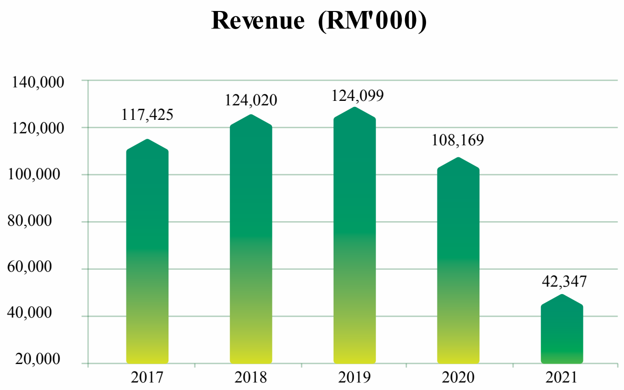
COMPLETE LOGISTIC SERVICES BERHAD

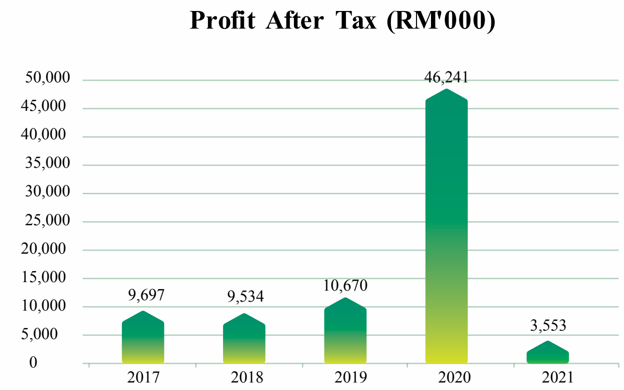
(Registration No.: 200501034100 (716241-X))

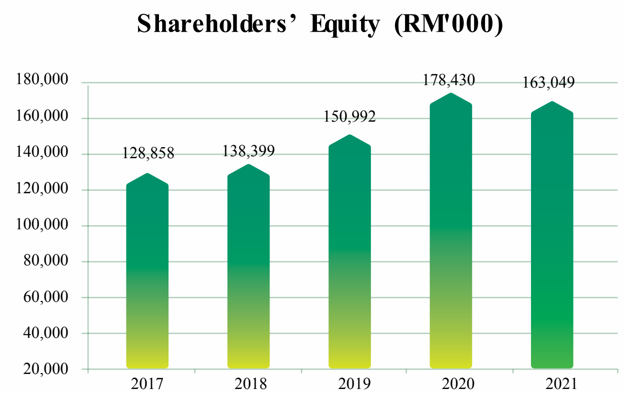
ANNUAL REPORT 2021

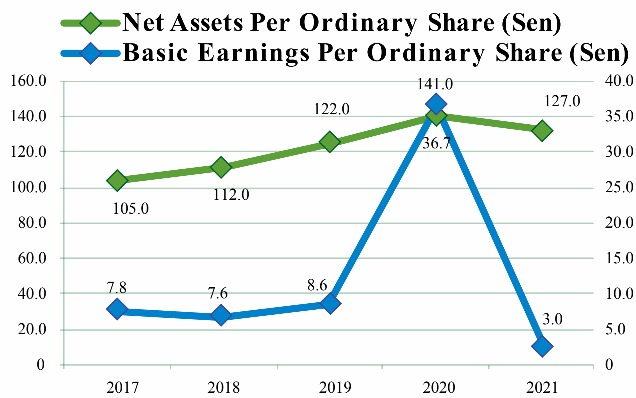
5 YEARS FINANCIAL HIGHLIGHTS

	2017	2018	2019	2020	2021
Revenue (RM'000)	117,425	124,020	124,099	108,169	42,347
Profit After Tax (RM'000)	9,697	9,534	10,670	46,241	3,553
Shareholders' Equity (RM'000)	128,858	138,399	150,992	178,430	163,049
Net Assets Per Ordinary Share (Sen)	105.0	112.0	122.0	141.0	127.0
Basic Earnings Per Ordinary Share (Sen)	7.8	7.6	8.6	36.7	3.0
Dividend Per Ordinary Share (Sen)	-	-	-	16.0	16.0









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16TH ANNUAL GENERAL MEETING

DATE

Thursday, 9 September 2021

TIME

11.00 a.m.

or

Immediately After the Conclusion or Adjournment of the Extraordinary General Meeting held on the same day at 10.30 a.m.,

Whichever is Later

CORPORATE INFORMATION

BOARD OF DIRECTORS

Datuk Iskandar Bin Sarudin
Independent Non-Executive Chairman
(Redesignated on 27/11/2020)

Law Hee Ling
Managing Director

Chia Kah Ying
Executive Director

Ronald Khoo Boo Soon
Executive Director
(Appointed on 15/6/2021)

Dato' Ong Chong Yi
Independent Non- Executive Director
(Appointed on 16/11/2020)

Yeoh Chin Hoe
Independent Non-Executive Director
(Appointed on 16/3/2021)

Teh Li King
Non-Independent Non-Executive Director
(Appointed on 8/3/2021)

AUDIT COMMITTEE

Chairman
Yeoh Chin Hoe
(Appointed on 16/3/2021)

Members
Datuk Iskandar Bin Sarudin
(Redesignated on 27/11/2020)
Dato' Ong Chong Yi
(Appointed on 27/11/2020)

REMUNERATION COMMITTEE

Chairman
Datuk Iskandar Bin Sarudin

Members
Law Hee Ling
Yeoh Chin Hoe
(Appointed on 16/3/2021)

NOMINATING COMMITTEE

Chairman
Datuk Iskandar Bin Sarudin

Members
Dato' Ong Chong Yi
(Appointed on 27/11/2020)
Yeoh Chin Hoe
(Appointed on 16/3/2021)

RISK MANAGEMENT COMMITTEE

Chairman
Datuk Iskandar Bin Sarudin

Members
Law Hee Ling
Yeoh Chin Hoe
(Appointed on 16/3/2021)

AUDITORS

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
Level 16, Tower C
Megan Avenue II
12, Jalan Yap Kwan Seng
50450 Kuala Lumpur
Tel No. : +603 2788 9999
Fax No. : +603 2788 9998

COMPANY SECRETARY

Wong Mee Kiat
(MAICSA 7058813) (SSM PC No. 202008001958)
(Appointed on 18/2/2021)

Ng Heng Hooi
(MAICSA 7048492) (SSM PC No. 202008002923)
(Appointed on 18/2/2021)

REGISTERED OFFICE

BO3-B-13-1, Level 13
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No.3, Jalan Bangsar
59200 Kuala Lumpur
Tel No. : +603 2280 6388
Fax No. : +603 2280 6399

HEAD OFFICE

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

SHARE REGISTRAR

Tricor Investor & Issuing House Services Sdn Bhd
Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Tel No. : +603 2783 9299
Fax No. : +603 2783 9222

STOCK EXCHANGE LISTING

Bursa Malaysia Securities Berhad
Main Market, Transportation & Logistics

CORPORATE STRUCTURE
AS AT 29 JULY 2021

200501034100 (716241-X)
COMPLETE LOGISTIC SERVICES BERHAD

100% **Channel Legion Sdn Bhd**
199501025446 (354651-M)
Investment holding

100% **Complete Logistic Specialists Sdn Bhd**
199701030089 (445588-V)
Total logistic services provider

100% **Guper Bonded Warehouse Sdn Bhd**
201501022073 (1147401-H)
Investment holding

100% **Guper Properties Sdn Bhd**
200301030377 (632797-D)
Insurance agent

100% **Guper Resources Sdn Bhd**
200001016973 (519580-A)
Investment holding

100% **Island Network Sdn Bhd**
199801010871 (466999-W)
General trading

100% **Malsuria (M) Sdn Bhd**
199201002744 (234248-P)
Investment holding

100% **Pengangkutan Sekata Sdn Bhd**
198601004876 (154036-K)
Lorry transport operator

- 100% **Dian Pahlawan Sdn Bhd**
  199701016564 (432061-W)
  Lorry transport operator

100% **CIBC Technology Sdn Bhd**
(Formerly known as Sierra Jaya Sdn Bhd)
199301011913 (266651-P)
Trading

100% **Sin Hiap Hoe Trading & Transport Sdn Berhad** 197801002276 (39285-T)
Lorry transport operator

100% **Ultra Trinity Sdn Bhd**
201301039407 (1069230-D)
Investment holding

20% **Dolphin Shipping Agency Sdn Bhd**
200001004921 (507526-A)
Shipping agent for provision of freight services

20% **Gems Logistics Sdn Bhd**
201101021860 (949999-H)
Provision of warehousing services

20% **Guper Integrated Logistics Sdn Bhd**
199701005035 (420531-V)
Provision of total logistic services with haulage, forwarding and other associated services

MANAGEMENT DISCUSSION & ANALYSIS

BUSINESS OVERVIEW

Complete Logistic Services Berhad ("CLSB" or "the Company") are principally an investment company whilst the activities of our subsidiaries include provision of total logistics services that encompass the integration of shipping and land transportation. We provide a convenient one stop solution for our customers and our core activities are: -

1. **Logistics Segment**

   Our Logistics Segment includes total logistic services which comprise of lorry transportation services (tanker, general cargo, side curtain), project logistics and door to door delivery services.

   Our lorry transportation services cover areas within Peninsular Malaysia and our hubs are located in Port Klang, Nilai and Pasir Gudang.

2. **Warehousing Segment**

   Our Warehousing Segment provides warehouses for rental at Port Klang Free Zone, Pulau Indah and Pasir Gudang, Johore.

3. **Marine Segment**

   During financial year ended 31 March 2020 ("FYE 2020"), CLSB and its subsidiaries ("CLSB Group", "the Group" or "we") owned and operated a fleet of 5 motorized vessels that provide marine transportation for general break-bulk/conventional cargoes and project cargoes that require total logistics or door to door handling.

   However, during and subsequent to the financial year ended 31 March 2021 ("FYE 2021") all vessels have been disposed and hence the Group is no longer operating in the Marine Segment.

On 16 March 2021, the Company acquired 18,000,000 ordinary shares in Classic Scenic Berhad ("CScenic"), representing approximately 14.9% of the issued share capital of CScenic via direct business transaction for a cash consideration of RM29.3 million or RM1.63 per ordinary share. This acquisition represents a strategic investment by the Company to have a substantial stake in CScenic which has been profitable since its listing in 2004.

The Company also entered into a transaction on 31 March 2021 for the disposal of its entire equity interests in Complete Marine Services Sdn Bhd and Malsuria Tanker Services Sdn Bhd, the subsidiaries involved in shipowning and provision of marine transportation service. The total disposal consideration amounted to RM2,000 and RM1.5 million respectively. The disposal was completed on 31 March 2021.

On 18 May 2021, the Company entered into a transaction for the disposal of its entire equity interest in Malsuria Logistics Sdn Bhd ("ML"), a subsidiary company involved in shipowning and provision of marine transportation service for a cash consideration of RM2,000.

On 25 May 2021, the Company disposed a dormant subsidiary company, Ecocentre Sdn Bhd ("ECO") which the Company held a 65% equity interest for a cash consideration of RM73,000.

On 27 May 2021, the Company entered into a Sale and Purchase Agreement ("SPA") to acquire the remaining 50% equity interest in Channel Legion Sdn Bhd ("CL") not already held by it, for a cash consideration of RM5.0 million. CL owns a factory located in Port Klang Free Zone, Pulau Indah. The investment in CL is for sustainable rental income.

MANAGEMENT DISCUSSION & ANALYSIS (continued)

BUSINESS OVERVIEW (CONT'D)

In addition to the aforementioned transactions and contracts, the Company announced on 12 January 2021 that the SPA dated 16 January 2020 between Sin Hiap Hoe Trading & Transport Sdn Berhad ("SHH"), a wholly-owned subsidiary of the Company, with Bun Seng Hardware Sdn Bhd ("BSH") for the acquisition of a parcel of vacant leasehold industrial land held under H.S.(D) 119778, PT No. 121658, Mukim Klang, District of Klang, Selangor measuring approximately 9,712 square metres has been revoked due to the non-fulfilment of the conditions precedent within the stipulated time frame due to the Covid-19 Pandemic and the Movement Control Order ("MCO") implemented by Malaysian Government. However, both parties have mutually agreed to execute the Deed of Revocation and a new SPA has been signed on 12 January 2021. The new SPA has the same cash consideration and the same principal terms and conditions as the previous SPA save and except for a payment of an additional 5% deposit.

In order to reward its shareholders for their continuous support toward the Group, the Company had paid an interim dividend of 16 sen per share, totalling RM20.3 million in June 2020.

FINANCIAL PERFORMANCE REVIEW

STATEMENTS OF FINANCIAL PERFORMANCE

	FYE 2021 RM'000	FYE 2020 RM'000	Variance RM'000	%
Revenue	42,347	108,169	(65,822)	(60.9)
Gross Profit ("GP")	5,225	17,969	(12,744)	(70.9)
Profit Before Tax ("PBT")	4,275	49,180	(44,905)	(91.3)
Profit After Tax ("PAT")	3,553	46,241	(42,688)	(92.3)
GP Margin	12.3%	16.6%	(4.3%)	(25.9)
PBT Margin	10.1%	45.5%	(35.4%)	(77.8)
PAT Margin	8.4%	42.7%	(34.3%)	(80.3)

Revenue

Our Group revenue decreased by RM65.9 million or 60.9% from RM108.2 million in FYE 2020 to RM42.3 million in FYE 2021. The overall decrease in revenue was mainly due to a decrease in revenue from the logistics segment.

The breakdown of revenue by business segment is as follows:

	FYE 2021 RM'000	FYE 2020 RM'000	Variance RM'000	%
Logistics Segment	27,875	86,420	(58,545)	(67.7)
Warehousing Segment	2,710	7,317	(4,607)	(63.0)
Marine Segment	8,933	11,219	(2,286)	(20.4)
Others	2,829	3,213	(384)	(12.0)
Total Revenue	**42,347**	**108,169**		

MANAGEMENT DISCUSSION & ANALYSIS (continued)

FINANCIAL PERFORMANCE (CONT'D)

Revenue (Cont'd)

Revenue from the logistics segment decreased by RM58.5 million or 67.7% from RM86.4 million in FYE 2020 to RM27.9 million in FYE 2021. The overall decrease was mainly due to the effects from the disposal of 80% equity interests in three (3) of our subsidiaries in the preceding financial year ("Disposal of Subsidiaries") and also the impact from the Covid-19 Pandemic during the financial year.

In addition, the revenue from the warehousing segment has also decreased by RM4.6 million from RM7.3 million in FYE 2020 to RM2.7 million in FYE 2021.This was mainly due to the Disposal of Subsidiaries which were involved in warehousing activities in the preceding financial year.

The overall revenue from the marine segment decreased by RM2.3 million or 20.4% from RM11.2 million in FYE 2020 to RM8.9 million in FYE 2021. The decrease was mainly due to the Covid-19 Pandemic and the enforcement of the MCO during which the vessels were not allowed to operate.

GP and GP Margin

GP decreased by RM12.7 million or 70.9% from RM17.9 million in FYE 2020 to RM5.2 million in FYE 2021. The GP margin also decreased by 4.3% from 16.6% in FYE 2020 to 12.3% in FYE 2021.

The overall decrease in GP and GP margin were mainly due to the impact of Covid-19 Pandemic, the MCO and the effects from the Disposal of Subsidiaries where their results were not consolidated in the current year financial results ("Effects from Disposal"). During MCO 1.0 lockdown period, non-essential business activities were not allowed to operate which resulted in zero revenue generated for the period.

Other Income

Our Group's other income decreased significantly by RM46.3 million from RM49.9 million in FYE 2020 to RM3.6 million in FYE 2021. The decrease was mainly due to the one-off income received from the Disposal of Subsidiaries amounting to approximately RM45.6 million in FYE 2020. The other income in FYE 2021 was mainly attributed to interest income received and the gain on disposal of subsidiaries amounting to RM2.0 million and RM0.7 million respectively.

Administrative and Other Expenses

Administrative expenses decreased by RM2.7 million from RM4.6 million in FYE 2020 to RM1.9 million in FYE 2021 mainly due to the Effects from Disposal.

Other expenses also registered a decrease of RM9.7 million from RM12.2 million in FYE 2020 to RM2.5 million in FYE 2021. The decrease was mainly due to one-off expenses incurred in FYE 2020 on the impairment loss on property, plant and equipment and the Effects from Disposal.

Finance Costs

Finance costs have decreased slightly by RM0.2 million from RM1.4 million in FYE 2020 to RM1.2 million in FYE 2021. The finance costs have decreased in FYE 2021 despite the drawdown of additional loan during the financial year because of reduced base lending rates, hence lower interest rates.

