mechanics of the scheme can be established.

Appreciation

On behalf of the Board, I like to offer my warm appreciation to all employees of the Group, both on shore and on board our vessels for their cooperation and commitment in our quest for productivity and growth.

I also wish to express my sincere appreciation to all our valued clients, business associates and suppliers, stakeholders and the respective authorities for their unwavering support.

A big thank you to all my fellow Directors for their leadership, experience and wisdom in guiding the Board and the respective committees.

To all the shareholders of CLSB, I like to offer my sincere gratitude and thank you once more for your loyal support, trusts and confidence given to CLSB.

Dato' Dr Ibrahim Bin Ahmad
Executive Chairman
Port Klang
23 August 2013

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 evaluate 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.

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 Bursa Malaysia Securities Berhad ("Bursa") Listing Requirements that requires at least two (2) Directors or one third (1/3) of the Board whichever is higher, are Independent Directors. The profiles of the members of the Board are set out on pages 9 to 12 of this 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 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 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 2013 the Board met six (6) 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
Dato' Dr Ibrahim Bin Ahmad	Executive Chairman	5/5
Law Hee Ling	Executive	6/6
Lim Kok Onn	Executive	6/6
Chia Kah Ying	Executive	6/6
Ng Yoon Kin *(Appointed on 12 December 2012)*	Executive	1/1
Hoo Mee Lien *(Retired on 25 September 2012)*	Executive	4/4
Tan Sri Dato' Seri Law Hieng Ding	Independent Non-Executive	6/6
Yet Kiong Siang	Independent Non-Executive	6/6
Dato' Dr G K Alfred Kumaraseri	Independent Non-Executive	5/6

Board meetings are structured with a pre-set agenda which encompasses all aspects of matters under discussion. The Board papers are circulated to the 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

Details of remuneration of Directors of the Company during the financial year ended 31 March 2013 are as follows:

Total Remuneration

	Executive Directors (RM'000)	Independent Non-Executive Directors (RM'000)	Total (RM'000)
Salary	1,092,000	-	1,092,000
Bonus	300,000	-	300,000
Fees	-	72,000	72,000
Other Benefits	210,065	19,250	229,315
Total	**1,602,065**	**91,250**	**1,693,315**

The details of the Directors' remuneration by band are disclosed in Note 33 to the Financial Statements on page 83 of this Report.

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 Independent Non-Executive Directors satisfies the accountability and transparency aspects of the Code.

SHAREHOLDERS

Shareholders and Investors Relations

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

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

Annual General Meeting

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

ACCOUNTABILITY AND AUDIT

Financial Reporting

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

A Statement of Directors' Responsibility is set out on page 24 of this Report.

Internal Control

The Group's Statement on Risk Management and Internal Control is set out on pages 22 and 23 of this 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 explained in the Audit Committee Report set out on pages 19 to 21 of this 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 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.

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 of Directors in its responsibilities in nominating new Directors to the Board and Board Committees. The Committee also reviews the Board of Directors composition and balance as well as considering the Board of Directors's succession planning.

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

The Nomination Committee met three (3) times 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, Managing Director)

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

None of the Executive Directors participate in any way in determining their individual remuneration. The remuneration of the Executive Directors is reviewed annually. The remuneration and entitlements of the Independent 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.

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 2013.

TERMS OF REFERENCE

Composition

The Committee comprises three (3) Independent Non-Executive Directors and the attendance records of each member at the six (6) meetings held during the financial year ended 31 March 2013 are as follows:-

Name of Member	No. of Meetings Attended
Tan Sri Dato' Seri Law Hieng Ding (Chairman)	6/6
Dato' Dr G K Alfred Kumaraseri (Member)	5/6
Yet Kiong Siang (Member)	6/6

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

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

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

Meetings

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

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

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

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

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

Functions and Responsibilities

The functions and duties of the Committee shall be to:

(a) consider the appointment and re-appointment of the external auditors, the audit fees and any questions of their resignation or dismissal;
(b) ensure the effectiveness of the internal control system and in particular review the internal audit reports and external auditors' management letters and management's responses;
(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 matters reported to the Board which have 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 functions 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 audit 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;
(e) reviewed the year-end audited financial statements, the audit planning memorandum and the management letter issued by the external auditors;
(f) reviewed the audit findings, recommendations for improvement and corrective action taken by Management on the audit findings; and
(g) considered and recommended to the Board for approval on the audit fees payable to the internal and external auditors.
(h) reviewed the annual internal audit programme and plan;
(i) reviewed the related party transactions entered into by the Group;
(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 system of internal control is 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 2013 was RM82,059.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Directors of Complete Logistic Services Berhad ("the Board") is pleased to provide the following Statement on Risk Management and Internal Control pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa") and as guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers ("the Guidelines").

RESPONSIBILITY

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

The Board has received assurance from the Group Managing Director and Finance Director that the Group's risk management and internal control system is operating adequately and effectively, in all material aspects, based on the risk management and internal control system of the Group.

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 risk management and internal control, compliance with laws, rules and regulations and adaptation for business environmental changes.

KEY ELEMENTS OF RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

The key elements of the Group's risk management and 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 may affect the Group;

5. Key management staffs and heads of department are responsible for managing the identified risks within defined parameters and standards; and

6. 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.

REVIEW OF THE STATEMENT BY THE EXTERNAL AUDITORS

The external auditors have reviewed this Statement on Risk Management and Internal Control pursuant to the scope set out in Recommended Practice Guide ("RPG") 5 issued by the Malaysian Institute of Accountant for inclusion in the annual report for the financial year ended 31 March 2013 and reported to the Board that nothing has come to their attention that causes them to believe that the statement is inconsistent with their understanding of the process adopted by the Board in reviewing the adequacy and effectiveness of the risk management and internal control system.

RPG 5 does not require the external auditors to consider whether the Directors' Statement on Risk Management and Internal Control cover all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system including the assessment and opinion by the Directors and management thereon.

CONCLUSION

The Board remains committed towards operating a sound risk management framework and internal control system and recognises 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 risk management and internal control environment.

For the financial year under review and up to the date of issuance of the financial statements, the Board is satisfied with the adequacy and effectiveness of the Group's risk management and internal control system. There were no material losses that have arisen from any inadequacy or failure of the Group's system of internal control which required additional disclosure in the financial statements.

This Statement is made in accordance with the resolution of the Board of Directors dated 25 July 2013.

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 Group and the Company 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 2013, 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 the Company, and to prevent and detect fraud and other irregularities.

This Statement is made in accordance with a resolution of the Board of Directors dated 25 July 2013.

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

Utilisation of Proceeds

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

Share Buyback

During the financial year, there were no shares purchased, nor any treasury shares sold or cancelled by the Company. As at 31 March 2013, the Company held a total number of 319,300 treasury shares out of its 120,000,000 issued and fully paid-up ordinary shares of RM0.50 each at a carrying amount of RM131,249. The shares purchased are being held as treasury shares in accordance with Section 67A of the Companies Act 1965.

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 during the financial year under review.

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 2013 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 2013 and the unaudited results for the same financial year previously announced.

Profit Guarantee

No profit guarantee was issued by the Company.

Material Contracts

Save as disclosed below, there was no material contracts of the Company and its subsidiaries, involving directors' and major shareholders' interests, either still subsisting at the end of the financial year or, if not then subsisting, entered into since the end of the previous financial year.

The Company had on 21 May 2012 entered into a Share Sale Agreement ("SSA") for the proposed acquisition of the entire equity interest in Pengangkutan Sekata Sdn Bhd ("Sekata"), comprising 1,500,000 ordinary shares of RM1.00 each for a total cash consideration of RM10,000,000. Subsequently, the Company had on 13 December 2012 entered into a Supplemental SSA to extend the Completion Date of the SSA for another 120 days commencing from the expiry of the aforesaid 90-day period for the payment of the Completion Payment. Following the approval obtained from the shareholders at the Extraordinary General Meeting convened on 25 September 2012 and the full settlement of the Completion Payment of the SSA and the Supplemental SSA, the proposed acquisition was completed on 19 April 2013. Consequently, Sekata became a wholly owned subsidiary of the Company.

Recurrent Related Party Transactions of Revenue or Trading Nature

Details of recurrent related party transactions entered into between the Company and its subsidiaries and related parties during the financial year ended 31 March 2013 pursuant to the Shareholders' Mandate obtained by the Company at the last Annual General Meeting held on 25 September 2012 are as follows:

No.	Transacting Party	Interested Party	Nature of Relationship	Nature of Transaction	Aggregate Value (RM'000)
1	Pengangkutan Sekata Sdn Bhd ("PSSB")	Law Hee Ling ("LHL") Dato' Dr Ibrahim Bin Ahmad ("DIA") Ng Yoon Kin ("NYK")	LHL is a Director of PSSB and PSSB was 50% owned by his spouse, Lim Lay Fong. DIA is a Director of PSSB. NYK is a Director of PSSB.	· Provision of lorry transportation/ haulage services by PSSB. · Provision of logistic/ transportation services to PSSB. · Provision of insurance agency services to PSSB. · Trading of tyres/lubricants/ rubber dust & provision of tyres maintenance services	4,708 1,750 68 3,843
2	Lau Ka Nung & Sons Sdn Bhd ("LKNS")	LHL	LHL is a major shareholder of LKNS.	· Renting of office premises from LKNS.	31
3	Jetpack Technologies Sdn Bhd ("JTSB")	Lim Kok Onn ("LKO")	LKO is a major shareholder of JTSB	· 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 mojor shareholder of EWF.	· Provision of logistics/ freighting/haulage services to EWF. · Provision of forwarding and related services by EWF. · Renting of office premise to EWF · Provision of insurance agency services to EWF.	4,992 373 11 1

No.	Transacting Party	Interested Party	Nature of Relationship	Nature of Transaction	Aggregate Value (RM'000)
5	East West Logistics Sdn Bhd ("EWL")	LHL	LHL is an indirect major shareholder of EWF 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.	64 5
6	ATE Technology Group Sdn Bhd ("ATEG") and its subsidiaries ("ATE Group"): - ATE Technology Engineering (M) Sdn Bhd ("ATE Tech"); - ATE Truck Parts & Services (Nilai) Sdn Bhd; - ATE Truck Parts & Services (Johor) Sdn Bhd; - ATE Truck Parts & Services (Butterworth) Sdn Bhd; - ATE Truck Parts (M) Sdn Bhd; and - ATE Truck Parts & Services (Ipoh) Sdn Bhd.	DIA LHL NYK	DIA, NYK and LHL (through his major shareholding in DASB) are the major shareholders of Keith Avenue Sdn Bhd, which is a major shareholder of ATEG. LHL is a director of ATEG and ATE Tech. NYK is a director of ATEG and all its subsidiaries.	· Sales of spare parts by ATE Group · Provision of insurance agency services to ATE Group.	53 2

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.
- Staff welfare programme - Providing food aids to certain family of employees.

(2) Human Resources
- Participation by employees in external skill enhancement programmes/trainings.
- Organising staff functions to foster caring relationship amongst the employees of the Group.
- Staff training/team buildings

FINANCIAL STATEMENTS

The Directors hereby submit their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 March 2013.

PRINCIPAL ACTIVITIES

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

RESULTS

	Group RM	Company RM
Profit after tax	12,081,632	1,078,319
Attributable to:		
Owners of the Company	11,995,362	1,078,319
Non-controlling interests	86,270	-
	12,081,632	1,078,319

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, there were no treasury shares being purchased, sold or cancelled by the Company. As at 31 March 2013, the Company held a total number of 319,300 treasury shares out of its 120,000,000 issued and fully paid-up ordinary shares at a carrying amount of RM131,249.