PBT and PBT Margin

PBT decreased by RM44.9 million from RM49.2 million in FYE 2020 to RM4.3 million in FYE 2021. The decrease in our Group's PBT was mainly due to the Effects from Disposal and the slowdown in business resulted from the Covid-19 Pandemic.

PBT margin decreased by 35.4% from 45.5% in FYE 2020 to 10.1% in FYE 2021. The decrease was mainly due to the one-off gain from Disposal of Subsidiaries and property, plant and equipment, which was being partly offset by the impairment loss on vessels, recognised in FYE 2020.

MANAGEMENT DISCUSSION & ANALYSIS (continued)

FINANCIAL PERFORMANCE (CONT'D)

Taxation

Corporate taxation decreased by RM2.2 million or 75.5% from RM2.9 million in FYE 2020 to RM0.7 million in FYE 2021. The Group's effective tax rate is 16.9% in FYE 2021 which was higher than 6.0% recorded in FYE 2020. The higher effective tax rate for FYE 2021 was mainly due to the increase of non-deductible expenses incurred.

PAT and PAT Margin

Our Group's overall PAT decreased by RM42.6 million from RM46.2 million in FYE 2020 to RM3.6 million in FYE 2021.

PAT margin decreased by 34.3% from 42.7% in FYE 2020 to 8.4% in FYE 2021. The decrease was mainly due to the one-off gain from Disposal of Subsidiaries and property, plant and equipment, which was being partly offset by the impairment loss on vessels, recognised in FYE 2020.

STATEMENTS OF FINANCIAL POSITION

	31.3.2021 RM'000	31.3.2020 RM'000	Variance RM'000	%
Non-current Assets	150,100	103,877	46,223	44.5
Current Assets	62,223	118,086	(55,863)	(47.3)
Total Assets	**212,323**	**221,963**	**(9,640)**	**(4.3)**
Non-current Liabilities	29,655	29,423	232	0.8
Current Liabilities	19,605	13,111	6,494	49.5
Total Liabilities	**49,259**	**42,534**	**6,725**	**15.8**
Net Assets	**163,064**	**179,429**	**(16,365)**	**(9.1)**
Current Ratio (times)	3.2	9.0	(5.8)	(64.4)
Gearing Ratio (times)	0.2	0.2	-	-

Total Assets

Total assets decreased by RM9.7 million from RM222.0 million as at 31 March 2020 to RM212.3 million as at 31 March 2021.

Non-current assets increased by RM46.2 million mainly due to the increase in other investments resulting from the investment in CScenic where an equity interest of approximately 14.94% was acquired for RM29.3 million, as well as the increase in property, plant and equipment amounting to RM16.2 million.

Current assets decreased by RM55.9 million mainly due to decrease in short-term investments amounting to RM46.2 million, decrease in cash and bank balances amounting to RM3.0 million and decrease in trade and other receivables amounting to RM6.8 million, offset against the increase in tax recoverable amounting to RM0.1 million.

MANAGEMENT DISCUSSION & ANALYSIS (continued)

FINANCIAL PERFORMANCE (CONT'D)

Total Liabilities

Total liabilities increased by RM6.8 million from RM42.5 million as at 31 March 2020 to RM49.3 million as at 31 March 2021.

Non-current liabilities increased by RM0.2 million mainly due to the increase in term loans amounting to RM0.8 million. The increase was offset against the decrease in deferred tax liabilities amounting to RM0.4 million and decrease in lease liabilities amounting to RM0.2 million.

Current liabilities increased by RM6.5 million mainly due to the increase in trade and other payables amounting to RM5.6 million and increase in term loan amounting to RM1.0 million. The increase was offset against the decrease in tax liabilities amounting to RM0.08 million and decrease in lease liabilities amounting to RM0.02 million.

Overall, the current ratio of the Group was 3.2 times as at 31 March 2021 compared to 9.0 times as at 31 March 2020. The decrease in the current ratio was mainly due to a decrease in cash and cash equivalents and increase in trade and other payables.

STATEMENTS OF CASH FLOWS

	31.3.2021 RM'000	31.3.2020 RM'000	Variance RM'000	%
Net cash from operating activities	9,086	13,566	(4,480)	(33.0)
Net cash (used in)/ from investing activities	(42,053)	81,488	(123,541)	>100.0
Net cash used in financing activities	(16,254)	(21,041)	4,787	22.8
Net changes in cash and cash equivalents	(49,221)	74,012	(123,233)	>100.0

Overall, the Group had a negative net change in cash position of RM49.2 million as at 31 March 2021. The negative net cash generated was mainly due to the following:

(a) Net cash from operating activities amounting to RM9.1 million was mainly attributed to the decrease in the business activities;

(b) Net cash used in investing activities amounting to RM42.1 million was mainly attributable to the acquisition of a quoted investment amounting to RM29.4 million and purchase of property, plant and equipment amounting to RM20.8 million. This was offset against with the advances to an associate amounting to RM2.5 million, proceeds from disposal of property, plant and equipment and right-of-use assets amounting to RM2.4 million, interest received amounting to RM2.1 million and net cash inflows from the disposals of subsidiary companies amounting to RM1.1 million; and

(c) Net cash used in financing activities amounting to RM16.3 million mainly attributable to dividend paid amounting to RM21.0 million, repayment of term loan and lease liabilities amounting to RM4.4 million and interest paid amounting to RM1.3 million. This was offset against with the drawdown of term loans amounting to RM6.0 million, advances from a Director amounting to RM3.2 million and proceeds from issue of share capital amounting to RM1.2 million.

MANAGEMENT DISCUSSION & ANALYSIS (continued)

OPERATING ACTIVITIES

1. **Logistics Segment**

   During the financial year, our Logistics Segment was heavily impacted by the Covid-19 Pandemic where customers of our lorry transport and cement tanker sectors had to shut down their businesses and operations due to the enforcement of the MCO by the Malaysian Government. Our subsidiaries with principal activities involved in the container haulage and freight trading were disposed in the preceding financial year.

   Measures have been taken to strategize our fleet and some old non-productive lorries were either disposed or grounded during the financial year.

2. **Warehousing Segment**

   During the financial year, an additional newly completed warehouse contributed positively to the performance of the Group.

3. **Marine Segment**

   During the financial year, the cargo volume dropped as a result of the Covid-19 Pandemic as our vessels were not operating during the MCO period. In addition, due to the significant impact from the Covid-19 Pandemic and to cut down further losses incurred, the Group decided to dispose all five (5) units of the vessels owned by the Group during and subsequent to the financial year end.

ANTICIPATED KNOWN RISKS

1. **Competition Risk**

   The marine transportation and logistics services industry has moderate barriers to entry as evidenced by the large number of players in the market and hence, competition among the existing players is considerably high. However, our proven track record, in-depth industry knowledge and experience, skilled manpower, established process management, good business relationship with customers and coupled with our ability to deliver consistent quality services and to provide integrated logistics services has enabled us to stay competitive.

2. **Fuel Costs**

   Fuel costs forms a significant portion of our total operating costs and hence, any drastic fluctuation in fuel costs would inevitably affect our financial performance.

   The financial impact of an increase in fuel costs may be ameliorated by passing the increased costs to our customers via fuel surcharge, except for confirmed fixed rates arrangement that has been agreed with customers. The Group will continuously review and negotiate new rates with shorter tenure with customers should the fuel price increase beyond our cost limit.

3. **Credit Risk**

   The Group's exposure to credit risk, or the risk of counterparties defaulting, arising 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.

   In the event of significant delay or default in payment by our major customers, it may adversely affect our financial position and our Group's results should there be any impairment made for the bad or doubtful debts. To mitigate the impact, we will continuously assess the credit standing of the customers, have in place a tight credit control system and take legal action if necessary.

MANAGEMENT DISCUSSION & ANALYSIS (continued)

ANTICIPATED KNOWN RISKS (CONT'D)

4. Business Risk

The Group will be subjected to new challenges and risks arising from the business of development of warehouses and factories such as timing on development, increase in the cost of building materials and changes in general economic, business and credit condition. The Group seeks to mitigate this risk by, amongst others, leveraging on the experience and expertise of the management team of CLSB led by the Managing Director who has over the recent years been involved in the development of warehouses/factories for the Group.

5. Impacts of COVID-19 Pandemic

The World Health Organisation declared Covid-19 a pandemic, causing huge impact on people's lives, families, communities and businesses around the world. The Malaysian Government announced MCO under the Prevention and Control of Infectious Diseases Act 1988 and the Police Act 1967 starting from 18 March 2020 as one of the measures to mitigate the impact of the virus. The outbreak has resulted in significant disruption to business operations and a significant increase in economic uncertainty.

In addition, the current pandemic outbreak may affect our ability to carry out our business if such an outbreak of the disease occurs amongst our employees or any quarantine is imposed, affecting our employees or our offices and project sites.

FORWARD-LOOKING STATEMENT

The year 2021 has demonstrated how the market and supply chain of a nation is heavily interdependent on the global environment. This is predominantly exposed through the global Covid-19 Pandemic, which has negatively impacted all social and economic pillars of society. We are of no exception to the current circumstances and will continue to cautiously steer through such challenging environment, ensuring that we endure during such difficult period, as well as looking after our staff which is the heart and soul of the Group.

The Group will seek to grow its trading business and rental income, therefore our primary goal to move forward is to develop the Group's vacant industrial land assets into either warehouses or factories in the near future, for the purpose of renting or selling, providing a source of income to the Group. The construction of a factory in Port Klang Free Zone, Pulau Indah, by CL (a wholly owned subsidiary which the remaining 50% stake was acquired by the Company in May 2021) and a warehouse in Pasir Gudang, Johore, by Pengangkutan Sekata Sdn Bhd have been completed in the first quarter of financial year ending 31 March 2022 ("FYE 2022") and are expected to contribute positively to the results of the Group in the FYE 2022.

In view of the uncertainties due to the impact of Covid-19, the Board of Directors ("Board") expects the overall market and business to be volatile for the next financial year. Whilst the financial performance of the Group is expected to be challenging, the Board will continue to monitor the business situation closely and take appropriate measures to mitigate the adverse impacts such as developing the vacant lands of the Group while exploring new business opportunities that will enhance the growth of the Group so as to preserve and create shareholder value.

PROFILE OF DIRECTORS

Datuk Iskandar Bin Sarudin
Independent Non-Executive Chairman
Malaysian, Male, Aged 66

Datuk Iskandar was appointed to our Board as an Independent Non-Executive Director on 8 April 2015. He was then redesignated as Independent Non-Executive Chairman with effect from 27 November 2020. Datuk Iskandar Bin Sarudin graduated from the University of Malaya with Bachelor of Arts (Hons.) Degree in Malay Studies.

Datuk Iskandar began his distinguished diplomatic career in the Administrative and Diplomatic Service of the Ministry of Foreign Affairs ("Ministry") in 1979 where he was appointed as the Assistant Secretary at the ASEAN National Secretariat. Datuk Iskandar had many interesting and challenging diplomatic assignments in his 35 years' service with the Ministry. He was tasked by the Ministry to establish the Malaysian Embassy in the Republic of Chile in 1991 and in Bosnia and Herzegovina in 1996. He was also the Deputy Secretary General of the Ministry and High Commissioner to Sri Lanka and Maldives, Ambassador to Philippines, prior to his posting as the Ambassador of Malaysia to the People's Republic of China in 2010. He was also the Ambassador of Malaysia to Mongolia concurrently accredited from Beijing (since March 2011). Datuk Iskandar retired from the Malaysia civil services in April 2015.

Datuk Iskandar is the Chairman of the Remuneration Committee, Nominating Committee and Risk Management Committee, and is a member of the Audit Committee.

Datuk Iskandar currently also sits on the Board of Aeon Co. (M) Bhd, Eversendai Corporation Berhad and Classic Scenic Berhad.

Law Hee Ling
Managing Director
Malaysian, Male, Aged 56

Mr Law is the Managing Director and founder of our Group. He was appointed to our Board on 30 October 2006.

Mr Law is a businessman with over 35 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 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 and Risk Management Committee. There is no conflict of interest with the Company except for those transactions disclosed in the Additional Compliance Information section, Notes to the Financial Statements of this Annual Report and the circular on recurrent related party transactions.

PROFILE OF DIRECTORS (continued)

Chia Kah Ying
Executive Director
Malaysian, Female, Aged 53

Mdm Chia was appointed to our Board on 2 July 2007. She is a Certified Public Accountant with the Malaysian Institute of Certified Public Accountants.

She was with Ernst & Young, Malaysia between 1993 and 1997. In 1998, she joined the logistics industry and later joined our Group in 2006.

Ronald Khoo Boo Soon
Executive Director
Malaysian, Male, Aged 50

Mr Ronald was appointed to our Board on 15 June 2021. He is a Fellow member of The Association of Chartered Certified Accountants (UK) ("FCCA").

Mr Ronald started his career in one of the Big 4 accounting firms upon graduating in 1994. He subsequently joined the Corporate Advisory department of Malaysian International Merchant Bankers Berhad in 1996. In 2001, he joined Deloitte & Touche Corporate Advisory Services Sdn Bhd for a short stint before moving to AmInvestment Bank Berhad in 2002, first in the Corporate Finance department, then with the Equity Capital Markets team. He left AmInvestment Bank Berhad in 2012 and joined Maybank Investment Bank Berhad as a Director in the Equity Capital Markets department. He assumed the position of Group Chief Corporate Officer of the Hextar Group of Companies in 2021.

Dato' Ong Chong Yi
Independent Non-Executive Director
Malaysian, Male, Aged 42

Dato' Ong was appointed to our Board on 16 November 2020. He graduated from the University of Malaya with Bachelor of Arts (Hon) in International and Strategic Studies.

Dato' Ong was Malaysia's Minister Counsellor for Economy in Beijing, the President of China-Malaysia Qinzhou Industrial Park and the Chief Executive Officer of Port Klang Free Zone before joining Beijing-based Anbound Research Centre as its Regional Chief Representative in ASEAN. He is also a member in the Board of Studies of Asia-Europe Institute in University of Malaya, the Vice President of Malaysia-Macao Chamber of Commerce, the Central Council Member of Malaysia-China Chamber of Commerce and the Diplomatic Advisor of the China Top 500 Foreign Trade Enterprises Club.

Dato' Ong is a member of the Audit Committee and Nominating Committee.

PROFILE OF DIRECTORS (continued)

Yeoh Chin Hoe
Independent Non-Executive Director
Malaysian, Male, Aged 70

Mr Yeoh was appointed to our Board on 16 March 2021. He holds a Master's degree in Business Administration (General Management) from University Putra Malaysia. He is a Chartered Accountant of Malaysian Institute of Accountants, a FCCA, a Fellow member of Institute of Chartered Secretaries and Administrators (UK) and a member of the Malaysian Institute of Certified Public Accountants.

Mr Yeoh began his accountancy and audit career with Spicer & Pegler, Chartered Accountants (now merged with Deloitte) from 1973 to 1978 and subsequently joined Coopers & Lybrand as the Assistant Manager for 1978 and 1979. He then joined Harrisons Trading (Peninsular) Sdn Bhd in 1980 as the Group Internal Auditor, and was appointed as Finance Director in 1990 and subsequently Managing Director in 1997 until he retired in 2006. He then set up a business management consulting firm called BPI Corptall Consulting Sdn Bhd in 2006, as a consultant specialising in business process improvements and general business management services.

Mr Yeoh is the Chairman of the Audit Committee, and is a member of the Remuneration Committee, Nominating Committee and Risk Management Committee.

Mr Yeoh currently also sits on the Board of Chin Hin Group Berhad and Hextar Global Berhad.

Teh Li King
Non-Independent Non-Executive Director
Malaysian, Male, Aged 43

Mr Teh was appointed to our Board on 8 March 2021. He holds a Master's degree in Business Administration from Charles Strurt University, Australia in 2003.

Mr Teh joined Hong Leong Bank as the Account Relationship Executive in 2000, managing and developing portfolio of business banking clients. He then moved on to the metal industry from 2003 to 2007, dealing with ferrous and non-ferrous materials and products. He was heading the sales and marketing teams in PP Steel Service Centre Sdn Bhd, Rex Metal Packaging Berhad subsequently Sumimetal Industries (M) Sdn Bhd.

In 2007, Mr Teh joined the chemicals manufacturing industry as the Assistant General Manager of Hextar Chemicals Sdn Bhd and is currently the Group Chief Operating Officer of Hextar Group of Companies. He oversees the corporate development, business strategies, human capital development as well as legal and compliance matters of the Group. His industry experience includes corporate management, banking and manufacturing.