Relevant details on the treasury shares 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
Dato' Dr Ibrahim Bin Ahmad
Dato' Dr G K Alfred Kumaraseri
Law Hee Ling
Lim Kok Onn
Chia Kah Ying
Yet Kiong Siang
Ng Yoon Kin (Appointed on 12 December 2012)
Hoo Mee Lien (Retired at the last Annual General Meeting on 25 September 2012)

In accordance with Article 95 of the Company's Articles of Association, Law Hee Ling and Yet Kiong Siang retire at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election.

In accordance with Article 101 of the Company's Articles of Association, Ng Yoon Kin retires at the forthcoming Annual General Meeting and, being eligible, offers himself for re-election.

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

DIRECTORS' INTERESTS

The Directors holding office at the end of the financial year and their beneficial interests in the ordinary shares of the Company and its related corporations during the financial year ended 31 March 2013 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 1.4.2012	Bought	Sold	Balance as at 31.3.2013
Shares in the Company				
Direct interests:				
Tan Sri Dato' Seri Law Hieng Ding	2,000	-	-	2,000
Law Hee Ling	48,234,400	-	(35,000,000)	13,234,400
Lim Kok Onn	3,132,500	-	-	3,132,500
Chia Kah Ying	1,540,800	-	(200,000)	1,340,800
Indirect interests:				
Dato' Dr Ibrahim Bin Ahmad	5,900,000	5,100,000	-	11,000,000
Law Hee Ling	3,793,500	35,000,000	-	38,793,500
Ng Yoon Kin	-	832,000	-	832,000

By virtue of their interests in the shares of the Company, Dato' Dr Ibrahim Bin Ahmad and Law Hee Ling are 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 the shares of 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 33 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.

(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;

(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 EVENT OCCURRING AFTER THE REPORTING PERIOD

The significant event occurring after the reporting period is 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

Chia Kah Ying
Director

25 July 2013

Kuala Lumpur

Statement By Directors

In the opinion of the Directors, the financial statements set out on pages 37 to 99 have been drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 March 2013 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 40, 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	Chia Kah Ying Director

25 July 2013

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 37 to 99 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)
25 July 2013)

Before me:

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 2013 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 37 to 99.

Directors' Responsibility for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements so as to give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 1965 in Malaysia. The directors are also responsible 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 entity'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 entity'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 give a true and fair view of the financial position of the Group and of the Company as of 31 March 2013 and of their financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 1965 in Malaysia.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

(a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries 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.

OTHER REPORTING RESPONSIBILITIES

The supplementary information set out in Note 40 on page 100 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

1. As stated in Note 3 to the financial statements, Complete Logistic Services Berhad adopted Malaysian Financial Reporting Standards on 1 April 2012 with a transition date of 1 April 2011. These standards were applied retrospectively by the Directors to the comparative information in these financial statements, including the statements of financial position as at 31 March 2012 and 1 April 2011, and the statements of comprehensive income, statements of changes in equity and statements of cash flows for the financial year ended 31 March 2012 and related disclosures. We were not engaged to report on the restated comparative information and it is unaudited. Our responsibilities as part of our audit of the financial statements of the Group and of the Company for the financial year ended 31 March 2013 have, in these circumstances, included obtaining sufficient appropriate audit evidence that the opening balances as at 1 April 2012 do not contain misstatements that materially affect the financial position as of 31 March 2013 and financial performance and cash flows for the financial year then ended.

2. 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

25 July 2013

Kuala Lumpur

Statements Of Financial Position
As At 31 March 2013

	Note	Group 31.3.2013 RM	Group 31.3.2012 RM	Group 1.4.2011 RM	Company 31.3.2013 RM	Company 31.3.2012 RM	Company 1.4.2011 RM
ASSETS							
Non-current assets							
Property, plant and equipment	7	80,648,748	81,719,080	97,740,688	2	399	1,356
Investments in subsidiaries	8	-	-	-	48,670,913	50,487,901	41,918,797
Investment in an associate	9	-	-	-	-	-	-
Goodwill	10	271,828	269,228	269,228	-	-	-
		80,920,576	81,988,308	98,009,916	48,670,915	50,488,300	41,920,153
Current assets							
Inventories	11	701,986	395,864	637,398	-	-	-
Trade and other receivables	12	31,818,468	28,596,831	26,784,299	29,958,808	26,347,089	26,547,189
Tax recoverable		729,010	414,949	677,305	58,201	63,008	82,809
Cash and cash equivalents	13	11,623,312	10,035,564	11,785,137	59,812	160,553	2,584,637
		44,872,776	39,443,208	39,884,139	30,076,821	26,570,650	29,214,635
Non-current asset held for sale	14	-	655,274	-	-	-	-
TOTAL ASSETS		125,793,352	122,086,790	137,894,055	78,747,736	77,058,950	71,134,788

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

Statements Of Financial Position
As At 31 March 2013 (cont'd)

	Note	Group 31.3.2013 RM	Group 31.3.2012 RM	Group 1.4.2011 RM	Company 31.3.2013 RM	Company 31.3.2012 RM	Company 1.4.2011 RM
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	60,000,000	60,000,000
Retained earnings	16	23,927,947	11,932,585	27,813,091	8,682,893	7,604,574	3,979,810
Other reserves	17	3,920,611	3,960,902	3,895,345	4,325,375	4,325,375	4,325,375
Treasury shares	18	(131,249)	(131,249)	(2,144)	(131,249)	(131,249)	(2,144)
SHAREHOLDERS' EQUITY		87,717,309	75,762,238	91,706,292	72,877,019	71,798,700	68,303,041
Non-controlling interests		253,767	167,497	11,195,584	-	-	-
TOTAL EQUITY		87,971,076	75,929,735	102,901,876	72,877,019	71,798,700	68,303,041
Non-current liabilities							
Borrowings (secured)	19	13,815,315	14,286,805	13,884,615	-	-	-
Deferred tax liabilities	22	4,195,658	4,283,053	2,844,690	-	-	-
		18,010,973	18,569,858	16,729,305	-	-	-
Current liabilities							
Trade and other payables	23	14,830,700	20,417,274	12,745,709	5,870,717	5,260,250	2,831,747
Borrowings (secured)	19	4,917,593	6,708,380	5,344,826	-	-	-
Tax liabilities		63,010	461,543	172,339	-	-	-
		19,811,303	27,587,197	18,262,874	5,870,717	5,260,250	2,831,747
TOTAL LIABILITIES		37,822,276	46,157,055	34,992,179	5,870,717	5,260,250	2,831,747
TOTAL EQUITY AND LIABILITIES		125,793,352	122,086,790	137,894,055	78,747,736	77,058,950	71,134,788

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

Statements Of Comprehensive Income

For The Financial Year Ended 31 March 2013

	Note	Group 2013 RM	Group 2012 RM	Company 2013 RM	Company 2012 RM
Revenue	26	102,394,566	102,746,707	3,550,521	10,416,860
Cost of sales	27	(75,449,021)	(80,249,294)	-	-
Gross profit		26,945,545	22,497,413	3,550,521	10,416,860
Other income		2,510,952	1,195,292	15,448	89,571
Marketing and distribution costs		(364,002)	(318,126)	-	-
Administrative expenses		(7,684,853)	(8,340,914)	-	-
Other expenses		(7,123,559)	(24,934,688)	(2,467,613)	(6,872,062)
Finance costs		(1,123,162)	(1,108,191)	-	-
Profit/(Loss) before tax	28	13,160,921	(11,009,214)	1,098,356	3,634,369
Tax expense	29	(1,079,289)	(3,273,133)	(20,037)	(9,605)
Profit/(Loss) after tax		12,081,632	(14,282,347)	1,078,319	3,624,764
Other comprehensive (expenses)/ income, net of tax:					
Foreign currency translation		(40,291)	65,557	-	-
		(40,291)	65,557	-	-
Total comprehensive income/ (expenses) for the financial year		12,041,341	(14,216,790)	1,078,319	3,624,764

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

Statements Of Comprehensive Income
For The Financial Year Ended 31 March 2013 (cont'd)

		Group		Company	
		2013	2012	2013	2012
	Note	RM	RM	RM	RM
Profit/(Loss) after tax attributable to:					
Owners of the Company		11,995,362	(16,222,185)	1,078,319	3,624,764
Non-controlling interests		86,270	1,939,838	-	-
		12,081,632	(14,282,347)	1,078,319	3,624,764
Total comprehensive income/ (expenses) attributable to:					
Owners of the Company		11,955,071	(16,156,628)	1,078,319	3,624,764
Non-controlling interests		86,270	1,939,838	-	-
		12,041,341	(14,216,790)	1,078,319	3,624,764
Basic earnings/(loss) per ordinary share (sen)	30	10.0	(13.5)		
Diluted earnings/(loss) per ordinary share (sen)	30	N/A	N/A		

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

Statements Of Changes In Equity
For The Financial Year Ended 31 March 2013

Group	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					→		
At 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	-	-	(129,105)	-	-	(129,105)	-	(129,105)
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 2013 (cont'd)

Group	Attributable to owners of the Company							
	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
At 1 April 2012	60,000,000	4,325,375	(131,249)	(364,473)	11,932,585	75,762,238	167,497	75,929,735
Profit after tax	-	-	-	-	11,995,362	11,995,362	86,270	12,081,632
Other comprehensive expenses, net of tax								
Foreign currency translation	-	-	-	(40,291)	-	(40,291)	-	(40,291)
Total comprehensive income for the financial year	-	-	-	(40,291)	11,995,362	11,955,071	86,270	12,041,341
At 31 March 2013	60,000,000	4,325,375	(131,249)	(404,764)	23,927,947	87,717,309	253,767	87,971,076

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

Company	Share capital RM	Treasury shares RM	Retained earnings RM	Share premium RM	Total RM
At 1 April 2011	60,000,000	(2,144)	3,979,810	4,325,375	68,303,041
Profit after tax/Total comprehensive income for the financial year	-	-	3,624,764	-	3,624,764
Purchase of treasury shares	-	(129,105)	-	-	(129,105)
At 31 March 2012/1 April 2012	60,000,000	(131,249)	7,604,574	4,325,375	71,798,700
Profit after tax/Total comprehensive income for the financial year	-	-	1,078,319	-	1,078,319
At 31 March 2013	60,000,000	(131,249)	8,682,893	4,325,375	72,877,019

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

Statements Of Cash Flows
For The Financial Year Ended 31 March 2013

	Note	Group 2013 RM	Group 2012 RM	Company 2013 RM	Company 2012 RM
Cash flows from operating activities					
Profit/(Loss) before tax		13,160,921	(11,009,214)	1,098,356	3,634,369
Adjustments for:					
Bad debts written off		42,712	21,153	-	-
Depreciation of property, plant and equipment	7	6,172,193	5,749,267	397	957
Dividend income from subsidiaries	26	-	-	(3,550,521)	(10,416,860)
Gain on bargain purchase		-	(109,486)	-	-
Impairment loss on:					
- investments in subsidiaries	8	-	-	1,916,988	6,533,996
- other receivables	12.2	-	28,463	-	-
- property, plant and equipment	7	-	18,566,449	-	-
- trade receivables	12.1	147,100	968,200	-	-
Interest expense		1,123,162	1,104,877	-	-
Interest income		(246,081)	(298,548)	(15,448)	(89,571)
Net gain on disposal of property, plant and equipment		(1,339,271)	(328,355)	-	-
Net unrealised (gain)/loss on foreign exchange		(18,288)	68,539	-	-
Operating profit/(loss) before working capital changes		19,042,448	14,761,345	(550,228)	(337,109)
Changes in working capital:					
Inventories		(306,122)	563,047	-	-
Trade and other receivables		(2,400,978)	(1,919,023)	-	-
Trade and other payables		(27,645)	2,862,722	(10,551)	(50)
Cash generated from/(used in) operations		16,307,703	16,268,091	(560,779)	(337,159)
Tax paid		(2,011,164)	(1,433,233)	(15,230)	(12,390)
Tax refunded		131,886	22,586	-	22,586
Net cash from/(used in) operating activities		14,428,425	14,857,444	(576,009)	(326,963)