Mr Teh currently also sits on the Board of SWS Capital Berhad, Opcom Holdings Berhad and Pekat Group Berhad.

PROFILE OF DIRECTORS (continued)

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**

   Saved 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 of any offences in the past five (5) years or been imposed on any public sanction or penalty by relevant regulatory bodies during the financial year, other than traffic offences, if any.

4. **Attendance at Board Meetings**

   The Board of Directors' attendance record at Board meetings held during the FYE 2021 can be found in the Corporate Governance Overview Statement of this Annual Report.

SUSTAINABILITY STATEMENT

1.1 Our Sustainability

This Sustainability Statement ("Statement") is prepared in accordance with Sustainability Reporting Guide ("SRG") issued by Bursa Malaysia Securities Berhad ("Bursa Securities"). Unless otherwise stated, this Statement covers our sustainability performance of the operations of CLSB Group in the FYE 2021.

CLSB Group's Statement emphasises the corporate commitment to the balanced integration of economic, environmental, and social ("EES") factors into daily business operations to maximise long term stakeholders' value.

This Statement for FYE 2021 covers the period from 1 April 2020 to 31 March 2021 and includes our sustainability initiatives and activities from our three (3) core businesses covering logistics, marine and warehousing segments.

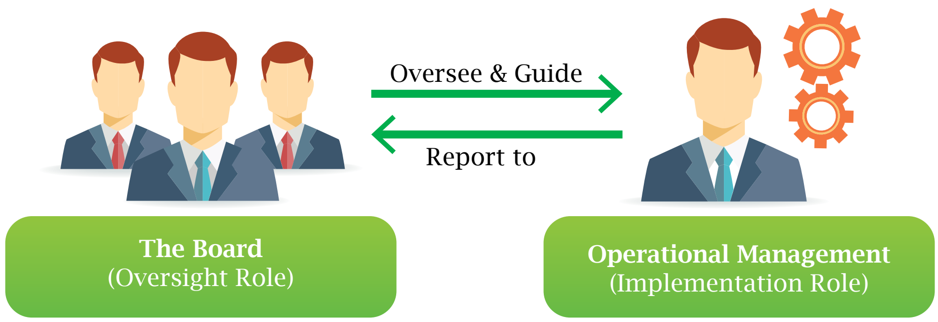
1.2 Sustainability Governance

The pre-requisite and key to a sustainable business is a strong sustainability governance structure. Our sustainability governance structure together with specific requirements and standards help our business to implement sustainability strategies across the business within the Group, manage goal setting and decision-making processes, strengthen relations with external stakeholders as well as ensure the overall accountability.

Our Board has the overall responsibility on the Group's sustainability and is supported by various Heads of Department ("HOD") and led by a Managing Director, who oversees the implementation of the CLSB Group's sustainability strategies and approaches and ensures that key targets are being met.

The Operational Management implements the sustainability programs and supports the team by ensuring that adequate resources are in place and properly utilized.

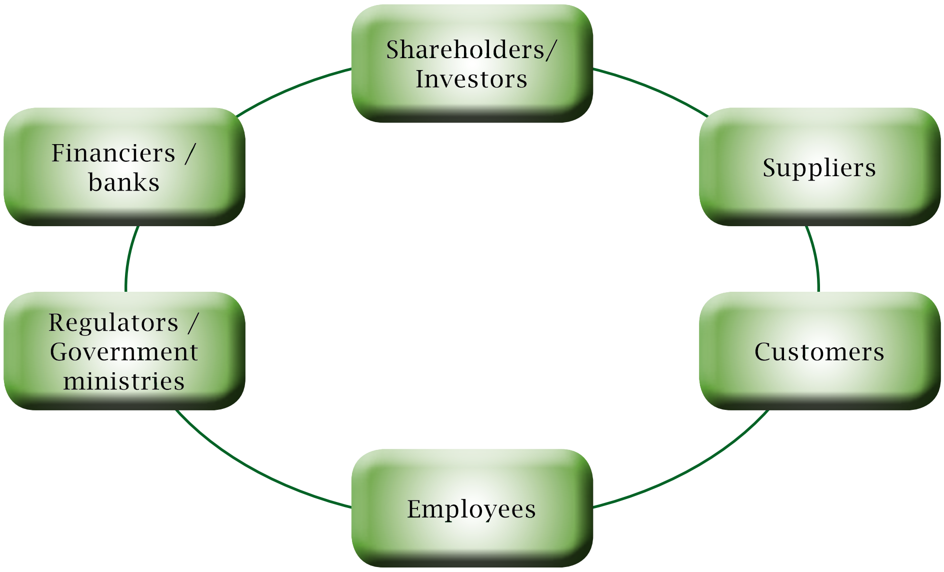
Our sustainability governance structure is depicted as follows: -



SUSTAINABILITY STATEMENT (continued)

1.3 Stakeholders' Engagement

In accordance with Bursa Securities' SRG, stakeholders are defined as any individuals, community, and entities that can be impacted by the CLSB's business operation.



These stakeholders were identified through several discussions held by the Board. We have presented our stakeholders and approaches on how we engage with stakeholders, which include conventional documents, electronic documents, web-based media platforms, and face-to-face communications as detailed in the chart and the following table: -

No.	Key Stakeholders	Description	How We Engage with Stakeholders
1.	Shareholders or Investors	Shareholders and investors provide funds for CLSB with the expectation for returns. Engagement with shareholders and investors is critical to enable them to understand the Group's businesses, its strategies, future growth and expectation.	· Annual General Meetings · Extraordinary General Meetings · Annual Reports and quarterly financial results · Bursa Announcements and Circulars · Information via CLSB's website
2.	Suppliers	CLSB enhances ethical and fair procurement system.	· Meeting discussion and business communication on a day-to-day basis. · Supplier performance assessments
3.	Customers	Meeting customers' requirements with high quality products & services and strengthen relationship with clientele are critical to maintain their confidence in Group's ability	· Focus group discussion and business communication on a day-to-day basis · Market research · Customers' feedback and satisfaction surveys
4.	Employees	CLSB's people are the key to our operations in order to achieve our business goals. The Group's objectives are to provide them a safe environment within the organization and promote a work-life balance.	· Informal Management and employee meetings · Performance evaluation and management

SUSTAINABILITY STATEMENT (continued)

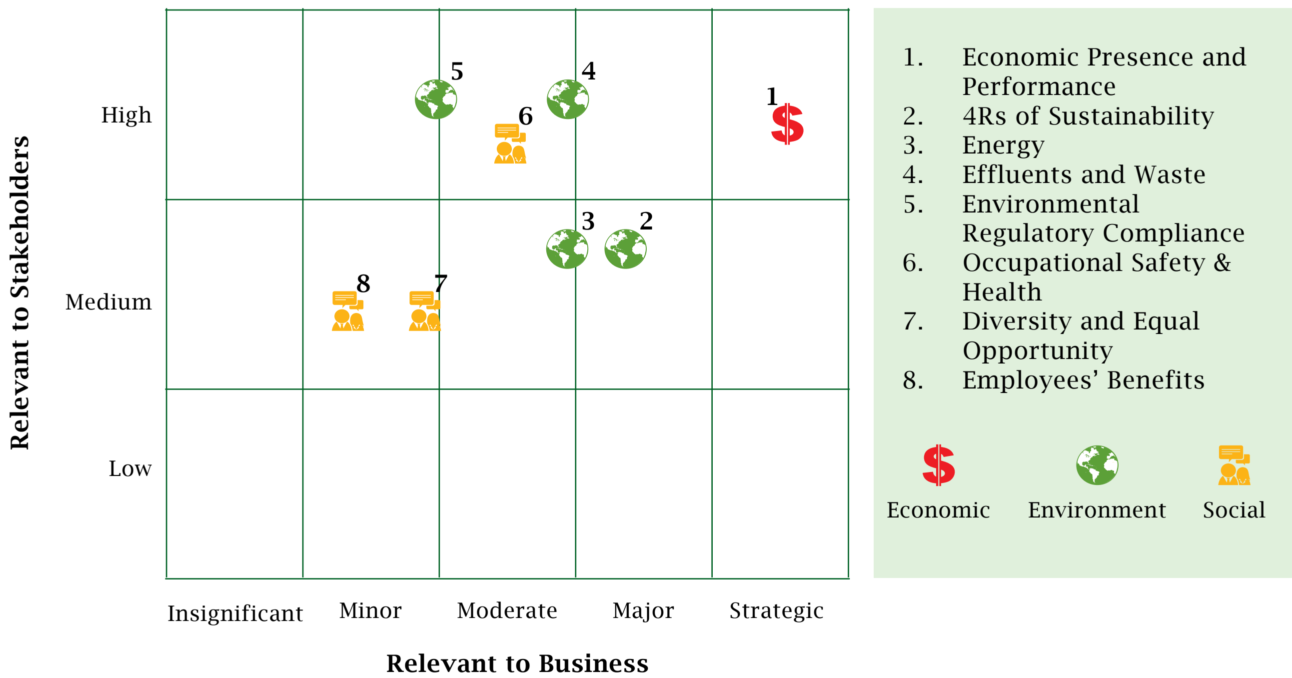
1.3 Stakeholders' Engagement (Cont'd)

No.	Key Stakeholders	Description	How We Engage with Stakeholders
5.	Local Authorities/ Regulators/ Government Ministries	Embrace transparency within the daily operation and compliance with the industry's regulatory standard to attain corporate sustainability. CLSB engages with them to ensure it complies with the legislations.	· Regulatory compliance · Interpretation of law and guidelines · Submission of reports required under regulations · Briefing and trainings · Periodic visits and inspection
6.	Financiers/ banks	Financiers need assurance on the Group's ongoing concerns in order to secure loan payment instalments and/or payment of loan upon maturity. CLSB engages them through public information about its financial results and liquidity, as well as adherence to the announcement criteria of Bursa Securities.	· Financial performance results · Corporate website

1.4 Materiality Assessment and Key Sustainability Matters

Materiality assessment is crucial for CLSB to identify, evaluate, and prioritize the material sustainability matters which are significant to the business operations and stakeholders. In preparation for this reporting cycle, we referred to our previous Materiality Assessment 2020 in determining our sustainability indicators.

From this materiality assessment, a total of eight (8) key sustainability matters were identified and rated as outlined below: -



SUSTAINABILITY STATEMENT (continued)

1.4 Materiality Assessment and Key Sustainability Matters (Cont'd)

These key sustainability matters are categorised into three (3) main pillars - Economic, Environment and Social as outlined in below: -

Economic

- Economic Presence and Performance

Environment

- 4Rs of Sustainability
- Energy
- Effluents and Waste
- Environmental Regulatory Compliance

Social

- Occupational Safety and Health
- Diversity and Equal Opportunity
- Employees' Benefits

Details of each of the sustainability material matters are described in the following sections: -

A. Economic

(a) Economic Presence and Performance

Economic sustainability is the ability of CLSB to continue operating at an effective and sustainable economic level over the long term. CLSB is committed to create long-term shared value and preserve the interest of all stakeholders by securing continuous growth in markets.

A detailed description of our financial results and key factors that related to those financial results are discussed in detail in the Management Discussion and Analysis section of this Annual Report.

B. Environmental

Environmental sustainability is the ability of CLSB to continue operating in a manner that does not compromise the health of the ecosystems in which it operates over the long term. CLSB is continuously exploring creative ideas and innovations to preserve our environment for ensuring that natural resources are conserved for the next generation.

(a) 4Rs of Sustainability

CLSB is committed to the spirit of using 4Rs (Reduce, Reuse, Recycle and Recovery) to reduce wastage. The principle behind this initiative is to conserve natural resources, reduce waste production and saves energy.

Reduce Consumption **Reuse** **Recycle** **Recovery**

CLSB actively advocates good practices on energy savings in our daily operations by implementing several initiatives in improving our environment through the practices of reusing papers, recycling staples as scrap metal and reducing plastic wastes in order to minimise the damage to the environment.

SUSTAINABILITY STATEMENT (continued)

1.4 Materiality Assessment and Key Sustainability Matters (Cont'd)

B. Environmental (Cont'd)

(b) Energy

The operations of CLSB's Marine and Logistics Divisions have direct significant impact on environment particularly the consumption of diesel for vehicles and vessels.

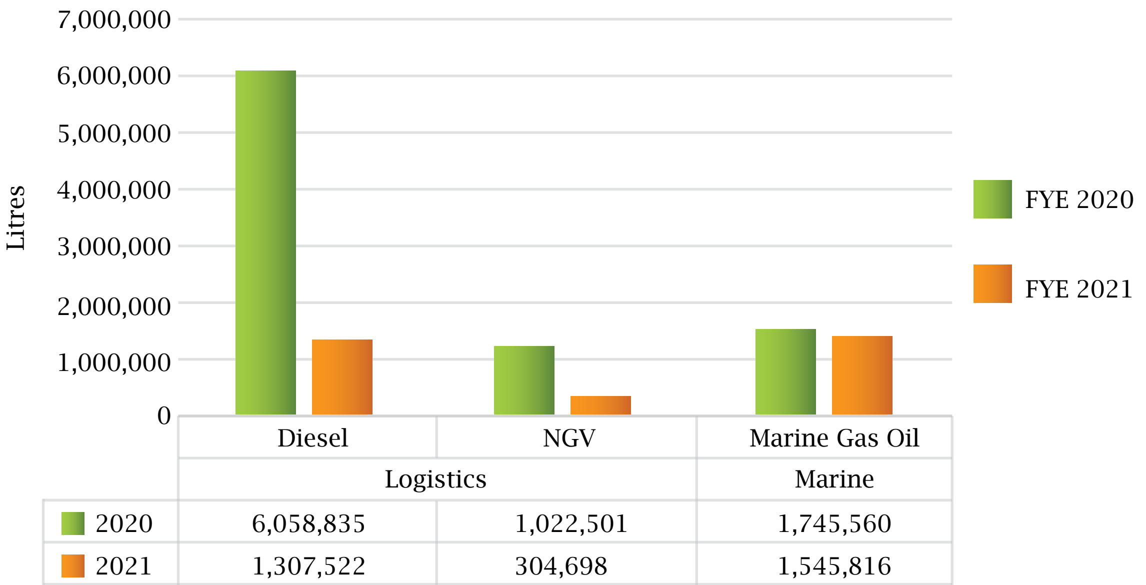
Fuel and Carbon Emission

For more efficient management of our fleet of vehicles, CLSB implemented "Total Dynamic System" in the Year 2015 to monitor fuel consumption, fuel level sensor, skid tanks and track vehicle performance via GPS, which ultimately reduced the operation costs.

CLSB's Logistics Division consumed 1,307,522 litres of diesel in FYE 2021 (FYE 2020: 6,058,835 litres), resulting in estimated carbon emission of about 351 t CO_2e (FYE 2020: 1,628 t CO_2e) for its vehicles.

In FYE 2021, CLSB's Marine Division utilised 1,545,816 litres of marine gas oil for 4 vessels (FYE 2020: 1,745,560 litres, 5 vessels) resulting in carbon emission of about 4,290 t CO_2e (FYE 2020: 4,844 t CO_2e). The significant decreases in diesel consumption and carbon emission in Logistics Division were mostly resulted from the disposal of a subsidiary involving in provision of haulage services during the preceding financial year. On the other hand, the decrease in marine gas oil consumption and carbon emission in Marine Division were in line with the decline in revenue of the Marine Segment due to Covid-19 Pandemic and the enforcement of MCO which caused the vessels were not allowed to operate and anchorage at port.

Years	Logistics Division			Marine Division		
	Diesel (Litres)	Carbon Emission (t CO_2e)	%	Marine Gas Oil	Carbon Emission (t CO_2e)	%
2020	6,058,835	1,628	-78%	1,745,560	4,844	-11%
2021	1,307,522	351		1,545,816	4,290	



SUSTAINABILITY STATEMENT (continued)

1.4 Materiality Assessment and Key Sustainability Matters (Cont'd)

B. Environmental (Cont'd)

(c) Effluents and Waste

Marine and Logistics: CLSB monitors the effluent and waste generated by its vessels through physical observation, conduct tests on any suspected leakages, effluent and waste around the vessels. Preventive actions are carried out continuously to identify, control, and prevent any pollution and environmental hazards. We are pleased to disclose that there are zero (Nil) spills in both FYE 2021 and FYE 2020.

For Logistics: We strictly complied with the Road Transport Act 1987 ("RTA 1987") to ensure that our vehicles are in good condition and safe for driving. Under the RTA 1987, all commercial vehicles are required to undergo routine inspection at PUSPAKOM every six months or once a year, depending on the age of the vehicles. All our vehicles met the standard limits and passed PUSPAKOM tests during the inspection, including tests measuring smokes and gasses emitted from the vehicle's engine. The standard specifies that smokes and gases should not exceed the specific legal limit for gas release less than 50%.

Compliance with Laws and Standards

In FYE 2021, CLSB complied with all the relevant national regulations including: -

Section	Laws and Standards
Labour	· Employment Act 1955 · Personal Data Protection Act 2010 · Workmen Compensation Act 1952 · Employees' Social Security Act 1969 · Employees Provident Fund Act 1991 · Income Tax Act 1967
Safety, Health and Environment	· Occupational Safety & Health Act 1994 · Fire Service Act 1988 · Environmental Quality Act 1974 · Standard Operating Procedures ("SOP") in relation of managing Covid-19 by Ministry of International Trade and Industry ("MITI") · Guidelines Covid-19 Management in Malaysia No.5/2020 by Ministry of Health ("MOH")
Marine	· International Safety Management Code ("ISM Code") · Ship Management System ("SMS") · Maritime Transport Regulations Act
Transportation	· RTA 1987

(d) Environmental Regulatory Compliance

CLSB is committed to a "Compliance Culture" where environmental matters are of high priority to CLSB. We endeavour to comply with all applicable laws, regulations, and statutory obligations relating to environmental issues. In FYE 2021, we had not been penalised for any significant environmental laws and regulations violations, neither were we imposed with any fines nor non-monetary sanctions for non-compliance with environmental violations by the Department of Environment (FYE 2020: Nil).

SUSTAINABILITY STATEMENT (continued)

1.4 Materiality Assessment and Key Sustainability Matters (Cont'd)

C. Social

(a) Occupational Safety and Health

We continuously comply and adopt all applicable occupational safety and health rules and regulations such as Occupational Safety and Health Act 1994, ISM Code and SMS to ensure safety at workplace and sea as well as prevent any injuries within the vicinity.

Safety Committees

In compliance with the requirements of the Occupational Safety and Health Act 1994, CLSB has established a Safety Committee to develop and implement policies, action plans, and safety activities programmes. The committee comprises of the President of Safety Committee, Secretary Safety Committee, and Committee Members. Each member is assigned with specific roles, responsibilities and tasks to perform including conducting safety awareness and regular safety reviews to identify areas of improvement on health and safety.

Position	Requirement	Task Description
President of Safety Committee	· Top Management level · Ownership of Company · Main shareholder	· Create policy and objective of occupational safety and health · Responsible for the implementation of safety and health · Review the effective level of safety and health at workplace and review the safety activities programs
Secretary Safety Committee	· Able to apply safe and healthy working method and understand the rules of safety and health regulation and act · Have good competence	· Organize regular meetings · Control all documents and data on occupational safety and health · Provide support and advice to each division to ensure that occupational safety and health activities are successfully implemented · Investigate all work accidents that occur and taking action and prevention · Provide reports and lists to Department Occupational Safety & Health ("DOSH") about unsafe actions and unsafe conditions at work
Committee Members	· Representative of one unit/division/department · Able to apply safe and healthy work methods · Have good competence	· Identification of unsafe actions and conditions in their respective workplaces · Implement programs or activities to ensure safe and healthy workplaces · Report to the safety committee

With the recent pandemic outbreak of the Covid-19 Pandemic, CLSB monitors closely with the MITI's SOP and MOH's guidelines to take appropriate steps constantly to ensure maximum protection of employees and business especially in areas reporting Covid-19. We are glad to highlight that none of our employees were tested positive for Covid-19 during the financial year under review.

SUSTAINABILITY STATEMENT (continued)

1.4 Materiality Assessment and Key Sustainability Matters (Cont'd)

C. Social (Cont'd)

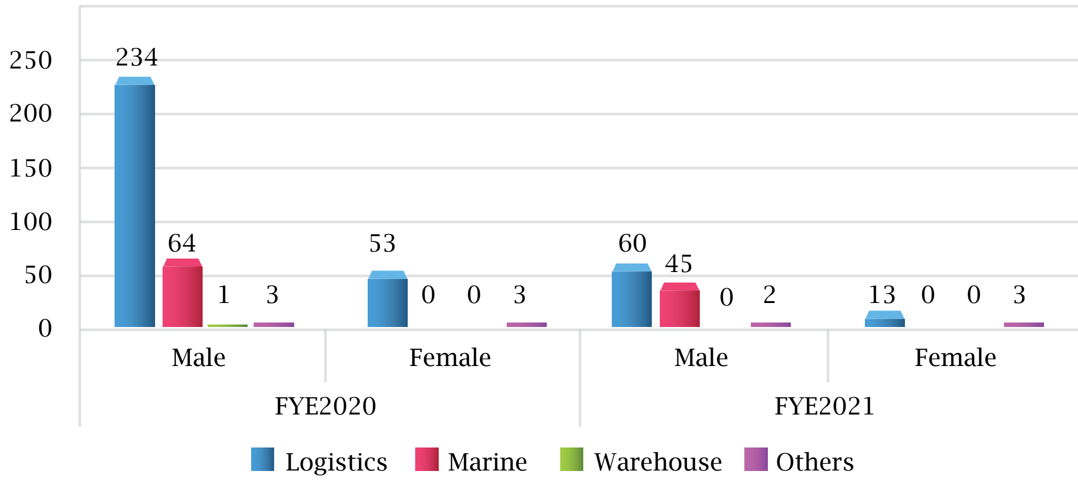
(b) Diversity and Equal Opportunity

CLSB is committed in providing equality of opportunities to all employees with no discrimination on race, religion, age, gender, ethnicity, disability, pregnancy, protected genetic information or marital status. We foster a diverse workforce and focus on career development and engagement, skills, as well as dedication.

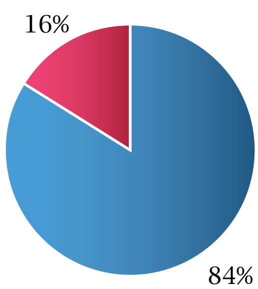
Gender

Across the Group, our male outnumbered female workforce considering the business nature and models of logistics and marine working environment. Male employees accounted for 87%, while the remaining 13% for women. (FYE 2020: Male 84%; Female 16%).

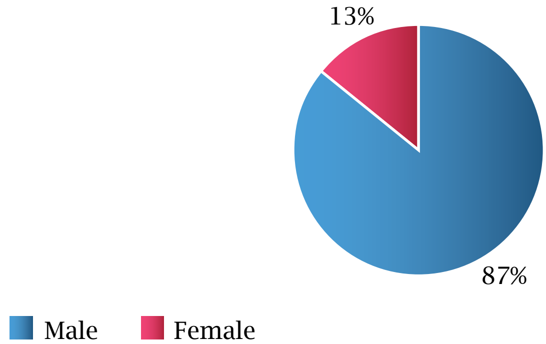
Total Workforce by Gender



Percentage of Employee by Gender for FYE2020



Percentage of Employee by Gender for FYE2021



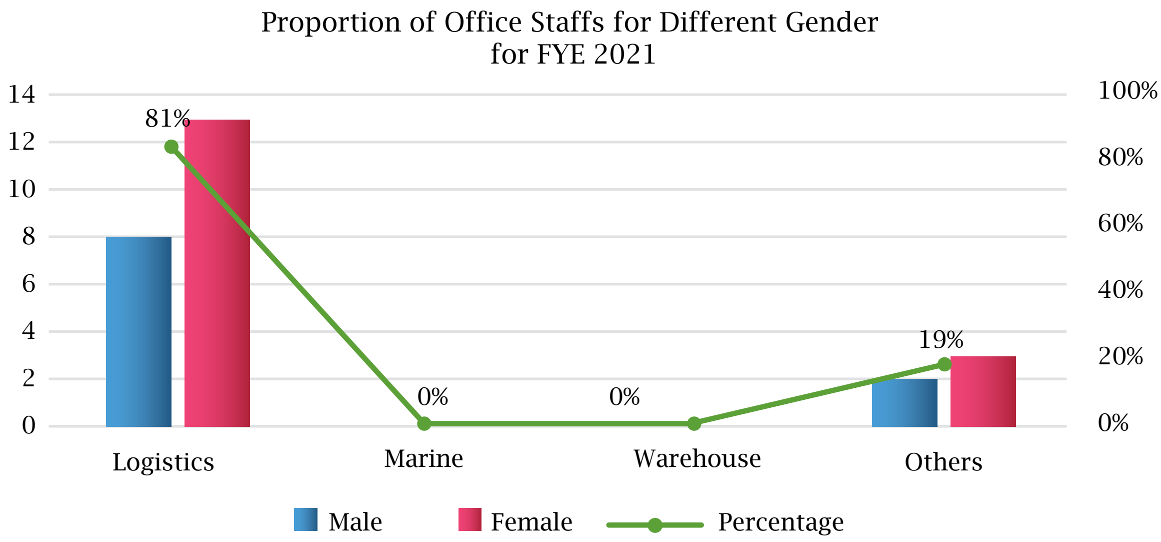
1.4 Materiality Assessment and Key Sustainability Matters (Cont'd)

C. Social (Cont'd)

(b) Diversity and Equal Opportunity (Cont'd)

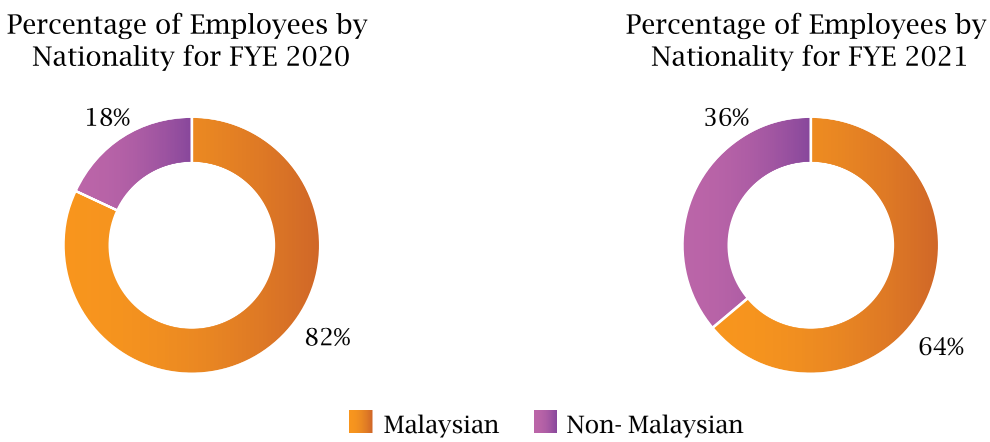
Gender (Cont'd)

We encourage women participation in all positions, we hired them for employment in the operational division workforce; women comprising almost 62% in office administration and customer service roles while our male employees represented 38%.



Nationality

CLSB encourages diversity, where approximately 64% of our workforce in FYE 2021 are Malaysian, and the remaining 36% were from foreigners. (FYE 2020: Malaysian 82%; Non-Malaysian 18%). Whenever possible, we hire local employees at our operations to provide more job opportunities in an effort to support the local economy.



SUSTAINABILITY STATEMENT (continued)

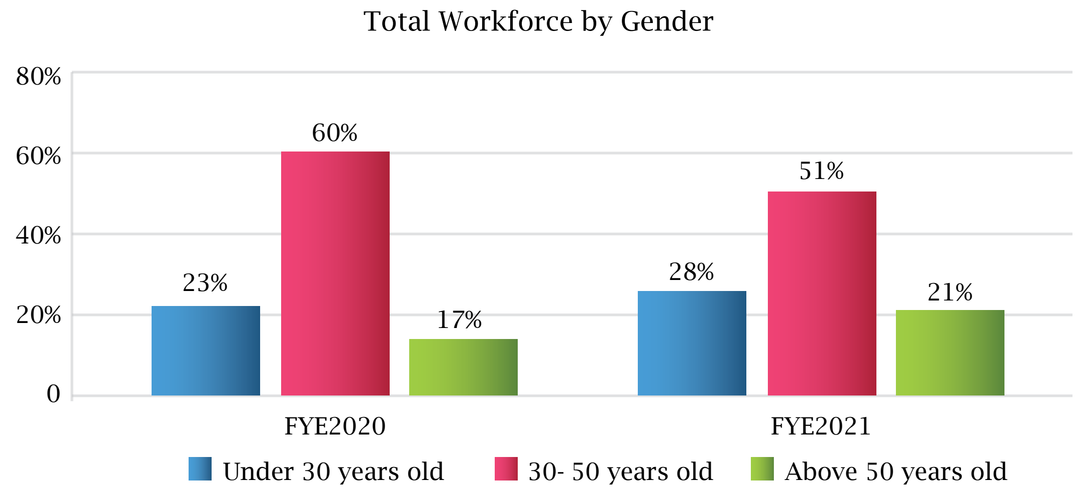
1.4 Materiality Assessment and Key Sustainability Matters (Cont'd)

C. Social (Cont'd)

(b) Diversity and Equal Opportunity (Cont'd)

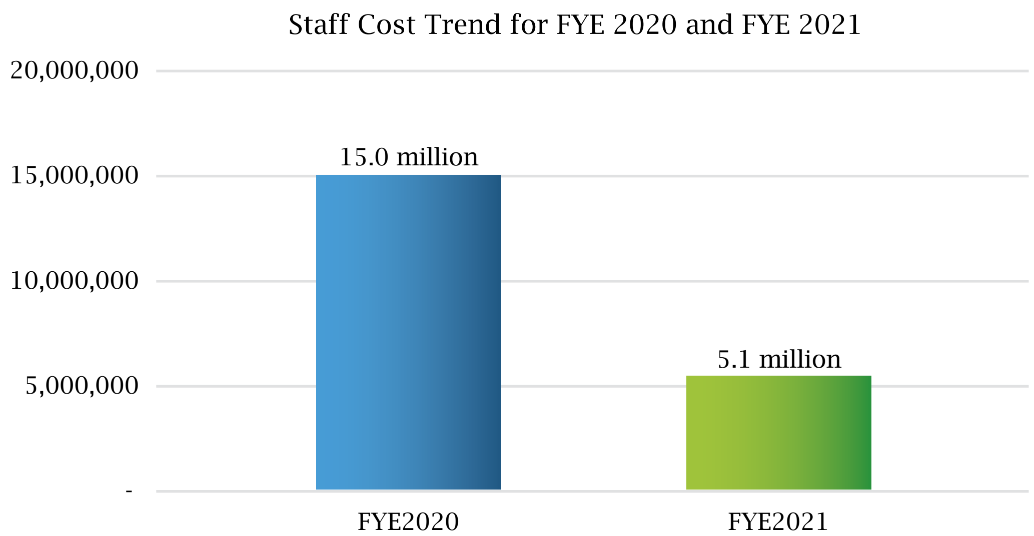
Age

CLSB has a young workforce profile where almost 51% (FYE 2020 : 60%) of our workforce is between the age band of 30 – 50 years, while 28% (FYE 2020 : 23%) of our workforce were below 30 years of age, and the remaining 21% (FYE 2020: 17%) comprising employees aged above 50 years. Our senior employees, those above 50 years, share their experiences focusing their roles in providing guidance and mentorship to our young employees. CLSB continues to engage effectively with our employees and employing more graduates and trainees to be part of our workforce through nurturing career development prospects.



Staff Cost

Our manpower costs reduced by 66% in FYE 2021 as compared to FYE 2020



(c) Employees' Benefits

Our employees are the most valuable keystones of our organisation's key successes. In order to encourage closer bond with employees, we emphasis on enhancing communication, encouraging teamwork, creating positive office culture, and embracing the desire for change to operate more sustainably.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of CLSB remains committed towards ensuring that high standards of corporate governance is maintained throughout 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 MCCG") are applied and adhered to in the best interests of the 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 MCCG during the financial year.

This overview statement is to be read together with the CG Report 2021 ("CG Report") of the Company which is available on the Company's website at www.complete-group.com. The detailed explanation on the application of the corporate governance practices is reported under the CG Report.

A. BOARD LEADERSHIP AND EFFECTIVENESS

Roles 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 key responsibilities of the Board include the following:

- reviewing and approving the strategic corporate plan of the Group;
- overseeing the conduct of the Group's business operations and performance;
- identifying principal risks and ensuring the implementation of appropriate internal controls and mitigation measures;
- reviewing the adequacy and integrity of the Group's internal controls system;
- ensuring succession planning for top Management;
- overseeing the development and implementation of a policy to enable effective communication with its shareholders and other stakeholders; and
- approving new ventures, material acquisitions and disposals of undertakings and properties.

Separation of Roles of Chairman and Managing Director

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.