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

Statements Of Cash Flows
For The Financial Year Ended 31 March 2013 (cont'd)

	Note	Group 2013 RM	Group 2012 RM	Company 2013 RM	Company 2012 RM
Cash flows from investing activities					
Additional investments in subsidiaries		-	(13,600,000)	(99,998)	(14,800,100)
Deposit paid for the proposed acquisition of a company		(1,000,000)	-	(1,000,000)	-
Dividend income received		-	-	3,550,521	10,416,860
Interest received		246,081	298,548	15,448	89,571
Net cash (outflow)/inflow from acquisition of subsidiaries	32	(2)	2,082	(2)	(303,000)
Proceeds from disposal of property, plant and equipment		5,815,306	473,900	-	-
Proceeds from issuance of shares to non-controlling interests		-	800,000	-	-
Purchase of property, plant and equipment	7	(3,640,922)	(8,453,099)	-	-
Purchase of treasury shares		-	(129,105)	-	(129,105)
(Advances to)/Repayment from subsidiaries		-	-	(2,611,719)	200,100
Net cash from/(used in) investing activities		1,420,463	(20,607,674)	(145,750)	(4,525,674)
Cash flows from financing activities					
Withdrawal/(Additional) fixed deposits pledged to licensed banks		1,836,722	(152,990)	-	-
Drawdown of term loan		-	5,000,000	-	-
Interest paid		(1,123,162)	(1,104,877)	-	-
Repayment of hire purchase liabilities		(952,730)	(546,201)	-	-
Repayment of term loans		(5,092,438)	(3,541,293)	-	-
(Repayment to)/Advances from:					
- associate		(18,353)	(53,960)	-	-
- Director		(5,535,357)	3,392,194	(1,751,381)	2,250,000
- subsidiaries		-	-	2,372,399	178,553
Net cash (used in)/from financing activities		(10,885,318)	2,992,873	621,018	2,428,553
Net increase/(decrease) in cash and cash equivalents		4,963,570	(2,757,357)	(100,741)	(2,424,084)
Effects of exchange rate changes		(40,291)	1,556	-	-
Cash and cash equivalents at the beginning of financial year		6,593,977	9,349,778	160,553	2,584,637
Cash and cash equivalents at the end of financial year	13	11,517,256	6,593,977	59,812	160,553

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 25 July 2013.

2. PRINCIPAL ACTIVITIES

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

3. BASIS OF PREPARATION

The financial statements of the Group and the Company are prepared in compliance with Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards ("IFRS") and the requirements of the Companies Act 1965 in Malaysia.

These are the Group and the Company's first financial statements prepared in accordance with MFRS including the application of MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards to be fully compliant with IFRS Framework as issued by the International Accounting Standards Board.

In the previous financial year, the financial statements of the Group and the Company were prepared in accordance with Financial Reporting Standards ("FRS"). The financial impacts on the transition from FRS to MFRS are disclosed in Note 39.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 Basis of accounting

The financial statements of the Group and 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. Although these estimates and assumptions are based on the Directors' best knowledge of events and actions, the actual results could differ from those estimates.

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.2 Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31 March 2013.

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.

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.

(a) Business combinations

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.

(b) Non-controlling interests

Non-controlling interests are presented within equity in the consolidated statement of financial position, separately from the equity attributable to owners of the Company. 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.

(c) Acquisition of non-controlling interests

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.

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.2 Basis of consolidation (cont'd)

(d) Loss of control

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 MFRS 139 or, when applicable, the cost on initial recognition of an investment in an associate or a jointly controlled entity.

As part of its transition to MFRSs, the Group elected not to restate those business combinations that occurred before the date of transition, 1 April 2011. Such business combinations and the related goodwill and fair value adjustments have been carried forward from the previous FRS framework as at the date of transition.

4.3 Property, plant and equipment and depreciation

All items of property, plant and equipment are initially measured at cost which includes expenditure that is directly attributable to the acquisition of the items. The cost of an item of property, plant and equipment is recognised as an asset if and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

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 the carrying amount of the replaced parts are 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.

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

Freehold land is not depreciated. Depreciation of other property, plant and equipment is computed on a straight line basis over their estimated useful lives 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)

The carrying amounts of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. A write down is made if the carrying amount exceeds the recoverable amount (see Note 4.7).

The residual values, useful lives and depreciation method are reviewed at the end of each reporting period to ensure that the amounts, method and periods 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

In the Company's separate financial statements, investments in subsidiaries and associates are accounted for at cost less any accumulated impairment losses. On the disposal of investment, the difference between net disposal proceeds and its carrying amount is included in profit or loss. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount.

(a) Subsidiaries

Subsidiaries are entities over which the Group and the Company has the power to govern the financial and operating policies so as to obtain benefits from their activities.

Investments in subsidiaries are eliminated on consolidation.

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.5 Investments (cont'd)

(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.

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 Group's share of the profit or loss of the associate 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.

Equity accounting is discontinued when the carrying amount of the investment in an associate is reduced to nil unless the Group has incurred obligation or made payment on behalf of the associate.

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.

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.

4.7 Impairment of non-financial assets

The carrying values of assets, other than those to which MFRS 136 - Impairment of Assets does not apply, are reviewed at the end of each reporting period for impairment when there is an indication that the assets might be impaired. Impairment is measured by comparing the carrying values of the assets with their recoverable amounts. The recoverable amount of the assets is the higher of the assets' fair value less costs to sell and their value in use, which is measured by reference to discounted future cash flow.

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

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

An impairment loss is recognised in profit or loss immediately unless the asset is carried at its revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease to the extent of a previously recognised revaluation surplus for the same asset.

In respect of assets other than goodwill, and when there is a change in the estimates used to determine the recoverable amount, a subsequent increase in the recoverable amount of an asset is treated as a reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in profit or loss immediately, unless the asset is carried at its revalued amount. A reversal of an impairment loss on a revalued asset is credited to other comprehensive income. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense in the statements of comprehensive income, a reversal of that impairment loss is recognised as income in the statements of comprehensive income.

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.

Where necessary, due allowance is made for all damaged, obsolete and slow moving items.

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.

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

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.9 Financial instruments (cont'd)

4.9.2 Classification

The Group classifies its financial assets in the following categories: held-to-maturity investments, financial assets at fair value through profit or loss, loans and receivables financial assets, 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 financial assets

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.

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

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. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.9 Financial instruments (cont'd)

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.

4.9.8 Financial instruments not recognised in the statements of financial position

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

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

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 the 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.

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.

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.16 Income taxes (cont'd)

(b) Deferred tax (cont'd)

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.

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

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.19 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.

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.

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.20 Foreign currencies (cont'd)

(c) Foreign operations (cont'd)

Goodwill and fair value adjustments arising from the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated at the closing rate at the end of the reporting period except for those business combinations that occurred before the date of transition, 1 April 2011 which are treated as assets and liabilities of the Company and are not retranslated.

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.

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.23 Related parties

A party is related to an entity (referred to as the "reporting entity") if:

(a) A person or a close member of that person's family is related to a reporting entity if that person:

(i) has control or joint control over the reporting entity;

(ii) has significant influence over the reporting entity; or

(iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

(b) An entity is related to a reporting entity if any of the following conditions applies:

(i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

(iii) Both entities are joint ventures of the same third party.

(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

(v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.

(vi) The entity is controlled or jointly controlled by a person identified in (a) above.

(vii) A person identified in (a)(i) above has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

5. NEW MFRS, AMENDMENTS TO MFRS AND IC INTERPRETATION ISSUED

At the date of authorisation of these financial statements, the following new MFRS, Amendments to MFRS and Issues Committee ("IC") Interpretations have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective and have not been adopted by the Group and the Company:

Description	Effective Date
Amendments to MFRS 101 Presentation of Items of Other Comprehensive Income	1 July 2012
MFRS 10 Consolidated Financial Statements	1 January 2013
MFRS 11 Joint Arrangements	1 January 2013
MFRS 12 Disclosure of Interests in Other Entities	1 January 2013
MFRS 13 Fair Value Measurement	1 January 2013
MFRS 119 Employee Benefits	1 January 2013
MFRS 127 Separate Financial Statements	1 January 2013
MFRS 128 Investments in Associates and Joint Ventures	1 January 2013
Amendments to MFRS 7 Disclosures – Offsetting Financial Assets and Financial Liabilities	1 January 2013
Amendments to MFRS 10, MFRS 11 and MFRS 12: Transition Guidance	1 January 2013

5. NEW MFRS, AMENDMENTS TO MFRS AND IC INTERPRETATION ISSUED (cont'd)

Description	Effective Date
Annual Improvements to MFRS 2009 – 2011 Cycle	1 January 2013
IC Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine	1 January 2013
Amendments to MFRS 10, MFRS 12 and MFRS 127: Investment Entities	1 January 2014
Amendments to MFRS 132 Offsetting Financial Assets and Financial Liabilities	1 January 2014
MFRS 9 Financial Instruments	1 January 2015
Amendments to MFRS 9 and MFRS 7: Mandatory Effective Date of MFRS 9 and Transition Disclosures	1 January 2015

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

(a) MFRS 9 Financial Instruments and Amendments to MFRS 9: Mandatory Effective Date of MFRS 9 and Transition Disclosures

MFRS 9 replaces the parts of MFRS 139 that relate to the classification and measurement of financial instruments. MFRS 9 divides all financial assets into 2 categories – those measured at amortised cost and those measured at fair value, based on the entity's business model for managing its financial assets and the contractual cash flow characteristics of the instruments. For financial liabilities, the standard retains most of the MFRS 139 requirement. An entity choosing to measure a financial liability at fair value will present the portion of the change in its fair value due to changes in the entity's own credit risk in other comprehensive income rather than within profit or loss. There will be no financial impact on the financial statements of the Group upon its initial application.

(b) MFRS 10 Consolidated Financial Statements and Amendments to MFRS 10: Transition Guidance

MFRS 10 replaces the consolidation guidance in MFRS 127 and IC Interpretation 112. Under MFRS 10, there is only one basis for consolidation, which is control. Extensive guidance has been provided in the standard to assist in the determination of control. However, there will be no financial impact on the financial statements of the Group upon its initial application.

(c) MFRS 12 Disclosure of Interests in Other Entities and Amendments to MFRS 12: Transition Guidance

MFRS 12 is applicable to entities that have interests in subsidiaries, joint arrangements, associates and/or unconsolidated structured entities. MFRS 12 is a disclosure standard and the disclosure requirements in this standard are more extensive than those in the current standards. However, there will be no financial impact on the financial statements of the Group upon its initial application but may impact its future disclosures.

(d) MFRS 13 Fair Value Measurement

MFRS 13 defines fair value, provides guidance on how to determine fair value and requires disclosures about fair value measurements. The scope of MFRS 13 is broad; it applies to both financial instrument items and non-financial instrument items for which other MFRSs require or permit fair value measurements and disclosures about fair value measurements, except in specified circumstances. In general, the disclosure requirements in MFRS 13 are more extensive than those required in the current standards. However, there will be no financial impact on the financial statements of the Group upon its initial application but may impact its future disclosures.

(e) Amendments to MFRS 7: Disclosures – Offsetting Financial Assets and Financial Liabilities

The amendments to MFRS 7 (Disclosures – Offsetting Financial Assets and Financial Liabilities) require disclosures that will enable users of an entity's financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position. However, there will be no financial impact on the financial statements of the Group upon its initial application.

5. NEW MFRS, AMENDMENTS TO MFRS AND IC INTERPRETATION ISSUED (cont'd)

(f) Amendments to MFRS 10, MFRS 12 and MFRS 127: Investment Entities

The amendments to MFRS 10, MFRS 12 and MFRS 127 require investment entities to measure particular subsidiaries at fair value through profit or loss instead of consolidating them. The Company is an investment entity whose business purpose is to invest funds solely for returns from capital appreciation, investment income or both. Accordingly, the Group will deconsolidate its subsidiaries upon the initial application of these amendments and to fair value the investments in accordance with MFRS 139. However, there will be no financial impact on the financial statements of the Group upon its initial application.

(g) Amendments to MFRS 101: Presentation of Items of Other Comprehensive Income

The amendments to MFRS 101 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. In addition, items presented in other comprehensive income section are to be grouped based on whether they are potentially re-classifiable to profit or loss subsequently i.e. those that might be reclassified and those that will not be reclassified. Income tax on items of other comprehensive income is required to be allocated on the same basis. There will be no financial impact on the financial statements of the Group upon its initial application other than the presentation format of the statements of profit or loss and other comprehensive income.

(h) Amendments to MFRS 132: Offsetting Financial Assets and Financial Liabilities

The amendments to MFRS 132 provide the application guidance for criteria to offset financial assets and financial liabilities. However, there will be no financial impact on the financial statements of the Group upon its initial application.

(i) Annual Improvements to MFRSs 2009 – 2011 Cycle

The Annual Improvements to MFRSs 2009 – 2011 Cycle contain amendments to MFRS 1, MFRS 101, MFRS 116, MFRS 132 and MFRS 134. However, there will be no financial impact on the financial statements of the Group upon its 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's and the Company's accounting policies that have significant effects on the amounts recognised in the financial statements.

(b) Key sources of estimation of uncertainties

The key assumptions concerning the future and other key sources of estimation of uncertainties at the 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 financial year are discussed below:

(i) Income tax and deferred tax

Judgement is required in determining the capital allowances and the 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.

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

(b) Key sources of estimation of uncertainties (cont'd)

(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 their useful lives. The management estimates their useful lives 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 residual values, therefore future depreciation charges could be revised.

(iii) Credit risk

The Group has no major concentration of credit risk as at 31 March 2013 except for trade receivables amounting to RM7.2 million (2012: RM4.8 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 there are amounts not recoverable, these amounts 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) Fair value of financial instruments

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 the financial instruments.

(bb) In respect of long-term borrowings, the carrying amounts approximated their fair values as they are on floating rates and are repriced to market interest rates for liabilities with similar risk profiles.

(v) Impairment of goodwill

Goodwill is tested for impairment annually and at other times when such indicators exist. This requires management to estimate the expected future cash flows of the cash-generating unit to which goodwill is allocated and to apply a suitable discount rate in order to determine the present value of those cash flows. The future cash flows are most sensitive to budgeted gross margins, growth rates estimated and discount rate used. If the expectation is different from the estimation, such difference will impact the carrying value of goodwill.

(vi) Write-down of inventories

Reviews are made periodically by management on damaged, obsolete and slow-moving inventories. These reviews require judgement and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories.

7. PROPERTY, PLANT AND EQUIPMENT

Group 2013	At 1.4.2012 RM	Additions RM	Disposals RM	Depreciation RM	At 31.3.2013 RM
Carrying amount					
Freehold land	17,146,440	-	(2,200,001)	-	14,946,439
Buildings	9,396,680	1,600,000	-	(213,123)	10,783,557
Containers	344,261	-	(4,351)	(87,034)	252,876
Ferry	1,433,910	-	(1,355,923)	(77,987)	-
Motor vehicles	1,003,344	268,148	(133,653)	(475,613)	662,226
Office equipment	691,170	225,994	(1,931)	(158,844)	756,389
Operating equipment	16,882,209	6,739,943	(64,660)	(4,080,235)	19,477,257
Plant and machinery	376,114	24,350	-	(118,164)	282,300
Tug boat and barge	2,239,056	-	-	(52,551)	2,186,505
Vessel equipment	668,925	64,187	-	(100,590)	632,522
Vessels	31,536,971	-	(60,242)	(808,052)	30,668,677
	81,719,080	8,922,622	(3,820,761)	(6,172,193)	80,648,748

Group At 31.3.2013	Cost RM	Accumulated depreciation RM	Accumulated impairment loss RM	Carrying amount RM
Freehold land	14,946,439	-	-	14,946,439
Buildings	11,800,756	(1,017,199)	-	10,783,557
Containers	1,257,537	(1,004,661)	-	252,876
Ferry	-	-	-	-
Motor vehicles	1,910,305	(1,248,079)	-	662,226
Office equipment	1,735,999	(979,610)	-	756,389
Operating equipment	44,105,280	(24,628,023)	-	19,477,257
Plant and machinery	1,390,708	(1,108,408)	-	282,300
Tug boat and barge	2,959,697	(773,192)	-	2,186,505
Vessel equipment	1,064,897	(432,375)	-	632,522
Vessels	61,862,021	(14,299,129)	(16,894,215)	30,668,677
	143,033,639	(45,490,676)	(16,894,215)	80,648,748

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

Group 2012	At 1.4.2011 RM	Acquisition of subsidiaries RM (Note 33)	Reclassified to non-current asset held for sale RM (Note 14)	Additions RM	Disposals RM	Impairment loss RM	Depreciation RM	Exchange 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

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

	Group 2013 RM	 2012 RM
Purchase of property, plant and equipment	8,922,622	8,453,099
Financed by hire purchase arrangements	(5,281,700)	-
Cash payments	3,640,922	8,453,099

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

	Group 2013 RM	 2012 RM
Carrying amount		
Motor vehicles	-	99,869
Operating equipment	6,291,380	217,452
	6,291,380	317,321

Details of the terms and conditions of hire purchase arrangements are disclosed in Note 20.

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

(c) The following property, plant and equipment have been charged to licensed banks as disclosed in Note 21 for banking facilities granted to the Group:

	Group 2013 RM	Group 2012 RM
Carrying amount		
Freehold land	14,649,999	16,850,000
Buildings	8,957,152	9,155,097
Operating equipment	761,430	1,222,384
Vessels	-	5,105,243
	24,368,581	32,332,724

(d) Certain buildings of the Group amounting to RM8,957,152 (2012: RM9,155,097) are in the process of being issued the final certificate of fitness for occupation from the local authority.

(e) In the previous financial year, an impairment loss of RM18,566,449 was recognised for certain vessels of the Group. Those vessels were not in operations due to reduction in demand which resulted from the oversupply in the shipping industry. The Group assessed the recoverable amount of the vessels to be lower than the carrying amount. The recoverable amount of the vessels (with each vessel as a cash generating unit) was determined based on the fair value less costs to sell which was obtained from the 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

2013	At 1.4.2012 RM	Depreciation RM	At 31.3.2013 RM
Carrying amount			
Office equipment	399	(397)	2

At 31.3.2013	Cost RM	Accumulated depreciation RM	Carrying amount RM
Office equipment	4,786	(4,784)	2

2012	At 1.4.2011 RM	Depreciation RM	At 31.3.2012 RM
Carrying amount			
Office equipment	1,356	(957)	399

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

8. INVESTMENTS IN SUBSIDIARIES

	Company 2013 RM	Company 2012 RM
Unquoted shares, at cost		
At 1 April 2012/2011	50,487,901	41,918,797
Additional investments in subsidiaries	99,998	14,800,100
Acquisition of subsidiaries (Note 32)	2	303,000
Impairment loss of investments in subsidiaries	(1,916,988)	(6,533,996)
At 31 March	48,670,913	50,487,901

The details of subsidiaries are as follows:

Name of company	Country of incorporation	Group effective interest 2013	Group effective interest 2012	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 International Pte Ltd	Malaysia	100%	100%	General trading
Complete Logistic Specialists Sdn. Bhd.	Malaysia	100%	100%	Total logistics services provider
Complete Marine Services Sdn. Bhd.	Malaysia	100%	100%	Shipowner/provision of marine transportation services
Complete Shipping Sdn. Bhd.	Malaysia	100%	100%	Shipowner/provision of marine transportation services
Complete Tug & Barge Sdn. Bhd.	Malaysia	100%	100%	Shipowner/provision of marine transportation services
Complete Transport Services Sdn. Bhd.	Malaysia	100%	100%	Lorry and trucking services
Dolphin Shipping Agency Sdn. Bhd.	Malaysia	100%	100%	Trading of freight
Ecocentre Sdn. Bhd.	Malaysia	65%	65%	Processing and trading of rubber dust, trading of tyres, lubricants and related products, provision of tyres maintenance services
Guper Integrated Logistics Sdn. Bhd.	Malaysia	100%	100%	Total logistic services with haulage, forwarding and other associated services
Guper Properties Sdn. Bhd.	Malaysia	100%	100%	Insurance agents

8. INVESTMENTS IN SUBSIDIARIES (cont'd)

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

Name of company	Country of incorporation	Group effective interest 2013	Group effective interest 2012	Principal activities
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
Gems Logistics Sdn. Bhd.	Malaysia	100%	-	Dormant

An impairment loss of RM1,916,988 (2012: RM6,533,996) was recognised during the financial year as the recoverable amount of the investments in subsidiaries is lower than the carrying amount which resulted from the continuing losses of the subsidiaries.

9. INVESTMENT IN AN ASSOCIATE

	Group/Company 2013 RM	Group/Company 2012 RM
Unquoted shares, at cost	-	-

The details of the associate are as follows:

Name of company	Country of incorporation	Group effective interest 2013	Group effective interest 2012	Principal activities
Praslin Express Limited#	Seychelles	-	50%	Winding up

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

The most recent financial information is not available as the associate has laid off all its employees since the cessation of its business operations in previous years.

On 8 February 2013, an application to the Court for the winding up of the associate was initiated by its creditors on the grounds that the associate was unable to pay its overdue debts. As such, the carrying amount of the interest in the associate has been written off by the Group during the financial year.

10. GOODWILL

Goodwill arising from business combination is mainly allocated to a subsidiary, Guper Integrated Logistics Sdn. Bhd., which is also the cash-generating units ("CGU") identified for impairment testing purposes. No impairment loss on goodwill was recognised during the 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	
	2013	2012
Gross margin	48%	49%
Average growth rate	2%	5%
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	
	2013 RM	2012 RM
At cost		
Spare parts and consumables	-	61,007
Trading goods	701,986	334,857
	701,986	395,864

None of the inventories are carried at net realisable values.

12. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Trade receivables (Note 12.1)	29,280,233	26,991,790	-	-
Other receivables (Note 12.2)	2,538,235	1,605,041	29,958,808	26,347,089
	31,818,468	28,596,831	29,958,808	26,347,089

12. TRADE AND OTHER RECEIVABLES (cont'd)

12.1 Trade receivables

	Group	
	2013 RM	2012 RM
Third parties	28,226,623	27,368,597
Related parties	2,949,137	2,214,994
Less: Impairment losses of third party receivables	(1,895,527)	(2,591,801)
	29,280,233	26,991,790

(a) Trade receivables are non-interest bearing and the normal trade credit terms granted by the Group range from one (1) to four (4) (2012: three (3) to four (4)) months.