Chairman

Datuk Iskandar Bin Sarudin, an Independent Non-Executive Director, serves as the Chairman of the Board in the Company. He is responsible for instilling good corporate governance practices and the overall effectiveness of the Board. Without being involved in daily operations and management, by holding his independent position, the Chairman is able to provide objective judgements and ensure that business strategies recommended by the Executive Directors and the Management are in the best interest of the Company and shareholders.

Company Secretary

The Company Secretary is responsible for ensuring that the Board procedures and relevant laws and regulations are complied with and advises the Board on issues relating to corporate governance, compliance with laws, rules, procedures and regulatory requirements. The Company Secretary attends and ensures that all meetings of the Board and Board Committees are properly convened and proceedings are properly recorded.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(continued)

Access to Information

In furtherance of their duties, the Board has full and 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.

Board Charter

The roles and responsibilities of the Board and the Board Committees are set out in the Board Charter which is accessible through the Company's website at http://www.complete-group.com.

The Board had adopted a Board Charter which serves as a primary reference for the Board of their duties and responsibilities as the Directors of the Company as well as the functions of Board Committees. The Board Charter is reviewed regularly to ensure it complies with legislation and best practices, and remains relevant and effective in light of the Board's objectives.

Code of Ethics and Conducts

The Group's Codes of Conduct and Ethics ("the Code") govern the standards of conduct and behaviour expected from the Directors and officers in all aspects of the Group's operations and thus promotes the values of transparency, integrity, accountability and social responsibility.

Anti-Bribery and Corruption Policy

Pursuant to Section 17A of the Malaysian Anti-Corruption Commission Act 2009, the Group has also in place the Anti-Bribery and Corruption Policy ("ABC Policy") with the objective of fostering the development of a business environment that is free of bribery and/or corruption. The ABC Policy also promotes the compliance with all applicable anti-bribery and corruption laws in Malaysia to ensure the Group maintains fair and transparent business dealings.

Whistle Blowing Policy

The Board has established and adopted the Whistle Blowing Policy to assist all employees and vendors in raising their concerns without fear of retaliation and being victimised. The whistleblower will remain anonymous to his or her employees and vendors. Any harassment or retaliation against the genuine whistleblower is a serious violation of the Whistleblower Protection Act 2010, which if proven, may lead to serious disciplinary action.

Composition and Balance

The Company is currently led by an effective and experienced seven (7) member Board, comprising three (3) Executive Directors, one (1) Non-Independent Non-Executive Director and three (3) Independent Non-Executive Directors. This composition complies with the Bursa Securities 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 11, 12 and 13 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.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(continued)

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 Nominating Committee. Board members who are appointed by the Board are subject to retirement at the first Annual General Meeting ("AGM") of the Company subsequent to their appointment. Article 95 of the Company's Articles of Association also provides that at least one-third (1/3) of the Directors shall retire by rotation at each AGM and that all Directors shall retire once every three (3) years. A retiring Director shall be eligible for re-election.

Independent Directors who had served a cumulative term exceeding nine (9) years are required to submit themselves for re-election annually and with justification from the Board.

Gender Diversity

The Board does not have gender diversity policies in place. The Board believes that the appointment of Board members should be based on experience, character, integrity and competence, regardless of gender. The Company currently has one (1) female Director on its Board.

Tenure of Independent Director

The Board, noted the recommendations of the Code that the tenure of an Independent Director shall not exceed a cumulative term of nine (9) years. The Board must justify and seek shareholders' approval at general meeting if the Board intends to retain the Director as Independent Director. The tenure of all the Independent Non-Executive Directors have not exceeded cumulative term of nine (9).

Nominating Committee

The Nominating Committee comprises three (3) Independent Non-Executive Directors as follows:

Designation	Name	Directorship	No. of meetings attended
Chairman	Datuk Iskandar Bin Sarudin (Redesignated on 27 November 2020)	Independent Non-Executive Chairman	1/1
Members	Dato' Ong Chong Yi (Appointed on 27 November 2020)	Independent Non-Executive Director	- (*)
Members	Yeoh Chin Hoe (Appointed on 16 March 2021)	Independent Non-Executive Director	- (*)
Members	Dato' Dr Ibrahim Bin Ahmad (Resigned on 15 September 2020)	Non-Independent Non-Executive Chairman	0/1
Members	Leou Thiam Lai (Resigned on 12 March 2021)	Independent Non-Executive Director	1/1

* *Note: Both Independent Non-Executive Directors are appointed after the Nominating Committee meeting held.*

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

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(continued)

Remuneration Committee

The Remuneration Committee comprises two (2) Independent Non-Executive Directors and one (1) Executive Director as follows:

Designation	Name	Directorship	No. of meetings attended
Chairman	Datuk Iskandar Bin Sarudin (Redesignated on 27 November 2020)	Independent Non-Executive Chairman	1/1
Members	Law Hee Ling	Managing Director	1/1
Members	Yeoh Chin Hoe (Appointed on 16 March 2021)	Independent Non-Executive Director	- (*)
Members	Leou Thiam Lai (Resigned on 12 March 2021)	Independent Non-Executive Director	1/1

* *Note:* *The Independent Non-Executive Director was appointed after the Remuneration Committee meeting was held.*

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.

Directors' Remuneration

The level of remuneration of the Directors commensurates with the level of experience and responsibilities undertaken by them.

The remuneration in aggregate, paid or payable to the Directors are disclosed in Note 33 to the Financial Statements on page 99 of this Report.

The detailed breakdown of remuneration on named basis, paid or payable to all Directors of the Company during the FYE 2021 is available in Practice 7.1 of the CG Report.

During FYE 2021, the Company does not have any Senior Management personnel in place therefore no remuneration was paid by the Company.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(continued)

Board Meetings

During the FYE 2021 the Board met seven (7) times, where they deliberated and considered matters relating to the Group's financial performance, investments, corporate development, strategic issues and business plan. The meeting attendance records of the Directors who held office are set out below:

Designation	Name	Directorship	No. of meetings attended
Chairman	Datuk Iskandar Bin Sarudin (Redesignated on 27 November 2020)	Independent Non-Executive Chairman	6/6
Members	Law Hee Ling	Managing Director	6/6
Members	Chia Kah Ying	Executive Director	6/6
Members	Dato' Ong Chong Yi (Appointed on 16 November 2020)	Independent Non-Executive Director	3/3 (*)
Members	Yeoh Chin Hoe (Appointed on 16 March 2021)	Independent Non-Executive Director	- (*)
Members	Teh Li King (Appointed on 8 March 2021)	Non-Independent Non-Executive Director	1/1 (*)
Members	Leon Law Li Yion (Appointed on 16 November 2020 and resigned on 8 March 2021)	Executive Director	2/2 (*)
Members	Dato' Dr Ibrahim Bin Ahmad (Resigned on 15 September 2020)	Non-Independent Non-Executive Chairman	0/3 (*)
Members	Leou Thiam Lai (Resigned on 12 March 2021)	Independent Non-Executive Director	5/5 (*)

* *Note: Reflects the number of meetings held during the time of the Director held office.*

Place, date and time of Board Meeting

	Place of meeting	Date	Time
1.	No. 25, Jalan Berangan, 42000 Port Klang	29 June 2020	11.30 am
2.	No. 25, Jalan Berangan, 42000 Port Klang	14 August 2020	11.15 am
3.	No. 25, Jalan Berangan, 42000 Port Klang	25 August 2020	10.15 am
4.	No. 25, Jalan Berangan, 42000 Port Klang	27 November 2020	11.30 am
5.	Virtual meeting	25 February 2021	11.00 am
6.	No. 27A, Jalan Berangan, 42000 Port Klang	10 March 2021	10.00 am
7.	No. 27A, Jalan Berangan, 42000 Port Klang	16 March 2021[#]	10.30 am

[#] Adjourned meeting

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

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(continued)

Directors' Training

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

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

The training programmes attended by the Directors during the financial year are as follows:

Directors	Training/Seminar Attended
Datuk Iskandar Bin Sarudin	• Corporate Liabilities Under the MACC Act Effective from 1 June 2020 and Its Mitigations
Law Hee Ling	• 2021 Malaysian Budget
Chia Kah Ying	• Visual Analytics for Accountants • Technical Briefing for Company Secretaries of Listed Issuers 2020 • 2021 Malaysian Budget
Dato' Ong Chong Yi	• Mandatory Accreditation Program
Yeoh Chin Hoe	• Corporate Liability Provision under the MACC Act 2009 (Anti-Bribery and Corruption Policy) • Latest Update on Listing Requirements & Corporate Governance Monitor Report 2020
Teh Li King	• Directors and Senior Management Awareness Training on Corporate Liability

B. EFFECTIVE AUDIT AND RISK MANAGEMENT

Audit Committee

The Audit Committee ("AC") is chaired by an Independent Non-Executive Director. The Chairman of the AC is not the Chairman of the Board. The composition and summary of works of the AC are included in the AC Report of this Annual Report.

When considering the appointment of a former key audit partner as a member of the AC, the AC is mindful of the minimum two (2) years cooling off period best practice under the MCCG before appointing this partner as a member of the AC. There was no former key audit partner being appointed as a member of the AC.

The AC takes the overall responsibility to provide independent oversight of the Group's financial reporting, risk management and internal control system and ensure checks and balances within the Group, and to ensure financial statements comply with applicable financial reporting standards. The AC oversees and appraises the quality of the audits conducted both by the Group's internal and external auditors including reviewing their audit plans.

Collectively, the AC possesses a wide range of necessary skills to discharge its duties. In order to strengthen the present financial literacy of each member and the ability to understand matters under the purview of the AC including the financial reporting process, all members of the AC will balance their participation in continuous professional development programmes on accounting and auditing standards, practices and rules in the future.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (continued)

Relationship with Auditors

The role of the AC in relation to the external auditors is explained in the Audit Committee Report set out on page 32 to 35 of this Report.

The Board, through the AC, has always maintained an appropriate and transparent relationship with the external auditors. The AC had assessed the external auditors' suitability, technical competence and independence. Being satisfied with the assessment, the AC recommended the re-appointment of the external auditors to the Board, upon which shareholders' approval will be sought at the coming AGM.

Risk Management and Internal Control

The Board acknowledges its responsibility of maintaining a sound system of internal control and having an appropriate risk management system to mitigate the principal risks identified. The Group's Statement on Risk Management and Internal Control is set out on page 36 to 38 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 AC 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.

The professional fee payable to the outsourced internal auditor for FYE 2021 is RM15,000.

C. INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

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 2016 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 39 of this Report.

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 Securities 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 Securities.

Annual General Meeting

The AGM provides a principal platform for dialogue with the shareholders and investors. 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.

Notice of general meetings to shareholders will be issued at least twenty-eight (28) days before the said meetings providing details of the agendas of meetings, shareholders' entitlement to attend the general meetings and their rights and procedures relating to the appointment of proxies.

Compliance Statement

Saved as disclosed above, this Corporate Governance Overview Statement is made in compliance with Paragraph 15.08A and 15.25 of Main Market Listing Requirements ("MMLR"). The statement was approved by the Board on 29 July 2021.

AUDIT COMMITTEE REPORT

The Board of the Company is pleased to present the AC Report for the FYE 2021.

The AC was established by the Board with the primary objective to provide an independent oversight of the Group financial reporting, risk management and internal control system so as to ensure proper checks and balances within the Group, particularly to ensure the compliance with applicable financial reporting standards as well as the quality of both internal and external audits conducted.

A. TERMS OF REFERENCE

1. COMPOSITION

The present AC solely compromises of three (3) Independent Non-Executive Directors. In FYE 2021, the AC held a total of five (5) meetings, with the attendance details as follows: -

	Designation	No. of Meetings Attended
Chairman		
Yeoh Chin Hoe *(Appointed on 16/3/2021)*	Independent Non-Executive Director	- +
Leou Thiam Lai *(Resigned on 12/3/2021)*	Independent Non-Executive Director	5/5
Member		
Datuk Iskandar Bin Sarudin *(Redesignated on 27/11/2020)*	Independent Non-Executive Chairman	5/5
Dato' Ong Chong Yi *(Appointed on 27/11/2020)*	Independent Non-Executive Director	1/1*
Dato' Dr Ibrahim Bin Ahmad *(Resigned on 15/9/2020)*	Non-Independent Non-Executive Chairman	- +

\+ *Note: Both Independent Non-Executive Directors are appointed after the AC meeting held.*
* *Reflects the number of meetings held during the time of the Director held office*

The AC, appointed from amongst the Board, shall compromise: -

(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 AC;

(d) At least one member of the AC: -

  (i) Must be a member of the Malaysian Institute of Accountants ("MIA"); or

  (ii) If not a member of the MIA, 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 Securities; and

(e) No Alternate Director shall be appointed as a member of the AC.

AUDIT COMMITTEE REPORT (continued)

A. TERMS OF REFERENCE (CONT'D)

2. FUNCTIONS AND RESPONSIBILITIES

The AC is responsible to: -

(a) Consider and recommend on the appointment and re-appointment of external auditors, the audit fees and any questions of their resignation or dismissal;

(b) Ensure the effectiveness of the internal control system in particular review the internal audit reports and external auditor's management letters and management's responses;

(c) Deliberate with both internal and external auditors pertaining their scope, procedures, audit results and reports;

(d) Review and report the following to the Board: -

   (i) The audit plan;

   (ii) The internal and external auditors' reports;

   (iii) The evaluation results of the system of internal control and any actions required for further improvement;

   (iv) The assistance and co-operation supported by the employees of the Group to the auditors during the conduct of audit engagements;

   (v) The independence and performance of the internal audit function;

   (vi) The quarterly results and annual audited financial statements, prior to the approval by the Board, focusing particularly on: -
   - Changes in or implementation of major accounting policy;
   - Significant or unusual events;
   - Significant adjustments arising from the audit;
   - Compliance with accounting standards and other legal requirements; and
   - Accuracy and adequacy of the disclosure of the information essential to a fair and full presentation of the financial affairs of the Group;

   (vii) Any related party transaction and/or potential conflict of interest situation that may arise within the Group including any transaction, procedure or course of conduct that raises questions of management integrity; and

   (viii) Letter of resignation from the external auditors, if any, and whether there is any reason to believe that the external auditors are not suitable for re-appointment.

(e) Promptly report to Bursa Securities on any matters reported to the Board which have not been satisfactorily resolved resulting in a breach of the MMLR;

(f) Submit to the Board a report on the summary of activities undertaken by the AC in discharging its functions and duties in respect of each financial year; and

(g) Perform such other duties and responsibilities as may be agreed to by the AC and the Board.

AUDIT COMMITTEE REPORT (continued)

A. TERMS OF REFERENCE (CONT'D)

3. AUTHORITY

The AC, in accordance with its line of responsibilities and at the expense of the Company, is authorised by the Board to perform the following: -

(a) To have explicit authority to investigate any activities within its terms of reference;

(b) To seek any further information from the internal and external auditors as well as any employees. All employees are directed to co-operate with any request made by the AC;

(c) To have direct communication channels with the external auditors and independent professionals carrying out the internal audit functions;

(d) To 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 deemed necessary, in discharging its duties; and

(e) To convene meetings with the internal or external auditors, or both, without the presence of other Directors and employees, when necessary.

4. MEETINGS

The AC meeting shall be held at least four (4) times a year. The Chairman of the AC may call an AC meeting, upon the request of the internal or external auditors.

The Company Secretary shall be responsible for drawing up the agenda and circulating it to the AC's members prior to each meeting to ensure sufficient time for all members to discuss and consider the matters to be deliberated in the forthcoming meeting. The Company Secretary is also responsible to attend meetings, record and circulate the meeting minutes to the members in a timely manner.

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

The terms of reference of the AC can be found in the Board Charter, which is published on the Company's website at http://www.complete-group.com/board-charter.html.

B. SUMMARY OF ACTIVITIES OF THE AC

In line with the terms of reference, the AC has undertaken the following activities during the financial year under review: -

(a) Ensured that the principal risks of the Group were regularly identified and assessed;

(b) Reviewed the adequacy of the scope and coverage of audit plans for FYE 2021 proposed by internal and external auditors and approved the audit plans for audit execution;

(c) Reviewed the external auditors' reports in relation to their financial audit and resolved the areas of concern and accounting issues highlighted from the audit conducted;

AUDIT COMMITTEE REPORT (continued)

AUDIT COMMITTEE REPORT (CONT'D)

B. SUMMARY OF ACTIVITIES OF THE AC (CONT'D)

(d) Reviewed the Group's quarterly financial results and annual audited financial statements, and tabled to the Board for approval prior to its release to Bursa Securities;

(e) Reviewed the year-end audited financial statements, audit planning memorandum and the management letter issued by the external auditors;

(f) Considered and recommended on the audit fees payable to the internal and external auditors for the Board's approval;

(g) Reviewed the annual internal audit programme and plan;

(h) Reviewed and discussed on the internal audit findings, recommendations for improvement and corrective action taken by Management on the audit findings;

(i) Reviewed the related party transactions entered into by the Group and ensured that all related party transactions were conducted at arm's length and under normal commercial terms with adequate disclosure to Bursa Securities;

(j) Reviewed the acquisition/disposal of investment/property, plant and equipment; and

(k) Reviewed the allocation of options offered to the eligible employees to ensure compliance with the By-laws of the Shares Issuance Scheme.