(b) The movement of the impairment losses of third party receivables is as follows:

	Group	
	2013 RM	2012 RM
At 1 April 2012/2011	(2,591,801)	(2,256,922)
Addition for the financial year	(147,100)	(968,200)
Write-off during the financial year	843,374	634,994
Exchange rate fluctuation adjustments	-	(1,673)
At 31 March	(1,895,527)	(2,591,801)

12.2 Other receivables

	Group		Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Amounts owing by subsidiaries	-	-	28,940,808	26,329,089
Amount owing by an associate	-	17,456	-	-
Other receivables	472,229	292,076	-	-
Less: Impairment losses of other receivables	-	(28,463)	-	-
	472,229	281,069	28,940,808	26,329,089
Deposits	1,253,050	395,668	1,003,000	3,000
Prepayments	812,956	928,304	15,000	15,000
	2,538,235	1,605,041	29,958,808	26,347,089

(a) Amounts owing by subsidiaries represent payments made on behalf, which are unsecured, interest-free and repayable on demand.

(b) The impairment losses of other receivables have been written off during the financial year.

13. CASH AND CASH EQUIVALENTS

	Group 2013 RM	Group 2012 RM	Company 2013 RM	Company 2012 RM
Cash and bank balances	5,473,210	5,971,929	59,812	160,553
Fixed deposits with licensed banks	6,150,102	4,063,635	-	-
As per statements of financial position	11,623,312	10,035,564	59,812	160,553
Bank overdrafts (Note 19)	-	(1,498,809)	-	-
Fixed deposits pledged to licensed banks (Note 19)	(106,056)	(1,942,778)	-	-
As per statements of cash flows	11,517,256	6,593,977	59,812	160,553

(a) The fixed deposits of the Group at the end of the reporting period have maturity periods ranging from one (1) to twelve (12) (2012: one (1) to twelve (12)) months.

(b) The effective interest rates of the fixed deposits of the Group range from 3.10% to 3.30% (2012: 3.05% to 3.20%).

14. NON-CURRENT ASSET HELD FOR SALE

	Group 2013 RM	Group 2012 RM
Vessel, at cost		
At 1 April 2012/2011	655,274	-
Transfer from property, plant and equipment (Note 7)	-	655,274
Disposal during the financial year	(655,274)	-
At 31 March	-	655,274

In the previous financial year, the carrying amount of the vessel approximated its fair value.

15. SHARE CAPITAL

	Group/Company 2013 Number of shares	2013 RM	2012 Number of shares	2012 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, 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 retained earnings without incurring additional tax liabilities.

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

17. OTHER RESERVES

	Group		Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Non-distributable				
Share premium	4,325,375	4,325,375	4,325,375	4,325,375
Exchange fluctuation reserve	(404,764)	(364,473)	-	-
	3,920,611	3,960,902	4,325,375	4,325,375

18. TREASURY SHARES

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

During the financial year, there were no treasury shares being purchased, sold or cancelled by the Company.

As at 31 March 2013, the Company held a total number of 319,300 treasury shares out of its 120,000,000 issued and fully paid-up ordinary shares at a carrying amount of RM131,249.

19. BORROWINGS (SECURED)

	Group 2013 RM	Group 2012 RM
Non-current liabilities		
Hire purchase liabilities	2,639,210	13,050
Term loans	11,176,105	14,273,755
	13,815,315	14,286,805
Current liabilities		
Bank overdrafts	-	1,498,809
Hire purchase liabilities	1,729,048	26,238
Term loans	3,188,545	5,183,333
	4,917,593	6,708,380
	18,732,908	20,995,185
Total borrowings		
Bank overdrafts (Note 13)	-	1,498,809
Hire purchase liabilities (Note 20)	4,368,258	39,288
Term loans (Note 21)	14,364,650	19,457,088
	18,732,908	20,995,185

The bank overdraft charged an interest of 1.50% (2012: 1.50%) per annum above the bank's base lending rate and is secured by:

(a) a facility agreement as principal instrument;
(b) a corporate guarantee from the Company as disclosed in Note 25;
(c) a joint and several guarantee of certain Directors and/or directors of a subsidiary; and
(d) fixed deposits of the Group as disclosed in Note 13.

20. HIRE PURCHASE LIABILITIES

	Group 2013 RM	Group 2012 RM
Minimum hire purchase payments:		
- not later than one (1) year	1,936,395	27,524
- later than one (1) year but not later than five (5) years	2,755,850	13,455
Total minimum hire purchase payments	4,692,245	40,979
Less: Future interest charges	(323,987)	(1,691)
Present value of hire purchase liabilities (Note 19)	4,368,258	39,288

Information on the financial risks of hire purchase liabilities are disclosed in Note 36.1(c).

21. TERM LOANS

	Group 2013 RM	Group 2012 RM
Non-current portion		
Repayable between one (1) to two (2) years	3,388,939	3,214,942
Repayable between two (2) to five (5) years	7,787,166	10,720,130
More than five (5) years	-	338,683
	11,176,105	14,273,755
Current portion		
Repayable within one (1) year	3,188,545	5,183,333
Total term loans (Note 19)	14,364,650	19,457,088

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;
(c) a deed of covenant accompanying the statutory mortgage;
(d) certain property, plant and equipment of the Group as disclosed in Note 7;
(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.

The details of term loans are as follows:

	Group 2013 RM	Group 2012 RM
Term loan I	10,152,219	12,308,795
Term loan II	4,212,431	5,019,307
Term loan III	-	2,128,986
	14,364,650	19,457,088

	Number of monthly instalments	Monthly instalments RM	Commencement month of repayment	Effective interest rate per annum 2013 %	Effective interest rate per annum 2012 %
Term loan I	96	227,879	July 2010	5.10	5.10
Term loan II	60	94,861	April 2012	5.50	5.22
Term loan III	60	^	May 2008	5.60	5.60

^ Monthly instalments range from RM184,979 to RM195,839.

Information on the financial risks of term loans are disclosed in Note 36.1(c).

22. DEFERRED TAX LIABILITIES

(a) The deferred tax liabilities and assets are made up as follows:

	Group 2013 RM	Group 2012 RM
At 1 April 2012/2011	4,283,053	2,844,690
Acquisition of subsidiaries (Note 32)	-	26,023
Recognised in profit or loss (Note 29)	(87,395)	1,412,340
At 31 March	4,195,658	4,283,053
Presented after appropriate offsetting:		
Deferred tax assets	(220,310)	(183,113)
Deferred tax liabilities	4,415,968	4,466,166
	4,195,658	4,283,053

(b) The components and movements of deferred tax liabilities and assets prior to offsetting are as follows:

Deferred tax liabilities of the Group

	Property, plant and equipment RM	Others RM	Total RM
At 31 March 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
Recognised in profit or loss	91,536	(141,734)	(50,198)
At 31 March 2013	4,415,968	-	4,415,968

Deferred tax assets of the Group

	Unutilised tax losses RM	Unabsorbed capital allowances RM	Others RM	Total RM
At 31 March 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)
Recognised in profit or loss	84,467	9,316	(130,980)	(37,197)
At 31 March 2013	(13,813)	-	(206,497)	(220,310)

22. DEFERRED TAX LIABILITIES (cont'd)

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

	Group 2013 RM	Group 2012 RM
Unutilised tax losses	4,021,657	4,118,796
Unabsorbed capital allowances	775,872	504,682
	4,797,529	4,623,478

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 2013 RM	Group 2012 RM	Company 2013 RM	Company 2012 RM
Trade payables				
Third parties	7,738,989	7,476,717	-	-
Related parties	1,938,611	1,529,224	-	-
	9,677,600	9,005,941	-	-
Other payables				
Other payables	3,548,954	3,696,098	2,715,650	2,715,531
Accruals	1,103,787	1,512,324	105,496	116,166
Amount owing to a Director	498,619	6,033,976	498,619	2,250,000
Related parties	1,740	133,126	-	-
Amounts owing to subsidiaries	-	-	2,550,952	178,553
Amount owing to an associate	-	35,809	-	-
	5,153,100	11,411,333	5,870,717	5,260,250
	14,830,700	20,417,274	5,870,717	5,260,250

(a) Trade payables are non-interest bearing and the normal trade credit terms granted to the Group range from one (1) to four (4) (2012: three (3) to four (4)) months.

(b) A retention sum of RM2,715,400 (2012: RM2,715,400) which is payable to the previous corporate shareholder of a subsidiary of the Company is included in other payables and 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.

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

(d) Amounts owing to related parties represent advances and payments made on behalf which are unsecured, interest-free and repayable on demand.

23. TRADE AND OTHER PAYABLES (cont'd)

(e) Amounts owing to subsidiaries represent advances and payments made on behalf which were unsecured, interest-free and repayable on demand.

(f) In the previous financial year, amount owing to an associate represented advances and payments made on behalf which were unsecured, interest-free and repayable on demand.

24. CAPITAL COMMITMENT

	Group		Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Approved and contracted for:				
Purchase of property, plant and equipment	160,500	626,600	-	-
Acquisition of a subsidiary	-	-	9,000,000	-
	160,500	626,600	9,000,000	-

25. CONTINGENT LIABILITY

	Company	
	2013 RM	2012 RM
Secured		
Corporate guarantee given to a licensed bank for banking facilities granted to certain subsidiaries (Notes 19 and 21)	4,718,431	8,997,102

26. REVENUE

	Group		Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Sales of goods	7,246,848	6,920,611	-	-
Rendering of services	95,147,718	95,826,096	-	-
Dividend income from subsidiaries (Note 28)	-	-	3,550,521	10,416,860
	102,394,566	102,746,707	3,550,521	10,416,860

27. COST OF SALES

	Group	
	2013 RM	2012 RM
Inventories sold	9,556,163	6,194,159
Services rendered	65,892,858	74,055,135
	75,449,021	80,249,294

28. PROFIT/(LOSS) BEFORE TAX

	Group		Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Profit/(Loss) before tax is arrived at after charging:				
Auditors' remuneration:				
Statutory audits				
- current year	127,000	120,409	26,000	20,000
- underprovision in prior years	23,050	9,750	4,000	-
Other services				
- current year	5,000	5,000	5,000	5,000
Bad debts written off	42,712	21,153	-	-
Depreciation of property, plant and equipment (Note 7)	6,172,193	5,749,267	397	957
Directors' remuneration:				
Directors of the Company				
- fees	72,000	60,600	72,000	60,600
- other emoluments	1,621,315	1,405,166	19,250	-
Directors of the subsidiaries				
- other emoluments	239,300	457,703	-	-
Impairment losses on:				
- investments in subsidiaries	-	-	1,916,988	6,533,996
- trade receivables (Note 12.1)	147,100	968,200	-	-
- other receivables (Note 12.2)	-	28,463	-	-
- property, plant and equipment (Note 7)	-	18,566,449	-	-
Interest expense on:				
- bank overdrafts	67,503	15,190	-	-
- bankers' acceptances	-	16,612	-	-
- hire purchase	171,560	200,151	-	-
- term loans	884,099	872,924	-	-
Loss on disposal of property, plant and equipment	578,238	-	-	-
Realised loss on foreign exchange	145,391	146,935	-	-
Rental of premises	36,700	39,200	-	-
Rental of machineries	104,330	38,000	-	-
Unrealised loss on foreign exchange	9,639	68,539	-	-
And crediting:				
Dividend income from subsidiaries (Note 26)	-	-	3,550,521	10,416,860
Gain on bargain purchase (Note 32)	-	109,486	-	-
Gain on disposal of property, plant and equipment	1,917,509	328,355	-	-
Interest income from:				
- fixed deposits	224,533	248,982	14,055	83,720
- others	21,548	49,566	1,393	5,851
Realised gain on foreign exchange	75,289	313,100	-	-
Rental income:				
- office	64,800	58,500	-	-
- forklift	24,508	69,160	-	-
Unrealised gain on foreign exchange	27,927	-	-	-

29. TAX EXPENSE

	Group 2013 RM	Group 2012 RM	Company 2013 RM	Company 2012 RM
Current tax	1,524,099	1,892,586	3,739	10,474
Deferred tax (Note 22)	164,684	1,352,109	-	-
	1,688,783	3,244,695	3,739	10,474
(Over)/Underprovision in prior years:				
Current tax	(357,415)	(31,793)	16,298	(869)
Deferred tax (Note 22)	(252,079)	60,231	-	-
	(609,494)	28,438	16,298	(869)
	1,079,289	3,273,133	20,037	9,605

Current tax expense is calculated at the statutory tax rate of 25% (2012: 25%) of the estimated taxable profits for the fiscal year.

The numerical reconciliation between the tax expense and the product of accounting profit multiplied by the statutory tax rate of the Group and the Company is as follows:

	Group 2013 RM	Group 2012 RM	Company 2013 RM	Company 2012 RM
Statutory tax rate of 25% (2012: 25%)	3,290,230	(2,752,302)	274,589	908,592
Tax effects in respect of:				
Non-allowable expenses	1,292,376	6,536,407	616,780	1,706,097
Non-taxable income	(656,490)	(57,299)	-	-
Utilisation of deferred tax assets not recognised in prior years	(24,285)	(395,225)	-	-
Deferred tax assets not recognised	67,797	910,325	-	-
Tax exempt income	(2,280,845)	(997,211)	(887,630)	(2,604,215)
	1,688,783	3,244,695	3,739	10,474
(Over)/Underprovision in prior years:				
Current tax	(357,415)	(31,793)	16,298	(869)
Deferred tax	(252,079)	60,231	-	-
	1,079,289	3,273,133	20,037	9,605

Subject to the agreement of the Inland Revenue Board, certain subsidiaries have unabsorbed capital allowances and unutilised tax losses amounting to approximately RM12,570,000 (2012: RM12,451,000) and RM19,465,000 (2012: RM19,017,000) respectively which are available to offset against their future taxable profits.

30. EARNINGS/(LOSS) PER ORDINARY SHARE

Group

(a) Basic

The basic earnings/(loss) per ordinary share has been calculated based on the consolidated profit/(loss) after tax attributable to the owners of the Company divided by the weighted average number of ordinary shares in issue during the financial year.

	2013	2012
Consolidated profit/(loss) after tax (RM)	11,995,362	(16,222,185)
Weighted average number of ordinary shares in issue:		
Issued ordinary shares at 1 April 2012/2011	119,680,700	119,995,000
Effect of treasury shares held	-	(101,452)
Weighted average number of ordinary shares at 31 March	119,680,700	119,893,548
Basic earnings/(loss) per ordinary share (sen)	10.0	(13.5)

(b) Diluted

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

31. EMPLOYEE BENEFITS

	Group		Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Wages, salaries and bonuses	12,306,994	7,934,936	72,000	60,600
Defined contribution plans	1,126,061	1,059,980	-	-
Social security contributions	134,230	122,518	-	-
Other benefits	814,453	674,259	19,250	-
	14,381,738	9,791,693	91,250	60,600

32. ACQUISITION OF SUBSIDIARIES

On 25 October 2012, the Company acquired two (2) ordinary shares of RM1.00 each representing the entire issued and paid up share capital of Gems Logistics Sdn. Bhd. for a total cash consideration of RM2.

At the date of acquisition, the fair values of the assets and liabilities of the acquired subsidiary were as follows:

	Fair value recognised on acquisition RM	Acquiree's carrying amount RM
Payables	(2,598)	2,598
Total net liabilities/Group's share of net liabilities	(2,598)	2,598
Goodwill on consolidation	2,600	
Total cost of the acquisition (Note 8)	2	

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

	Group 2013 RM	Copany 2013 RM
Purchase consideration to be settled in cash/ Net cash outflow on acquisition	(2)	(2)

From the date of acquisition, the subsidiary acquired posted a loss after tax of RM1,336 to the Group where no revenue has been generated yet. If the acquisition had occurred on 1 April 2012, the Group's profit after tax would have been RM12,082,994.

In the previous financial year, the Company had on 11 October 2011 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 acquisition was completed on 16 November 2011.

32. ACQUISITION OF SUBSIDIARIES (cont'd)

The fair values of the assets and liabilities of the subsidiaries at the date of acquisition in the previous financial year 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 acquisition (Note 8)	303,000	

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

	Group 2012 RM	Company 2012 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

From the date of acquisition, the subsidiaries acquired have contributed RM1,147,823 and RM19,519 to the Group's revenue and profit after tax respectively. If the acquisition had occurred on 1 April 2011, the Group's revenue and loss after tax would have been RM104,987,706 and RM13,908,607 respectively.

33. DIRECTORS' REMUNERATION

The aggregate amounts of emoluments received and receivable by the Directors during the financial year are as follows:

	Group		Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Executive Directors:				
Non-fees emoluments	1,396,945	1,228,266	-	-
Defined contribution plans	205,120	176,900	-	-
Executive directors of the subsidiaries:				
Non-fees emoluments	213,260	398,040	-	-
Defined contribution plans	26,040	59,663	-	-
Non-executive Directors:				
Fees	72,000	60,600	72,000	60,600
Other emoluments	19,250	-	19,250	-
	1,932,615	1,923,469	91,250	60,600

The number of directors whose total remuneration falls within the following bands during the financial year are as follows:

	Group		Company	
	2013	2012	2013	2012
Executive Directors:				
RM100,001 to RM150,000	1	1	-	-
RM150,001 to RM200,000	1	1	-	-
RM200,001 to RM250,000	1	-	-	-
RM300,001 to RM350,000	1	-	-	-
RM500,001 to RM550,000	-	1	-	-
RM550,001 to RM600,000	-	1	-	-
RM750,001 to RM800,000	1	-	-	-
Executive directors of the subsidiaries:				
Below RM50,001	-	1	-	-
RM50,001 to RM100,000	2	1	-	-
RM100,001 to RM150,000	1	-	-	-
RM150,001 to RM200,000	-	1	-	-
RM200,001 to RM250,000	-	1	-	-
Non-executive Directors:				
Below RM50,001	3	3	3	3
	11	11	3	3

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 the Company include:

(i) its subsidiaries;

(ii) close family members of certain directors of the Company and the subsidiaries;

(iii) companies in which certain directors of the Company and 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 the subsidiaries directly or indirectly.

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

	Group	
	2013 RM	2012 RM
Companies in which certain Directors have interests:		
Revenue from sales of goods and services rendered	10,679,370	6,607,418
Container haulage, tanker and lorry transport service charges payable	4,707,866	4,690,737
Forwarding service charges payable	373,265	199,098
Insurance premium payable	-	317,679
Rental expense payable	31,200	31,200
Rental income receivable	35,000	35,000
Spare parts, tyres, tyres maintenance services and consumables payable	52,863	2,448,981
Warehouse expense payable	63,903	61,570

34. RELATED PARTY DISCLOSURES (cont'd)

(c) Compensation of key management personnel

The remunerations of Directors and other key management personnel are as follows:

	Group		Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Directors:				
Short-term employee benefits	1,488,195	1,288,866	91,250	60,600
Defined contribution plans	205,120	176,900	-	-
	1,693,315	1,465,766	91,250	60,600
Directors of the subsidiaries:				
Short-term employee benefits	213,260	398,040	-	-
Defined contribution plans	26,040	59,663	-	-
	239,300	457,703	-	-
	1,932,615	1,923,469	91,250	60,600

35. OPERATING SEGMENTS

(a) Business segments

Segment information is presented based on the Group's business segments which are also 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.

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

Intersegment 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	:	Insurance agents and investment holding

35. OPERATING SEGMENTS (cont'd)

(a) Business segments (cont'd)

2013	Marine RM	Trading RM	Logistics RM	Others RM	Elimination RM	Total RM
Revenue						
External revenue	26,301,922	7,246,848	68,768,406	77,390	-	102,394,566
Intersegment revenue	1,119,404	3,589,885	1,632,288	3,680,315	(10,021,892)	-
	27,421,326	10,836,733	70,400,694	3,757,705	(10,021,892)	102,394,566
Results						
Segment results	3,351,406	532,338	17,584,668	746,318	(2,004,535)	20,210,195
Depreciation	(826,190)	(245,749)	(3,816,152)	(78,739)	(1,205,363)	(6,172,193)
Interest income	57,508	52,344	120,022	16,207	-	246,081
Finance costs	(50,226)	(2,866)	(1,070,070)	-	-	(1,123,162)
Profit before tax	2,532,498	336,067	12,818,468	683,786	(3,209,898)	13,160,921
Tax expense	157,719	(37,107)	(1,137,120)	(62,781)	-	(1,079,289)
Profit after tax	2,690,217	298,960	11,681,348	621,005	(3,209,898)	12,081,632
Segment assets/ Total assets	40,129,576	6,484,308	70,761,002	80,857,891	(72,439,425)	125,793,352
Segment liabilities/ Total liabilities	39,137,474	6,022,921	29,064,043	7,637,290	(44,039,452)	37,822,276
Other information						
Capital expenditure	138,590	268,452	6,915,580	1,600,000	-	8,922,622
Other non-cash income	169,206	31,260	2,694,900	-	(949,930)	1,945,436
Other non-cash expenses	635,280	93,904	178,540	2,434,983	(2,565,018)	777,689

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 revenue	25,055,972	6,920,611	70,737,497	32,627	-	102,746,707
Intersegment 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	(14,291,222)	(2,371,575)	12,959,357	3,601,144	(4,347,294)	(4,449,590)
Depreciation	(1,340,407)	(201,746)	(2,886,625)	(1,135)	(1,319,354)	(5,749,267)
Interest income	56,286	53,082	98,895	89,571	-	297,834
Finance costs	(180,710)	(24,752)	(902,729)	-	-	(1,108,191)
(Loss)/Profit before tax	(15,756,053)	(2,544,991)	9,268,898	3,689,580	(5,666,648)	(11,009,214)
Tax expense	(1,157,379)	(53,082)	(2,031,454)	(31,218)	-	(3,273,133)
(Loss)/Profit after tax	(16,913,432)	(2,598,073)	7,237,444	3,658,362	(5,666,648)	(14,282,347)
Segment assets/ Total assets	40,273,819	8,696,204	62,494,291	77,353,344	(66,730,868)	122,086,790
Segment liabilities/ Total liabilities	40,471,931	7,289,442	31,078,682	5,459,717	(38,142,717)	46,157,055
Other information						
Capital expenditure	181,953	-	8,271,146	-	-	8,453,099
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)

(b) Geographical segments

Geographical segment has not been presented as the Group's current activities are predominantly carried out in Malaysia.

(c) Major customers

Revenue from one (1) major customer in the marine segment which amounted to RM13,957,544 (2012: RM14,003,314) is more than 10% of the Group's revenue.

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.