C. SUMMARY OF INTERNAL AUDIT FUNCTIONS AND ACIVITIES

The Group's internal audit function is outsourced to Tricor Axcelasia Sdn Bhd. The internal audit function was properly executed based on the approved audit plans and the internal auditors reported directly to the AC. The results of the internal audit review were presented to the AC on a periodic basis.

Based on the internal audits performed, we are glad to highlight that there was no significant weakness which have resulted in material losses, contingencies or uncertainties that would require separate disclosure in this Annual Report. Details of the internal audit function within the Group are further elaborated in the Statement on Risk Management and Internal Control within this Annual Report.

The professional fee incurred on the Group's internal audit function for the FYE 2021 amounted to RM15,000.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board of CLSB is pleased to provide the following Statement on Risk Management and Internal Control pursuant to Paragraph 15.26(b) of the MMLR of Bursa Securities and as guided by the "Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers" ("the Guidelines") and Practice 9.1 and 9.2 of the Malaysian Code on Corporate Governance 2017 ("MCCG 2017").

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 the 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 on 29 July 2021 that the Group's risk management and internal control system is operating adequately and effectively, in all material aspects.

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 environment changes.

KEY ELEMENTS OF RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

The key elements of the Group's risk management and internal control system that have been established to facilitate the proper conduct of the Group's businesses are described below. However, the Group's system of internal control does not apply to associated company where the Group does not have direct control over their business operations.

1. Risk Management System

Risk Management is regarded by the Board to be an integral part of business operations. The Board is dedicated to strengthen the Group's risk management to manage its key business risks within the Group and to implement appropriate controls to manage these risks. The Group has established the Risk Management Committee ("RMC") with the primary responsibility of ensuring the effective functioning of the integrated risk management function within the Group.

The principal roles and responsibilities of RMC are stated in the risk management policy which provides the framework in managing the strategic and operational risks. The level of tolerance is guided in the policy by a risk likelihood and impact matrix which enables the risk to be ranked accordingly.

The composition of the RMC is as follows:

	Designation	No. of Meetings Attended
Chairman		
Datuk Iskandar Bin Sarudin	Independent Non-Executive Chairman	3/3
Members		
Law Hee Ling	Managing Director	3/3
Leou Thiam Lai *(Resigned on 12/3/2021)*	Independent Non-Executive Director	3/3
Yeoh Chin Hoe *(Appointed on 16/3/2021)*	Independent Non-Executive Director	- +

\+ *Note: The Independent Non-Executive Director was appointed after the Risk Management Committee meeting was held*

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (continued)

KEY ELEMENTS OF RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM (CONT'D)

The Risk Management Team (RM Team), comprises of HOD, performs risk assessments to identify, evaluate and manage the identified risks in relation to their areas of supervision and control. They are responsible to assess the changes to the existing and new risks and to determine the controls to manage the risks.

During the year under review, the RM Team presented the risk management reports to the RMC on a quarterly basis. However, with the disposal of three (3) subsidiaries in the previous financial year, the activities of the Group have decreased, therefore the RMC has decided that the RM Team shall report to the RMC on a semi-annually basis. The risk management practices of the Group served as an on-going process to identify, evaluate and manage significant risks for the year under review and up to the date of approval of this statement for inclusion in the Annual Report.

2. Internal Control System

(i) An organisation structure with clearly defined lines of responsibility;
(ii) Financial results which are reviewed quarterly by the AC and approved by the Board;
(iii) The AC reviews the internal and external audit findings and discusses with the Board on actions to be taken on issues identified;
(iv) Effective reporting system to ensure timely generation of financial information for management review and decision; and
(v) 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.

INTERNAL AUDIT FUNCTION

The Group's Internal Audit Function assists the Board and AC by providing an independent assessment of the adequacy and effectiveness of the Group's internal control system. The Group's internal audit function, which reports directly to the AC, is outsourced to Tricor Axcelasia Sdn Bhd. The Engagement Director is Mr Joe Lee who has diverse professional experience in internal audit, risk management and corporate governance advisory. He is a Certified Internal Auditor (USA), Certified Public Accountant with Malaysian Institute of Certified Public Accountant and Certified Professional in Supply Management (USA).

The number of staff deployed for the internal audit reviews ranges from three (3) to four (4) staff per visit including the Engagement Director. The staff involved in the internal audit reviews possesses professional qualifications and/or a university degree. All of them are members of the Institute of Internal Auditors Malaysia. The internal audit staff on the engagement are free from any relationships or conflict of interest, which could impair their objectivity and independence, and the internal audit reviews were conducted using a risk-based approach and were guided by the International Professional Practice Framework.

During the financial year under review, a summary of the activity carried out by the internal audit function are as follows: -

(a) Prepared the risk based internal audit plan for the review and approval of the AC; and

(b) Carried out reviews in accordance with the risk based internal audit plan reviewed and approved by the AC. Details of the reviews carried out are as follows: -

Entity	Business Processes
Pengangkutan Sekata Sdn Bhd Malsuria Logistics Sdn Bhd Malsuria (M) Sdn Bhd Malsuria Tanker Services Sdn Bhd Sierra Jaya Sdn Bhd	• Procurement Management

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (continued)

INTERNAL AUDIT FUNCTION (CONT'D)

Findings from the internal audit reviews conducted were discussed with HOD and subsequently presented, together with Management's response and proposed action plans, to the AC for their review and approval. The outsourced internal audit function also carried out follow up reviews and reports to the AC on the status of implementation of action plans committee by Management pursuant to the recommendations highlighted in the internal audit reports.

Notwithstanding the above, although a number of internal control deficiencies were identified during the internal audit reviews, none of the weaknesses have resulted in any material losses, contingencies or uncertainties that would require a separate disclosure in this Annual Report.

The total professional fees paid for the outsourcing of the internal audit function for the FYE 2021 was RM15,000.

REVIEW OF THE STATEMENT BY THE EXTERNAL AUDITORS

Pursuant to Paragraph 15.23 of the Bursa Securities' MMLR, the external auditors have reviewed this Statement on Risk Management & Internal Control for inclusion in the 2021 Annual Report. Their review was performed in accordance with Malaysian Approved Standard on Assurance Engagements, ISAE 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information, and the guidance published in AAPG 3 (Revised 2015), Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control Included in the Annual Report. Based on their review, nothing has come to their attention that causes them to believe that this statement is not prepared, in all material respect, in accordance with the disclosures required by paragraph 41 and 42 of the Guidelines to be set out, nor is factual inaccurate.

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 approval of this statement for inclusion in the 2021 Annual Report, 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 require additional disclosure in the financial statements.

This Statement is made in accordance with the resolution of the Board dated 29 July 2021.

STATEMENT OF DIRECTORS' RESPONSIBILITY

The Directors are required by the Companies Act 2016 to prepare the financial statements for each financial year which have been made out in accordance with applicable Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards ("IFRSs"), and the requirements of the Companies Act 2016 in Malaysia.

The Directors are responsible to ensure that the financial statements give a true and fair view of the affairs of the Group and of the Company at the end of the financial year, and of the results and cash flows of the Group and of the Company for the financial year.

In preparing the financial statements for FYE 2021, 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 dated 29 July 2021.

ADDITIONAL COMPLIANCE INFORMATION

The following disclosures are made pursuant to the MMLR of Bursa Securities:

1. UTILISATION OF PROCEEDS

The Company had on 13 August 2019 entered into a conditional share purchase agreement with SH Cogent Logistics Pte Ltd for the disposal of 80% of its equity interests in Dolphin Shipping Agency Sdn Bhd, Guper Integrated Logistics Sdn Bhd and Gems Logistics Sdn Bhd for a total cash consideration of RM85.6 million. The disposal was completed on 14 February 2020 and the proceeds are utilised as follows: -

	Proposed Utilisation RM'000	Actual Utilisation RM'000	Deviation RM'000	Balance RM'000	Estimated Timeframe
Future investment	40,000	40,000	-	-	Within 24 months
Dividend to shareholders	20,320	20,320	-	-	Within 3 months
Working capital	20,280	610	-	19,670	Within 24 months
Estimated expenses	5,000	3,220	-	1,780	Upon completion*
Total	85,600	64,150	-	21,450	

* The balance of the estimated expenses of RM1.78 million will be allocated for the Group's working capital purposes.

2. AUDIT AND NON-AUDIT FEES

The details of the audit and non-audit fees paid/payable for the FYE 2021 are as follows: -

	Group RM	Company RM
Audit Fee	157,200	65,000
Non- Audit Fee		
• Statement on Risk Management and Internal Control	5,000	5,000
	162,200	70,000

3. DEVIATION IN RESULTS

There was no variance by more than 10% between the audited results for the FYE 2021 and the unaudited results for the same financial year previously announced.

4. PROFIT GUARANTEE

No profit guarantee was issued by the Company.

5. MATERIAL CONTRACTS

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.

ADDITIONAL COMPLIANCE INFORMATION (continued)

6. 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 FYE 2021 pursuant to the Shareholders' Mandate obtained by the Company at the last Annual General Meeting held on 22 September 2020 are as follows: -

Transacting parties	Interested parties	Nature of relationship	Nature of transaction with CLSB Group	Aggregate value (RM'000)
1. ATE Technology Group Sdn Bhd ("ATE") and its subsidiaries ("ATE Group")	Law Hee Ling ("LHL")	LHL [through his major shareholding in Dolphin Assets Sdn Bhd, ("DASB")] is the major shareholders of Keith Avenue Sdn Bhd, a major shareholder of ATE. LHL is a director of ATE and ATE Tech.	• Sales of spare parts by ATE Group.	46
2. East West Freight Services Sdn Bhd ("EWF")	LHL	LHL is a director and an indirect major shareholder of EWF through his major shareholdings in DASB, a major shareholder of EWF.	• Provision of logistics/ haulage/ freighting services to EWF. • Renting of warehouse to EWF	63 630
3. SJA Freight Services Sdn Bhd ("SJA")	LHL	LHL is an indirect major shareholder of SJA through his major shareholding in DASB, a major shareholder of SJA. Leon Law Li Yion, son of LHL, is a director of SJA.	• Provision of logistic services to SJA. • Provision of forwarding/related services by SJA.	246 403

Financial Statements

DIRECTORS' REPORT

The Directors hereby submit their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 March 2021.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of the subsidiaries are set out in Note 9 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	3,553,406	5,150,936
Attributable to:		
Owners of the Company	3,838,418	5,150,936
Non-controlling interests	(285,012)	-
	3,553,406	5,150,936

DIVIDENDS

The Company paid an interim dividend of 16 sen per ordinary share amounting to RM20,325,952 for the financial year ended 31 March 2021 on 12 June 2020.

RESERVES AND PROVISIONS

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

ISSUE OF SHARES AND DEBENTURES

On 13 May 2020, the Company had increased its paid-up share capital from RM70,477,440 to RM70,835,097 through the issuance of 90,000 new ordinary shares at RM0.55, 149,000 new ordinary shares at RM0.62 and 119,000 new ordinary shares at RM0.68 from the exercise of options under the Share Issuance Scheme. The new ordinary shares issued rank pari passu in all respects with the existing ordinary shares of the Company.

On 2 March 2021, the Company had increased its paid-up share capital from RM70,835,097 to RM72,397,926 through the issuance of 160,000 new ordinary shares at RM0.55, 184,000 new ordinary shares at RM0.62, 217,500 new ordinary shares at RM0.68 and 731,000 new ordinary shares at RM0.88 from the exercise of options under the Share Issuance Scheme. The new ordinary shares issued rank pari passu in all respects with the existing ordinary shares of the Company.

There were no issues of debentures by the Company.

Relevant details on the issued share capital are disclosed in Note 14 to the financial statements.

DIRECTORS' REPORT (continued)

TREASURY SHARES

During the financial year, there were no treasury shares being purchased, sold or cancelled by the Company. As at 31 March 2021, the Company held a total number of 319,300 treasury shares out of its 128,649,000 issued and fully paid-up ordinary shares at a carrying amount of RM131,249.

Relevant details on the treasury shares are disclosed in Note 17 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.

In previous financial years, the Company granted share options to eligible directors and employees of the Group under the Share Issuance Scheme ("SIS") approved by the shareholders of the Company at the extraordinary general meeting held on 25 September 2013 to subscribe for a total of 6,400,000 ordinary shares at an exercise price of RM0.62 per share ("SIS 1"), out of which 200,000 (2020: 50,000) ordinary shares were forfeited during the financial year due to the resignations of employees and a total of 40,000 (2020: 573,000) ordinary shares were exercisable at the end of the reporting period. On 27 June 2016, the Company has granted share options to eligible directors and employees of the Group under the SIS to subscribe for a total of 845,000 ordinary shares at an exercise price of RM0.68 per share ("SIS 2"), out of which 5,000 (2020: 25,000) ordinary shares were forfeited due to the resignations of employees and a total of 34,000 (2020: 375,500) ordinary shares are exercisable at the end of the reporting period. On 28 April 2017, the Company has granted share options to eligible directors and employees of the Group under the SIS to subscribe for a total of 1,055,000 ordinary shares at an exercise price of RM0.88 per share ("SIS 3"), out of which no (2020: 95,000) ordinary shares were forfeited due to the resignations of employees and a total of 39,000 (2020: 770,000) ordinary shares were exercisable at the end of the reporting period. On 3 September 2018, the Company has granted share options to eligible directors and employees of the Group under the SIS to subscribe for a total of 2,328,000 ordinary shares at an exercise price of RM0.55 per share ("SIS 4"), out of which no (2020: 80,000) ordinary shares were forfeited due to the resignations of employees and a total of 20,000 (2020: 270,000) ordinary shares were exercisable at the end of the reporting period.

The salient features of the SIS are as follows:

(a) Eligible directors and employees are those who have been confirmed in service on the date of offer;

(b) The aggregate number of shares to be issued under the SIS shall not be more than 15% of the issued and paid-up share capital of the Company;

(c) The SIS shall be in force for a period of 5 years from the first grant date and may be extended for a further 5 years at the discretion of the Board of Directors;

(d) The option price shall not be at a discount of more than 10% from the 5-day weighted average market price of the shares of the Company preceding the date of offer;

(e) An option holder may, in a particular year, exercise up to such maximum number of shares in the option certificate or as determined by the SIS Committee;

(f) All new ordinary shares issued upon exercise of the share options granted under the SIS will rank pari passu in all respects with the existing ordinary shares of the Company; and

(g) The share options granted to eligible Directors and employees will lapse when they are no longer in employment with the Group.

OPTIONS GRANTED OVER UNISSUED SHARES (continued)

The share options granted are exercisable at any time from the date of offer up to the date of expiry on 18 November 2018 subject to a maximum percentage of 100% (2020: 100%) of the total number of share options granted in each year from the date of offer. Where the maximum percentage of the share options for a particular period is not fully exercised, the unexercised share options shall be carried forward to the next period and shall not be subject to the maximum percentage for the next period.

On 4 September 2018, the Board has approved to extend its existing SISs' tenure which is expiring on 18 November 2018 for another 5 years until 18 November 2023. These options are exercisable on the specified exercisable period and stated in the SIS By-Laws subject to the options being vested as follows:

	From 19.11.2018	From 1.4.2019	From 1.4.2020
SIS 1	20%	80%	-
SIS 2	-	50%	50%
SIS 3	-	50%	50%
SIS 4	100%	-	-

During the financial year, a total of 333,000 ordinary shares under the SIS 1, 336,500 ordinary shares under the SIS 2, 731,000 ordinary shares under the SIS 3 and 250,000 ordinary shares under the SIS 4 were exercised by the eligible directors and employees of the Group.

Relevant details on the SIS are disclosed in Note 16 to the financial statements.

DIRECTORS

The names of directors of the Company who served during the financial year and up to the date of this report are as follows:

Law Hee Ling
Chia Kah Ying
Datuk Iskandar Bin Sarudin
Dato' Ong Chong Yi (Appointed on 16 November 2020)
Teh Li King (Appointed on 8 March 2021)
Yeoh Chin Hoe (Appointed on 16 March 2021)
Ronald Khoo Boo Soon (Appointed on 15 June 2021)
Leon Law Li Yion (Appointed on 16 November 2020 and resigned on 8 March 2021)
Dato' Dr Ibrahim Bin Ahmad (Resigned on 15 September 2020)
Leou Thiam Lai (Resigned on 12 March 2021)

The names of directors of the Company's subsidiaries who served during the financial year and up to the date of this report, not including those directors mentioned above, are as follows:

Ong Soon Lim (Appointed on 8 June 2021)
Tu Pih Shyong (Resigned on 31 May 2021)

In accordance with Article 131.1 of the Company's Constitution, Law Hee Ling and Chia Kah Ying retire at the forthcoming Annual General Meeting and, being eligible, offers themselves for re-election.

In accordance with Article 116 of the Company's Constitution, Dato' Ong Chong Yi, Teh Li King, Yeoh Chin Hoe and Ronald Khoo Boo Soon retire at the forthcoming Annual General Meeting and, being eligible, offers themselves for re-election.

DIRECTORS' REPORT (continued)

DIRECTORS' INTERESTS

The Directors holding office at the end of the financial year and their beneficial interests in the shares and options over unissued shares of the Company and its related corporations during the financial year ended 31 March 2021 as recorded in the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act 2016 were as follows:

		Number of ordinary shares		
	At 1.4.2020	**Bought**	**Sold**	**At 31.3.2021**
Shares in the Company				
Direct interests:				
Chia Kah Ying	1,931,800	-	-	1,931,800
Law Hee Ling	14,194,500	2,300,400	-	16,494,900
Indirect interests:				
Law Hee Ling	55,729,200	6,000,000	(51,331,900)	10,397,300

By virtue of his interest in the shares and options over shares of the Company, Law Hee Ling is also deemed to be interested in the shares and options over unissued 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 and options over unissued 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 any benefit (other than the benefits included in the aggregate amount of remuneration received or due and receivables by the Directors shown in the financial statements or the fixed salary of a full-time employee of the Company or related corporations) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest other than those transactions disclosed in Note 34 to the financial statements.

There were no arrangements during and at the end of the financial year, to which the Group or 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 apart from the issue of share options pursuant to the Share Issuance Scheme of the Company.

The details of the Directors' remuneration paid or payable to the Directors of the Company during the financial year are disclosed in Note 33 to the financial statements.

OTHER STATUTORY INFORMATION

(I) AS AT THE END OF THE FINANCIAL YEAR

(a) Before the financial statements 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 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.

DIRECTORS' REPORT (continued)

INDEMNITY AND INSURANCE COST

During the financial year, the amount of indemnity coverage and insurance premium paid for the Directors of the Company were RM5,000,000 and RM9,000 respectively.

SUBSIDIARIES

The details of the Company's subsidiaries are disclosed in Note 9 to the financial statements.

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

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

SIGNIFICANT EVENTS OCCURRING AFTER THE REPORTING PERIOD

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

AUDITORS

The auditors, Crowe Malaysia PLT, have expressed their willingness to continue in office.

The details of the auditors' remuneration are disclosed in Note 26 to the financial statements.

Signed on behalf of the Board in accordance with a resolution of the Directors.

Law Hee Ling
Director

Chia Kah Ying
Director

29 July 2021

Kuala Lumpur

STATEMENT BY DIRECTORS
PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

In the opinion of the Directors, the financial statements set out on pages 54 to 117 have been drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 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 2021 and of their financial performance and cash flows for the financial year then ended.

On behalf of the Board,

Law Hee Ling
Director

Chia Kah Ying
Director

29 July 2021

Kuala Lumpur

STATUTORY DECLARATION
PURSUANT TO SECTION 251(1)(b) OF THE COMPANIES ACT 2016

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 54 to 117 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly
declared by the abovenamed
at Kuala Lumpur in the
Federal Territory on
29 July 2021

Chia Kah Ying

Before me:

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF COMPLETE LOGISTIC SERVICES BERHAD
(Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Complete Logistic Services Berhad, which comprise the statements of financial position as at 31 March 2021 of the Group and of the Company, and the statements of profit or loss and other 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 notes to the financial statements, including a summary of significant accounting policies, as set out on pages 54 to 117.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 March 2021, and of their financial performance and their 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 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significant in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

(1) Impairment assessment of trade receivables

Refer to Note 12 to the financial statements

Key Audit Matter	*How our audit addressed the Key Audit Matter*
As of the reporting date, the Group's total trade receivables amounted to RM9.40 million is stated net of allowance for impairment losses of RM0.76 million. Trade receivables are major component of the financial position of the Group. We focused on this area due to the magnitude of the amount involved and significant judgements are required to assess the allowance for impairment losses of trade receivables. The assessment on impairment of trade receivables involves significant management judgement, taking into consideration the age of the trade debts, historical payment patterns, existence of disputes and bad debt written off in the past.	Our audit procedures included, among others: · Reviewed ageing analysis of trade receivables and tested the reliability thereof; · Reviewed subsequent collections for major trade receivables and overdue amounts; · Tested samples of trade receivables to ascertain if the specific impairment has been recognised on a timely basis; and · Assessed the key assumptions and inputs used in determining the historical loss rates that used to calculate the expected credit losses.

INDEPENDENT AUDITORS' REPORT (continued)
TO THE MEMBERS OF COMPLETE LOGISTIC SERVICES BERHAD
(Incorporated in Malaysia)

Key Audit Matters (continued)

(2) Revenue recognition

Refer to Note 24 to the financial statements

Key Audit Matter

Revenue from rendering of services amounting to RM40.29 million represent 95% of the Group's revenue for the financial year ended 31 March 2021. Revenue from rendering of services is recognised during the period in which control over the promised services have been transferred to customers. These services consist of large volumes of individually low value transactions and the rates applied to each transaction are based on contract terms agreed among different customers. The recognition of revenue transactions from these services is records manually by the management. Through such manual recording, management has the ability to influence the recognition of revenue, hence there is a risk of misstatement in the revenue recognised from rendering of services.

How our audit addressed the Key Audit Matter

Our audit procedures included, among others:

- Assessed internal controls of revenue cycle and performed Test of Control;
- Performed fraud inquiry to management personnel and audit committee;
- Reviewed management's revenue recognition policy;
- Verified the supporting documents so as to ascertain the proof of the service rendering; and
- Reviewed contracts with customer and the satisfaction of performance obligation as specified in the contracts.

(3) Investment in Associates

Refer to Note 10 to the financial statements

Key Audit Matter

As of the reporting date, the Group's 20% interest in investment in associates amounted to RM23.40 million and is accounted for under the equity method. The Group's share of profits and net assets was RM1.76 million and RM14.09 million respectively.

In the context of our audit of the Group's financial statements, the key audit matters relating to the Group's share of the profits and net assets is as follows:
(i) Impairment assessment of trade receivables; and
(ii) Revenue recognition.
The assessment on impairment of trade receivables involves significant management judgement and there is a risk of misstatement in the revenue recognition. The details of the key audit matters is similar to the context of item ***(1)*** and ***(2)*** in Pages 50 and 51.

How our audit addressed the Key Audit Matter

Our audit procedures included, among others:

- Audit procedures for impairment assessment of trade receivables and revenue recognition is addressed in item ***(1)*** and ***(2)*** above;
- Reviewed management's assessment for any indications of impairment;
- Reviewed the carrying amount of investments in associates and assessed whether there are any indications of impairment; and
- Evaluate the adequacy of the disclosure in the financial statements.

INDEPENDENT AUDITORS' REPORT (continued)
TO THE MEMBERS OF COMPLETE LOGISTIC SERVICES BERHAD
(Incorporated in Malaysia)

Information Other than the Financial Statements and Auditors' Report Thereon

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As a part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Group's and the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

INDEPENDENT AUDITORS' REPORT (continued)
TO THE MEMBERS OF COMPLETE LOGISTIC SERVICES BERHAD
(Incorporated in Malaysia)

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 9 to the financial statements.

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants

Chan Kuan Chee
02271/10/2021 J
Chartered Accountant

29 July 2021

Kuala Lumpur

STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2021

	Note	Group 2021 RM	Group 2020 RM	Company 2021 RM	Company 2020 RM
Assets					
Non-current assets					
Property, plant and equipment	7	56,454,722	40,216,054	832	1,150
Right-of-use assets	8	41,086,804	42,022,897	-	-
Investments in subsidiaries	9	-	-	19,658,935	20,658,935
Investments in associates	10	23,398,549	21,638,098	21,400,000	21,400,000
Other investment	11	29,160,000	-	29,160,000	-
		150,100,075	103,877,049	70,219,767	42,060,085
Current assets					
Trade and other receivables	12	12,219,794	19,013,678	70,144,112	63,177,388
Tax recoverable		151,160	-	-	25,633
Cash and cash equivalents	13	49,851,939	99,072,720	44,769,944	95,311,282
		62,222,893	118,086,398	114,914,056	158,514,303
Total assets		212,322,968	221,963,447	185,133,823	200,574,388
Equity and liabilities					
Equity attributable to owners of the Company					
Share capital	14	72,397,926	70,477,440	72,397,926	70,477,440
Retained earnings	15	90,955,166	107,351,130	112,237,232	127,320,678
Other reserves	16	(172,689)	732,353	(172,689)	732,353
Treasury shares	17	(131,249)	(131,249)	(131,249)	(131,249)
Shareholders' equity		163,049,154	178,429,674	184,331,220	198,399,222
Non-controlling interests		14,592	999,604	-	-
Total equity		163,063,746	179,429,278	184,331,220	198,399,222
Non-current liabilities					
Leases liabilities	18	15,596,690	15,819,617	-	-
Term loans	19	12,178,947	11,368,494	-	-
Deferred tax liabilities	20	1,878,984	2,234,992	-	-
		29,654,621	29,423,103	-	-
Current liabilities					
Trade and other payables	21	14,222,491	8,623,529	763,913	2,175,166
Leases liabilities	18	550,368	575,137	-	-
Term loans	19	4,831,742	3,827,566	-	-
Tax liabilities		-	84,834	38,690	-
		19,604,601	13,111,066	802,603	2,175,166
Total liabilities		49,259,222	42,534,169	802,603	2,175,166
Total equity and liabilities		212,322,968	221,963,447	185,133,823	200,574,388

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

		Group		Company	
		2021	2020	2021	2020
	Note	RM	RM	RM	RM
Revenue	24	42,347,482	108,169,338	3,604,000	34,450,473
Cost of sales	25	(37,122,283)	(90,200,227)	-	-
Gross profit		5,225,199	17,969,111	3,604,000	34,450,473
Other income		3,639,070	49,900,349	2,535,830	78,867,135
Marketing and distribution costs		(673,132)	(702,982)	-	-
Administrative expenses		(1,937,800)	(4,584,874)	(229,692)	(280,848)
Other expenses		(2,496,780)	(12,199,034)	(494,779)	(12,039,638)
Finance costs		(1,242,356)	(1,440,620)	-	-
Share of results of associates	10	1,760,451	238,098	-	-
Profit before tax	26	4,274,652	49,180,048	5,415,359	100,997,122
Tax expense	27	(721,246)	(2,939,211)	(264,423)	(9,355)
Profit after tax		3,553,406	46,240,837	5,150,936	100,987,767
Other comprehensive income		(227,851)	-	(227,851)	-
Total comprehensive income		3,325,555	46,240,837	4,923,085	100,987,767
Profit after tax attributable to:					
Owners of the Company		3,838,418	46,312,406	5,150,936	100,987,767
Non-controlling interests		(285,012)	(71,569)	-	-
		3,553,406	46,240,837	5,150,936	100,987,767
Total comprehensive income attributable to:					
Owners of the Company		3,610,567	46,312,406	4,923,085	100,987,767
Non-controlling interests		(285,012)	(71,569)	-	-
		3,325,555	46,240,837	4,923,085	100,987,767
Basic earnings per ordinary share (sen)	29	3.0	36.7		
Diluted earnings per ordinary share (sen)	29	3.0	36.7		

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

Group	Note	Attributable to owners of the Company							
		Share capital RM	Fair value reserve RM	Share option reserve RM	Treasury shares RM	Retained earnings RM	Total RM	Non-controlling interests RM	Total equity RM
At 1 April 2019		68,850,085	-	1,028,390	(131,249)	81,245,266	150,992,492	791,173	151,783,665
Profit after tax/Total comprehensive income for the financial year		-	-	-	-	46,312,406	46,312,406	(71,569)	46,240,837
Contributions by and distributions to owners of the Company:									
Share option expenses		-	-	423,930	-	-	423,930	-	423,930
Acquisition of a subsidiary		-	-	-	-	-	-	280,000	280,000
Exercise of Share Issuance Scheme option	14	1,627,355	-	(719,967)	-	62,130	969,518	-	969,518
Dividends	28	-	-	-	-	(20,268,672)	(20,268,672)	-	(20,268,672)
Total transactions with owners		1,627,355	-	(296,037)	-	(20,206,542)	(18,875,224)	280,000	(18,595,224)
At 31 March/1 April 2020		70,477,440	-	732,353	(131,249)	107,351,130	178,429,674	999,604	179,429,278
Profit after tax for the financial year		-	-	-	-	3,838,418	3,838,418	(285,012)	3,553,406
Other comprehensive income for the financial year:									
Fair value changes of equity investment		-	(227,851)	-	-	-	(227,851)	-	(227,851)
Total comprehensive income for the financial year		-	(227,851)	-	-	3,838,418	3,610,567	(285,012)	3,325,555
Contributions by and distributions to owners of the Company:									
Share option expenses		-	-	118,805	-	-	118,805	-	118,805
Exercise of Share Issuance Scheme option	14	1,920,486	-	(795,996)	-	91,570	1,216,060	-	1,216,060
Dividends	28	-	-	-	-	(20,325,952)	(20,325,952)	-	(20,325,952)
Dividends paid to non-controlling interests		-	-	-	-	-	-	(700,000)	(700,000)
Total transactions with owners		1,920,486	-	(677,191)	-	(20,234,382)	(18,991,087)	(700,000)	(19,691,087)
At 31 March 2021		72,397,926	(227,851)	55,162	(131,249)	90,955,166	163,049,154	14,592	163,063,746

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY (continued)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

Company	Note	Share capital RM	Fair value reserve RM	Share option reserve RM	Treasury shares RM	Retained earnings RM	Total equity RM
At 1 April 2019		68,850,085	-	1,028,390	(131,249)	46,539,453	116,286,679
Profit after tax/Total comprehensive income for the financial year		-	-	-	-	100,987,767	100,987,767
Contributions by and distributions to owners of the Company:							
Share option expenses		-	-	423,930	-	-	423,930
Exercise of Share Issuance Scheme option	14	1,627,355	-	(719,967)	-	62,130	969,518
Dividends	28	-	-	-	-	(20,268,672)	(20,268,672)
Total transactions with owners		1,627,355	-	(296,037)	-	(20,206,542)	(18,875,224)
At 31 March/1 April 2020		70,477,440	-	732,353	(131,249)	127,320,678	198,399,222
Profit after tax for the financial year		-	-	-	-	5,150,936	5,150,936
Other comprehensive income for the financial year:							
Fair value changes of equity investment		-	(227,851)	-	-	-	(227,851)
Total comprehensive income for the financial year		-	(227,851)	-	-	5,150,936	4,923,085
Contributions by and distributions to owners of the Company:							
Share option expenses		-	-	118,805	-	-	118,805
Exercise of Share Issuance Scheme option	14	1,920,486	-	(795,996)	-	91,570	1,216,060
Dividends	28	-	-	-	-	(20,325,952)	(20,325,952)
Total transactions with owners		1,920,486	-	(677,191)	-	(20,234,382)	(18,991,087)
At 31 March 2021		72,397,926	(227,851)	55,162	(131,249)	112,237,232	184,331,220

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

		Group		Company	
	Note	2021 RM	2020 RM	2021 RM	2020 RM
Operating activities					
Profit before tax		4,274,652	49,180,048	5,415,359	100,997,122
Adjustments for:					
Depreciation of property, plant and equipment	7	2,198,673	5,993,313	318	13,610
Depreciation of right-of-use assets	8	936,093	923,127	-	-
Dividend income from subsidiaries	24	-	-	(3,520,000)	(34,366,473)
Impairment loss on:					
- investments in subsidiaries	9	-	-	-	10,783,713
- property, plant and equipment	7	-	8,671,687	-	-
- trade receivables	12	342,165	169,124	-	-
Interest expense		1,242,356	1,440,620	-	-
Interest income		(2,048,412)	(652,350)	(2,033,830)	(531,372)
Net gain on disposal of property, plant and equipment and right-of-use assets		(474,422)	(2,804,302)	-	-
Net gain on disposal of subsidiaries		(731,038)	(45,619,822)	(502,000)	(76,506,069)
Net unrealised loss/(gain) on foreign exchange		3,262	9,398	-	-
Reversal of impairment loss on:					
- investments in subsidiaries	9	-	-	-	(1,200,000)
Share of results of associates	10	(1,760,451)	(238,098)	-	-
Share option expense		118,805	423,930	118,805	423,930
Operating profit/(loss) before working capital changes		4,101,683	17,496,675	(521,348)	(385,539)
Changes in working capital:					
Inventories		-	244,972	-	-
Trade and other receivables		3,325,215	(82,099,569)	410	(14,410)
Trade and other payables		2,972,567	80,196,987	23,753	(30,108)
Cash generated from/(used in) operations		10,399,465	15,839,065	(497,185)	(430,057)
Tax paid		(1,400,644)	(3,418,952)	(200,100)	(27,500)
Tax refunded		87,204	1,145,511	-	-
Net cash from/(used in) operating activities		9,086,025	13,565,624	(697,285)	(457,557)