36.1 Financial risk management policies

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

(a) 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 and 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)

36.1 Financial risk management policies (cont'd)

(a) Market risk (cont'd)

(i) Foreign currency risk (cont'd)

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

Group 2013	United States Dollar RM	Singapore Dollar RM	Australian Dollar RM	Euro RM	Indonesian Rupiah RM	Ringgit Malaysia RM	Total RM
Financial assets							
Trade and other receivables	1,117,411	10,213	-	-	-	29,877,888	31,005,512
Cash and cash equivalents	376,314	-	-	-	737	11,246,261	11,623,312
	1,493,725	10,213	-	-	737	41,124,149	42,628,824
Financial liabilities							
Trade and other payables	241,973	379,379	7,162	-	-	14,202,186	14,830,700
Borrowings	-	-	-	-	-	18,732,908	18,732,908
	241,973	379,379	7,162	-	-	32,935,094	33,563,608
Net financial assets/(liabilities)	1,251,752	(369,166)	(7,162)	-	737	8,189,055	9,065,216
Less: Net financial assets/(liabilities) denominated in the respective entities functional currencies	-	-	-	-	-	(8,189,055)	(8,189,055)
Currency exposure	1,251,752	(369,166)	(7,162)	-	737	-	876,161

36. FINANCIAL INSTRUMENTS (cont'd)

36.1 Financial risk management policies (cont'd)

(a) Market risk (cont'd)

(i) Foreign currency risk (cont'd)

Group 2012	United States Dollar RM	Singapore Dollar RM	Australian Dollar RM	Euro RM	Indonesian Rupiah RM	Ringgit Malaysia RM	Total RM
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)

36.1 Financial risk management policies (cont'd)

(a) 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	2013 Increase/ (Decrease) RM	2012 Increase/ (Decrease) RM
Effects on profit/(loss) after tax/equity		
United States Dollar:		
strengthened by 5%	46,941	41,322
weakened by 5%	(46,941)	(41,322)
Singapore Dollar:		
strengthened by 5%	(13,844)	(1,154)
weakened by 5%	13,844	1,154
Australian Dollar:		
strengthened by 5%	(269)	(96)
weakened by 5%	269	96
Euro:		
strengthened by 5%	-	433
weakened by 5%	-	(433)
Indonesian Rupiah:		
strengthened by 5%	28	(10,676)
weakened by 5%	(28)	10,676

(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 36.1(c).

36. FINANCIAL INSTRUMENTS (cont'd)

36.1 Financial risk management policies (cont'd)

(a) 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	2013 (Decrease)/ Increase RM	2012 (Decrease)/ Increase RM
Effects on profit/(loss) after tax/equity		
Increase of 100 basis points (bp)	(107,735)	(157,169)
Decrease of 100 bp	107,735	157,169

(iii) Equity price risk

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

(b) 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 27.49% (2012: 33.53%) 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)

36.1 Financial risk management policies (cont'd)

(b) Credit risk (cont'd)

Ageing analysis

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

Group	Gross amount RM	Individual impairment RM	Collective impairment RM	Carrying value RM
2013				
Not past due	22,072,434	-	-	22,072,434
Past due:				
less than 3 months	2,915,556	-	-	2,915,556
3 to 6 months	1,330,875	-	-	1,330,875
over 6 months	4,856,896	(1,895,528)	-	2,961,368
	31,175,761	(1,895,528)	-	29,280,233
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

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.

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 Group 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.

36. FINANCIAL INSTRUMENTS (cont'd)

36.1 Financial risk management policies (cont'd)

(c) Liquidity risk

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

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
2013						
Hire purchase liabilities	6.11	4,368,258	4,692,245	1,936,395	2,755,850	-
Term loans	5.24	14,364,650	15,953,295	3,872,880	12,080,415	-
Trade and other payables	-	14,830,700	14,830,700	14,830,700	-	-
		33,563,608	35,476,240	20,639,975	14,836,265	-
2012						
Bank overdrafts	8.10	1,498,809	1,498,809	1,498,809	-	-
Hire purchase liabilities	6.72	39,288	40,979	27,524	13,455	-
Term loans	5.60	19,457,088	21,919,101	6,062,931	15,516,048	340,122
Trade and other payables	-	20,417,274	20,417,274	20,417,274	-	-
		41,412,459	43,876,163	28,006,538	15,529,503	340,122

36. FINANCIAL INSTRUMENTS (cont'd)

36.1 Financial risk management policies (cont'd)

(c) 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
2013						
Other payables	-	5,870,717	5,870,717	5,870,717	-	-
2012						
Other payables	-	5,260,250	5,260,250	5,260,250	-	-

36. FINANCIAL INSTRUMENTS (cont'd)

36.2 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 is as follows:

	Group	
	2013 RM	2012 RM
Bank overdrafts	-	1,498,809
Hire purchase liabilities	4,368,258	39,288
Term loans	14,364,650	19,457,088
Trade and other payables	14,830,700	20,417,274
	33,563,608	41,412,459
Less: Fixed deposits with licensed banks	(6,150,102)	(4,063,635)
Less: Cash and bank balances	(5,473,210)	(5,971,929)
Net debt	21,940,296	31,376,895
Total equity	87,971,076	75,929,735
Debt-to-equity ratio	0.25	0.41

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)

36.3 Classification of financial instruments

	Group		Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Financial assets				
Loans and receivables				
Trade receivables	29,280,233	26,991,790	-	-
Other receivables	725,279	659,281	3,000	3,000
Amounts owing by subsidiaries	-	-	28,940,808	26,329,089
Amount owing by an associate	-	17,456	-	-
Fixed deposits with licensed banks	6,150,102	4,063,635	-	-
Cash and bank balances	5,473,210	5,971,929	59,812	160,553
	41,628,824	37,704,091	29,003,620	26,492,642
Financial liabilities				
Other financial liabilities				
Bank overdrafts	-	1,498,809	-	-
Hire purchase liabilities	4,368,258	39,288	-	-
Term loans	14,364,650	19,457,088	-	-
Trade payables	9,677,600	9,005,941	-	-
Other payables	5,153,100	11,411,333	5,870,717	5,260,250
	33,563,608	41,412,459	5,870,717	5,260,250

36.4 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 twelve (12) months approximated their fair values due to the relatively short-term maturity of the financial instruments.

(ii) The fair value of the hire purchase liabilities 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.

36.5 Fair value hierarchy

As at 31 March 2013, the Group does not have any financial instruments carried at fair value and hence no financial assets and liabilities are to be disclosed by source of inputs using a three (3) level fair value hierarchy.

37. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

The significant events during the financial year are as follows:

(i) 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.

(ii) On 22 November 2012, Gems Logistics Sdn. Bhd., a wholly owned subsidiary of the Company entered into a Provisional Letter of Offer with a third party, Port Klang Free Zone Sdn. Bhd. for the proposed lease of 5.7 acres of land in the Port Klang Free Zone from Port Klang Authority for a period of 30 years.

(iii) On 21 January 2013, Gems Logistics Sdn. Bhd. increased its issued and paid-up capital from RM2 to RM100,000. The Company subscribed for the additional 99,998 new ordinary shares of RM1.00 each in Gems Logistics Sdn. Bhd., for a total cash consideration of RM99,998 to retain its equity interest of 100%.

38. SIGNIFICANT EVENT OCCURING AFTER THE REPORTING PERIOD

The Company had on 21 May 2012 entered into a Share Sale Agreement ("SSA") for the proposed acquisition of the entire equity interest in Pengangkutan Sekata Sdn Bhd ("Sekata"), comprising 1,500,000 ordinary shares of RM1.00 each for a total cash consideration of RM10,000,000. Subsequently, the Company had on 13 December 2012 entered into a Supplemental SSA to extend the Completion Date of the SSA for another 120 days commencing from the expiry of the aforesaid 90-day period for the payment of the Completion Payment. Following the approval obtained from the shareholders at the Extraordinary General Meeting convened on 25 September 2012 and the full settlement of the Completion Payment of the SSA and the Supplemental SSA, the proposed acquisition was completed on 19 April 2013.

Consequently, Sekata became a wholly owned subsidiary of the Company.

39. EXPLANATION OF TRANSITION TO MFRS

As disclosed in Note 3, these are the first financial statements of the Group and the Company prepared in accordance with MFRS.

The accounting policies set out in Note 4 have been applied in preparing the financial statements of the Group and the Company for the financial year ended 31 March 2013, the comparative information presented in these financial statements for the financial year ended 31 March 2012 and in the preparation of the opening MFRS statements of financial position as at 1 April 2011 (the Group and the Company's date of transition to MFRS).

In preparing the opening statements of financial position as at 1 April 2011, the Company has elected to apply the "deemed cost" transition exemption to measure all its investments in subsidiaries which was previously accounted for at fair value and the effects of transition from FRS to MFRS are as follows:

	FRS RM	Effects of transition RM	MFRS RM
At 1 April 2011			
Investments in subsidiaries	127,868,963	(85,950,166)	41,918,797
Fair value reserve	(85,950,166)	85,950,166	-
At 31 March 2012			
Investments in subsidiaries	136,564,708	(86,076,807)	50,487,901
Fair value reserve	(86,076,807)	86,076,807	-

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

The following breakdown of the retained earnings of the Group and 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:

	Group		Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Total retained earnings:				
Realised	41,210,964	29,462,383	8,682,893	7,604,574
Unrealised	4,213,946	4,214,514	-	-
	45,424,910	33,676,897	8,682,893	7,604,574
Less: Consolidation adjustments	(21,496,963)	(21,744,312)	-	-
At 31 March	23,927,947	11,932,585	8,682,893	7,604,574

List Of Properties
As At 31 March 2013

Registered Owner	Location	Description/ Existing Use	Tenure of Land	Land Area (m2)	Carrying Amount as at 31.3.13	Approximate Age of Building (Years)	Date of Acquisition
Complete Logistic Specialists Sdn Bhd	No. 27, Jalan Berangan, 42000 Port Klang, Selangor Darul Ehsan.	Land/Building - 3 Storey Shophouse	Freehold	180	522,845	28	12.11.2007
Guper Integrated Logistics Sdn Bhd	PT3907, Nilai Industrial Estate, 71800 Nilai, Negeri Sembilan Darul Khusus.	Land/Building - Container Yard, - Office Building, - Warehouse - Custom - Complex	Freehold	119,649	21,757,151	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
Gems Logistics Sdn Bhd	Part of P2123 Percinct 2, Jalan FZ1 - P2, Port Klang Free Zone/KS 12 42920 Pulau Indah Selangor Darul Ehsan.	Warehouse	Leasehold (Expiring on 18.10.2093)	4,047	1,600,000	4	31.1.2013

Analysis Of Shareholdings
As At 31 July 2013

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	:	One (1) vote per share
Number of Shareholders	:	1,162

SIZE OF SHAREHOLDINGS

Size of Holdings	No of Shareholders	%	No of Shares *	%
Less than 100	5	0.43	106	0.00
100 - 1,000	177	15.23	155,194	0.13
1,001 - 10,000	578	49.74	2,904,700	2.43
10,001 - 100,000	325	27.97	10,844,600	9.06
100,001 to less than 5% of issued shares	73	6.28	39,764,100	33.23
5% and above of issued shares	4	0.35	66,012,000	55.15
Total	**1,162**	**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	45,571,100	38.08
2	Ng Yoon Kin	-	-	4,582,000	3.83
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	-	-	11,000,000	9.19
	Total	**17,709,700**	**14.80**	**61,153,100**	**51.10**

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	Pusaka Unggul Sdn Bhd	11,000,000	9.19
4	Leon Law Li Yion	6,777,600	5.66
	Total	**66,012,000**	**55.15**

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	PUSAKA UNGGUL SDN BHD	11,000,000	9.19
4	LEON LAW LI YION	6,777,600	5.66
5	MESTI JUARA SDN BHD	4,500,000	3.76
6	LIM LAY FONG	3,793,500	3.17
7	LIM KOK ONN	3,132,500	2.62
8	LEMBAGA TABUNG HAJI	2,776,300	2.32
9	AMCORP GROUP BERHAD	2,381,000	1.99
10	CHANDRA SEKARAN A/L SUBRAYAN	2,313,800	1.93
11	CHANDRA SEKARAN A/L SUBRAYAN	1,422,000	1.19
12	CHIA KAH YING	1,340,800	1.12
13	TAN CHOON LEONG	1,022,600	0.85
14	TAN MEE LEY	1,011,000	0.84
15	SIN SIEW WAH	1,000,000	0.84
16	KUNTUM ENTERPRISES SDN BHD	988,900	0.83
17	LOH CHOOI FUN	700,000	0.58
18	TANG TECK PO	582,100	0.49
19	TAN CHOON LEONG	573,800	0.48
20	KAMARUDIN BIN MOHD ZAIN	523,900	0.44
21	TENG CHU LEN	517,000	0.43
22	CITIGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR WONG WAI KONG	500,000	0.42
23	KOH SEN CHUN	484,500	0.40
24	TAN CHOON LEONG	460,100	0.38
25	AFFIN NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR YEOW KUEI CHAI	448,000	0.37
26	LAU PIK	420,600	0.35
27	HLIB NOMINEES (TEMPATAN) SDN BHD HONG LEONG BANK BHD FOR FOONG CHEE HWA	408,500	0.34
28	YOUNG WONG @ YEO SUAN SAM	353,000	0.29
29	CHONG VOON WEI	337,000	0.28
30	KOE LIE CHENG	308,100	0.26
	TOTAL	**98,311,000**	**82.14**

Note :

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

NOTICE IS HEREBY GIVEN that the Eighth (8th) Annual General Meeting ("AGM") of Complete Logistic Services Berhad ("the Company") will be held at Nilai Inland Port, 1st Floor, PT 3907, Nilai industrial Estate, 71800 Nilai, Negeri Sembilan Darul Khusus on Wednesday, 25 September 2013 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 2013 and the Reports of the Directors and Auditors thereon;

2. To approve the payment of Directors' fees of RM72,000 (2012-RM60,600) for the financial year ended 31 March 2013; **(Resolution 1)**

3. To re-elect the following Directors retiring pursuant to Article 95 of the Articles of Association of the Company:
   (i) Law Hee Ling; and **(Resolution 2)**
   (ii) Yet Kiong Siang **(Resolution 3)**

4. To re-elect Ng Yoon Kin retiring pursuant to Article 101 of the Articles of Association of the Company. **(Resolution 4)**

5. To re-appoint the following Directors of the Company to hold office until the conclusion of the next AGM of the Company pursuant to Section 129(6) of the Companies Act, 1965:
   i) Tan Sri Dato' Seri Law Hieng Ding; and **(Resolution 5)**
   ii) Dato' Dr G K Alfred Kumaraseri **(Resolution 6)**

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

7. **SPECIAL BUSINESS**

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

   (A) Authority to Allot and Issue Shares Pursuant to Section 132D of the Companies Act, 1965 ("Act") **(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") for the listing of and quotation for the new shares so issued." (See Explanatory Note 3 (i) on Special Business below)

   (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") **(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 ("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 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 earnings and 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 3(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") **(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 23 August 2013 ("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 (but must not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); 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 3(iii) 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
Dated: 23 August 2013

Notes:

1. Receiving of the Audited Financial Statements

   Item 1 of the Agenda is intended for discussion only as the provision of Section 169(1) of the Companies Act 1965 does not require a formal approval of the shareholders of the Audited Financial Statements. As such this item is not put forward for voting.

2. Form of Proxy

   (i) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy may but need not be a member of the Company.

   (ii) Where a member appoints two (2) proxies, the appointment shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.

   (iii) A member who is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, may appoint one(1) proxy in respect of each securities account.

   (iv) Where a member is an exempt authorised nominee which holds shares in the Company for multiple beneficial owners in one(1) securities account ("omnibus account") as defined under the Securities Industry (Central Depositories) Act 1991, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

   (v) The instrument appointing a proxy in the case of an individual shall be signed by the appointer or his attorney duly authorised in writing and in the case of a corporation, the instrument appointing a proxy must be under seal or under the hand of an officer or attorney duly authorised.

   (vi) Only members whose names appear in the Record of Depositors as at 18 September 2013 will be entitled to attend, speak and vote at the meeting or appoint a proxy to attend, speak and vote in his stead.

   (vii) To be valid, the original instrument appointing a proxy must be deposited at the Registered Office of the Company at No. 82F, Jalan Pulasan, 41000 Klang, Selangor Darul Ehsan, not less than 48 hours before the time appointed for holding the meeting and any adjournment thereof.

3. 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 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 7th AGM held on 25 September 2012, 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 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 23 August 2013, which is dispatched together with the Company's 2013 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 arrangements or transactions with related parties, particulars of which are set out in Section 4 of the Circular to Shareholders dated 23 August 2013, which is dispatched together with the Company's 2013 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.

Statement Accompanying Notice Of Annual General Meeting

1. Details of the following Directors who are standing for either re-election or re-appointment in Agenda 3, 4 and 5 of the Notice of the Eighth Annual General Meeting are set out in the Profile of Directors appearing on pages 9 to 12 of this Report.

    (i) Law Hee Ling
    (ii) Yet Kiong Siang
    (iii) Ng Yoon Kin
    (iv) Tan Sri Dato' Seri Law Hieng Ding
    (v) Dato' Dr G K Alfred Kumaraseri

2. Details of attendance of Directors at Board Meetings.

    Six (6) Board meetings were held during the financial year ended 31 March 2013. Details of the attendance of Directors are as follows:

Directors	No. of Meetings Attended
Dato' Dr Ibrahim Bin Ahmad	5/5
Law Hee Ling	6/6
Lim Kok Onn	6/6
Chia Kah Ying	6/6
Ng Yoon Kin *(Appointed on 12 December 2012)*	1/1
Hoo Mee Lien *(Retired on 25 September 2012)*	4/4
Tan Sri Dato' Seri Law Hieng Ding	6/6
Yet Kiong Siang	6/6
Dato' Dr G K Alfred Kumaraseri	5/6

3.

(i) 25 Jalan Berangan, 42000 Port Klang.	21.05.2012	11.00 a.m.
(ii) 25 Jalan Berangan, 42000 Port Klang.	25.05.2012	12.00 noon
(iii) 25 Jalan Berangan, 42000 Port Klang.	24.07.2012	12.00 noon
(iv) 25 Jalan Berangan, 42000 Port Klang.	28.08.2012	11.00 a.m.
(v) Nilai Inland Port, PT 3907 Nilai Industrial Estate, 71800 Nilai.	27.11.2012	11.30 a.m.
(vi) Nilai Inland Port, PT 3907 Nilai Industrial Estate, 71800 Nilai.	26.02.2013	2.00 p.m.

PROXY FORM

COMPLETE LOGISTIC SERVICES BERHAD (716241-X)

A. I/We ____
(FULL NAME IN CAPITALS)

of ____
(ADDRESS)

being a member/members of COMPLETE LOGISTIC SERVICES BERHAD, hereby appoint ____

____
(FULL NAME)

of ____
(ADDRESS)

Where it is decided to appoint a second proxy, this section must also be completed. Otherwise it should be deleted.

B. I/We ____
(FULL NAME IN CAPITALS)

of ____
(ADDRESS)

being a member/members of COMPLETE LOGISTIC SERVICES BERHAD, hereby appoint ____

____
(FULL NAME)

of ____
(ADDRESS)

or failing him/her THE CHAIRMAN OF THE MEETING as my/our first proxy, to vote for me/us and on my/our behalf, at the Eighth (8th) Annual General Meeting of the Company, to be held at Nilai Inland Port, 1st Floor, PT 3907, Nilai Industrial Estate, 71800 Nilai, Negeri Sembilan Darul Khusus on Wednesday, 25 September 2013 at 11.00 a.m. and at any adjournment thereof.

The proportions of my/our holdings to be represented by my/our proxies are as follows:-

Proxy A Proxy B	% % 100%	In case of a vote by a show of hands, Proxy A*/Proxy B* shall vote on my/our behalf

Resolutions			Proxy A		Proxy B	
AS ORDINARY BUSINESS:			**For**	**Against**	**For**	**Against**
1.		To receive the 2013 Audited Financial Statements and Reports				
2.	Ordinary Resolution 1	To approve Directors' Fees amounting to RM72,000 for the financial year ended 31 March 2013.				
3.		To re-elect the following Directors who retires in accordance with Article 95 of the Company's Articles of Association:				
	Ordinary Resolution 2	(i) Law Hee Ling; and				
	Ordinary Resolution 3	(ii) Yet Kiong Siang				
4.	Ordinary Resolution 4	To re-elect Ng Yoon Kin who retires in accordance with Article 101 of the Company's Articles of Association.				
5.		To re-appoint Directors of the Company under Section 129(6)				
	Ordinary Resolution 5	(i) Tan Sri Dato' Seri Law Hieng Ding; and				
	Ordinary Resolution 6	(ii) Dato' Dr G K Alfred Kumaraseri				
6.	Ordinary Resolution 7	To re-appoint Messrs Crowe Horwath as Auditors of the Company and to authorise the Directors to fix their remuneration.				
AS SPECIAL BUSINESS:						
7.	Ordinary Resolution 8	(a) To approve authority for Directors to allot and issue shares				
8.	Ordinary Resolution 9	(b) To renew mandate for share buy back				
9.	Ordinary Resolution 10	(c) To renew and obtain additional shareholders' mandate for RRPT				

Please indicate with "X" on the spaces provided on how you wish your votes to be cast. In the absence of specific directions, your proxy will vote or abstain from voting at his discretion.

Dated this______________day of ______________2013.

CDS Account No.	
No. of Shares held	

____
Signature of Member(s)/Common Seal

Notes

(i) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy may but need not be a member of the Company.
(ii) Where a member appoints two (2) proxies, the appointment shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.
(iii) A member who is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, may appoint one (1) proxy in respect of each securities account.
(iv) Where a member is an exempt authorised nominee which holds shares in the Company for multiple beneficial owners in one securities account ("omnibus account") as defined under the Securities Industry (Central Depositories) Act 1991, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
(v) The instrument appointing a proxy in the case of an individual shall be signed by the appointer or his attorney duly authorize in writing and in the case of a corporation, the instrument appointing a proxy must be under seal or under the had of an officer of attorney duly authorised.
(vi) Only members whose names appear in the Record of Depositors as at 18 September 2013 will be entitled to attend and vote at the meeting or appoint a proxy to attend and vote in his stead.
(vii) To be valid, the original instrument appointing a proxy must be deposited at the Registered Office of the Company at No. 82F, Jalan Pulasan, 41000 Klang, Selangor Darul Ehsan not less than 48 hours before the time appointed for holding the meeting and any adjournment thereof.

Fold here

STAMP

THE COMPANY SECRETARIES
COMPLETE LOGISTIC SERVICES BERHAD

NO. 82F JALAN PULASAN
41000 KLANG
SELANGOR DARUL EHSAN

Fold here

(716241-X)

COMPLETE LOGISTIC SERVICES BERHAD

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