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS (continued)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

	Note	Group 2021 RM	Group 2020 RM	Company 2021 RM	Company 2020 RM
Investing activities					
Advances to an associate		2,543,422	(2,543,422)	2,543,422	(2,543,422)
Advances to subsidiaries		-	-	(9,510,556)	(13,239,209)
Acquisition of a quoted investment	11	(29,387,851)	-	(29,387,851)	-
Dividend received		-	-	3,520,000	34,366,473
Interest received		2,048,412	652,350	2,033,830	531,372
Net cash inflows from the disposals of subsidiaries	32	1,135,083	84,981,384	1,502,000	84,643,440
Net cash outflows from the acquisitions of subsidiaries	31	-	(218,980)	-	(630,000)
Proceeds from disposal of property, plant and equipment and right-of-use assets		2,438,695	11,828,979	-	-
Purchase of property, plant and equipment	7	(20,830,614)	(13,212,534)	-	(1,250)
Net cash (used in)/from investing activities		(42,052,853)	81,487,777	(29,299,155)	103,127,404
Financing activities					
Net advances from a Director		3,231,362	183,587	-	-
(Repayment to)/Advances from subsidiaries		-	-	(1,435,006)	1,021,348
Dividends paid	28	(20,325,952)	(20,268,672)	(20,325,952)	(20,268,672)
Dividends paid to non-controlling interests		(700,000)	-	-	-
Drawdown of term loans	13	6,000,000	5,608,361	-	-
Interest paid		(1,242,356)	(1,440,620)	-	-
Proceeds from shares issued		1,216,060	969,518	1,216,060	969,518
Repayment of lease liabilities	18	(247,696)	(224,319)	-	-
Repayment of term loans	13	(4,185,371)	(5,869,021)	-	-
Net cash used in financing activities		(16,253,953)	(21,041,166)	(20,544,898)	(18,277,806)
Net changes in cash and cash equivalents		(49,220,781)	74,012,235	(50,541,338)	84,392,041
Cash and cash equivalents at the beginning of financial year		98,907,720	24,895,485	95,311,282	10,919,241
Cash and cash equivalents at the end of financial year	13	49,686,939	98,907,720	44,769,944	95,311,282

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
31 MARCH 2021

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 BO3-B-3-1, Level 13 Menara 3A, KL Eco City No.3, Jalan Bangsar, 59200, Wilayah Persekutuan, Kuala Lumpur.

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 29 July 2021.

2 PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of the subsidiaries are set out in Note 9 to the financial statements. 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 ("MFRSs"), International Financial Reporting Standards ("IFRSs") and the requirements of the Companies Act 2016 in Malaysia.

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

4.2 Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to the end of the reporting period.

Subsidiaries are entities controlled by the Group. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect returns through its power over the entity. Potential voting rights are considered when assessing control only when such rights are substantive. The Group also considers it has de facto power over an investee when, despite not having the majority of voting rights, it has the current ability to direct the activities of the investee that significantly affect the investee's return.

4 SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Basis of consolidation (continued)

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. Profit or loss and each component of other comprehensive income are attributed to the owners of the Company 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.

(c) Changes in ownership interests in subsidiaries without change of control

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 of the Group.

(d) Loss of control

Upon the loss of control of a subsidiary, the gain 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 in the same manner as would be required if the relevant assets or liabilities were disposed of (i.e. reclassified to profit or loss or transferred directly to retained profits). 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 9 or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

NOTES TO THE FINANCIAL STATEMENTS
31 March 2021 (continued)

4 SIGNIFICANT ACCOUNTING POLICIES (continued)

4.3 Property, plant and equipment and depreciation

All items of property, plant and equipment are initially measured at cost 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.

Construction work-in-progress are stated at cost and will be transferred to the relevant category of long-term assets and depreciated accordingly when the assets are completed and ready for their intended use.

Freehold land and construction work-in-progress are not depreciated. Depreciation of other property, plant and equipment is computed on a straight-line basis over their estimated useful lives as follows:

Buildings	2%
Motor vehicles	20%
Office equipment	20%
Operating equipment	10%
Plant and machinery	10%
Vessel equipment	10%
Vessels	50 years

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. An impairment loss is recognised if the carrying amount exceeds the recoverable amount (see Note 4.7).

The residual values, useful lives and depreciation method are reviewed and adjusted if appropriate, 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 Investments in subsidiaries

In the Company's separate financial statements, investments in subsidiaries 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.

Investments in subsidiaries are eliminated on consolidation.

On the disposal of the investments in subsidiaries, the difference between the net disposal proceeds and the carrying amount of the investments is recognised in profit or loss.

4 SIGNIFICANT ACCOUNTING POLICIES (continued)

4.5 Investments in associates

An associate is an entity in which the Group and the Company have a long-term equity interest and where it exercises significant influence over the financial and operating policies.

Investments in associates are stated at cost in the statement of financial position of the Company, and are reviewed for impairment at the end of the reporting period if events or changes in circumstances indicate that the carrying values may not be recoverable. The cost of the investment includes transaction costs.

The investment in an associate is accounted for in the consolidated financial statements using the equity method based on the financial statements of the associate made up to 31 March 2021. The Group's share of the post acquisition profits and other comprehensive income of the associate is included in the consolidated statement of profit or loss and other comprehensive income, after adjustment if any, to align the accounting policies with those of the Group, from the date that significant influence commences up to the effective date on which significant influence ceases or when the investment is classified as held for sale. The Group's investment in the associate is carried in the consolidated statement of financial position at cost plus the Group’s share of the post acquisition retained profits and reserves. The cost of investment includes transaction costs.

When the Group’s share of losses exceeds its interest in an associate, the carrying amount of that interest is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation. The interest in the associate is the carrying amount of the investment in the associate determined using the equity method together with any long-term interests that, in substance, form part of the Group’s net investment in the associate.

Unrealised gains or losses on transactions between the Group and the associate are eliminated to the extent of the Group's interest in the associate. Unrealised losses are eliminated unless cost cannot be recovered.

When the Group ceases to have significant influence over an associate and the retained interest in the former associate is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as the initial carrying amount of the financial asset in accordance with MFRS 9. Furthermore, the Group also reclassifies its share of the gain or loss previously recognised in other comprehensive income of that associate to profit or loss when the equity method is discontinued.

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 immediately.

In respect of equity-accounted associates, the carrying amount of goodwill is included in the carrying amount of the investment and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the equity-accounted associates.

NOTES TO THE FINANCIAL STATEMENTS
31 March 2021 (continued)

4 SIGNIFICANT ACCOUNTING POLICIES (continued)

4.7 Impairment

(a) Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost and trade receivables.

The expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument. The Group always recognises lifetime expected credit losses for trade receivables and contract assets using the simplified approach. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience and are adjusted for forward-looking information (including time value of money where appropriate).

For all other financial instruments, the Group recognises lifetime expected credit losses when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at fair value through other comprehensive income, for which the loss allowance is recognised in other comprehensive income and accumulated in the fair value reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

(b) 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. When the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount and an impairment loss shall be recognised. 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 flows.

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, in which the reversal of the impairment loss is treated as revaluation increase.

4 SIGNIFICANT ACCOUNTING POLICIES (continued)

4.8 Financial instruments

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

Financial instruments are classified as financial assets, financial liabilities or equity instruments in accordance with the substance of the contractual arrangement and their definitions in MFRS 132. Interest, dividends, gains and losses relating to a financial instrument classified as a liability are reported as an expense or income. Distributions to holders of financial instruments classified as equity are charged directly to equity.

Financial instruments are offset when the Group has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle the liability simultaneously.

A financial instrument is recognised initially at its fair value (other than trade receivables without significant financing component which are measured at transaction price as defined in MFRS 15 Revenue from Contracts with Customers at inception). Transaction costs that are directly attributable to the acquisition or issue of the financial instrument (other than a financial instrument at fair value through profit or loss) are added to/deducted from the fair value on initial recognition, as appropriate. Transaction costs on the financial instrument at fair value through profit or loss are recognised immediately in profit or loss.

Financial instruments recognised in the statements of financial position are disclosed in the individual policy statement associated with each item.

4.8.1 Financial assets

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value (through profit or loss, or other comprehensive income), depending on the classification of the financial assets.

Debt Instruments

(a) Amortised cost

The financial asset is held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. Interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset. When the asset has subsequently become credit-impaired, the interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset.

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts), excluding expected credit losses, through the expected life of the financial asset or a shorter period (where appropriate).

(b) Fair value through other comprehensive income

The financial asset is held for both collecting contractual cash flows and selling the financial asset, where the asset's cash flows represent solely payments of principal and interest. Movements in the carrying amount are taken through other comprehensive income and accumulated in the fair value reserve, except for the recognition of impairment, interest income and foreign exchange difference which are recognised directly in profit or loss. Interest income is calculated using the effective interest rate method.

NOTES TO THE FINANCIAL STATEMENTS
31 March 2021 (continued)

4 SIGNIFICANT ACCOUNTING POLICIES (continued)

4.8 Financial instruments (continued)

4.8.1 Financial assets (continued)

Debt Instruments (continued)

(c) Fair value through profit or loss

All other financial assets that do not meet the criteria for amortised cost or fair value through other comprehensive income are measured at fair value through profit or loss.

The Group reclassifies debt instruments when and only when its business model for managing those assets change.

Equity Instruments

All equity investments are subsequently measured at fair value with gains and losses recognised in profit or loss except where the Group has elected to present the subsequent changes in fair value in other comprehensive income and accumulated in the fair value reserve at initial recognition.

The designation at fair value through other comprehensive income is not permitted if the equity investment is either held for trading or is designated to eliminate or significantly reduce a measurement or recognition inconsistency that would otherwise arise.

Dividend income from this category of financial assets is recognised in profit or loss when the Group's right to receive payment is established unless the dividends clearly represent a recovery of part of the cost of the equity investments.

4.8.2 Financial liabilities

(a) Financial liabilities at fair value through profit or loss

Fair value through profit or loss category comprises financial liabilities that are either held for trading or are designated to eliminate or significantly reduce a measurement or recognition inconsistency that would otherwise arise. The changes in fair value of these financial liabilities are recognised in profit or loss.

(b) Other financial liabilities

Other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts), through the expected life of the financial liability or a shorter period (where appropriate).

4 SIGNIFICANT ACCOUNTING POLICIES (continued)

4.8 Financial instruments (continued)

4.8.3 Equity instruments

Equity instruments classified as equity are measured initially at cost and are not remeasured subsequently.

(a) Ordinary shares

Ordinary shares are classified as equity and recorded at the proceeds received, net of directly attributable transaction costs.

Dividends on ordinary shares are recognised as liabilities when approved for appropriation.

(b) 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. No gain or loss is recognised in profit or loss on the purchases, sales, issue or cancellation of treasury shares.

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

Where treasury shares are cancelled, their costs are transferred to retained earnings.

4.8.4 Derivative financial instruments

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in fair value on derivatives during the reporting period, other than those accounted for under hedge accounting, are recognised directly in profit or loss.

Any derivative embedded in a financial asset is not accounted for separately. Instead, the entire hybrid contract is classified and subsequently measured as either amortised cost or fair value as appropriate.

An embedded derivative is recognised separately from the host contract which is a financial liability as a derivative if, and only if, its risks and characteristics are not closely related to those of the host contract and the host contract is not measured at fair value through profit or loss.

4.8.5 Derecognition

A financial asset or part of it is derecognised when, and only when, the contractual rights to the cash flows from the financial asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. On derecognition of a financial asset measured at amortised cost, the difference between the carrying amount of the asset and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of a debt instrument classified as fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the fair value reserve is reclassified from equity to profit or loss. In contrast, there is no subsequent reclassification of the fair value reserve to profit or loss following the derecognition of an equity investment.

NOTES TO THE FINANCIAL STATEMENTS
31 March 2021 (continued)

4 SIGNIFICANT ACCOUNTING POLICIES (continued)

4.8 Financial instruments (continued)

4.8.5 Derecognition (continued)

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged or cancelled or expires. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

4.8.6 Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specific debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantee contracts are recognised initially as liabilities at fair value, net of transaction costs. Subsequent to initial recognition, financial guarantee contracts are recognised as income in profit or loss over the period of the guarantee or, when there is no specific contractual period, recognised in profit or loss upon discharge of the guarantee. If the debtor fails to make payment relating to a financial guarantee contract when it is due and the Group, as the issuer, is required to reimburse the holder for the associated loss, the liability is measured at the higher of the amount of the credit loss determined in accordance with the expected credit loss model and the amount initially recognised less cumulative amortisation.

4.9 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, bank balances, demand deposits, and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value with original maturity periods of three months or less. For the purpose of the statement of cash flows, cash and cash equivalents are presented net of bank overdrafts.

4.10 Leases

The Group assesses whether a contract is or contains a lease, at the inception of the contract. The Group recognises a right-of-use asset and corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for low-value assets and short-term leases with 12 months or less. For these leases, the Group recognises the lease payments as an operating expense on a straight-line method over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use assets and the associated lease liabilities are presented as a separate line item in the statements of financial position.

The right-of-use asset is initially measured at cost. Cost includes the initial amount of the corresponding lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred, less any incentives received.

The right-of-use asset is subsequently measured at cost less accumulated depreciation and any impairment losses, and adjusted for any remeasurement of the lease liability. The depreciation starts from the commencement date of the lease. If the lease transfers ownership of the underlying asset to the Group or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. Otherwise, the Group depreciates the right-of-use asset to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of the right-of-use assets are determined on the same basis as those property, plant and equipment.

4 SIGNIFICANT ACCOUNTING POLICIES (continued)

4.10 Leases (continued)

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

The lease liability is subsequently measured at amortised cost using the effective interest method. It is remeasured when there is a change in the future lease payments (other than lease modification that is not accounted for as a separate lease) with the corresponding adjustment is made to the carrying amount of the right-of-use asset or is recognised in profit or loss if the carrying amount has been reduced to zero.

4.11 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.

4.12 Income taxes

Income taxes include all domestic and foreign taxes on taxable profit. Taxes in the statements of profit or loss 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.

NOTES TO THE FINANCIAL STATEMENTS
31 March 2021 (continued)

4 SIGNIFICANT ACCOUNTING POLICIES (continued)

4.12 Income taxes (continued)

(b) Deferred tax (continued)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same taxation authority.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

4.13 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.

4.14 Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that an outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the financial statements, unless the probability of outflow of economic benefits is remote. When a change in the probability of an outflow occurs so that the outflow is probable, it will then be recognised as a provision.

4.15 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.

4 SIGNIFICANT ACCOUNTING POLICIES (continued)

4.15 Employee benefits (continued)

(b) Defined contribution plan

The Company and its subsidiaries incorporated in Malaysia make contributions to a statutory provident fund. The contributions are recognised as a liability after deducting any contribution already paid and as an expense in the period in which the employees render their services.

(c) Share-based payment transactions

At grant date, the fair value of options granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period in which the employees become unconditionally entitled to the options. The amount recognised as an expense is adjusted to reflect the actual number of share options that are expected to vest.

Upon expiry of the share option, the employee share option is transferred to retained earnings. When the share options are exercised, the employee share option reserve is transferred to share capital if new ordinary shares are issued.

4.16 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.

4.17 Revenue recognition

Revenue is measured at its transaction price, being the amount of consideration which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, net of sales and service tax, returns, rebates and discounts.

The Group recognises revenue when it transfers control over a product or service to customer. An asset is transferred when the customer obtains control of that asset.

NOTES TO THE FINANCIAL STATEMENTS
31 March 2021 (continued)

4 SIGNIFICANT ACCOUNTING POLICIES (continued)

4.17 Revenue recognition (continued)

Depending on the substance of the contract, revenue is recognised when the performance obligation is satisfied, which may be at a point in time or over time. The Group transfers control of a good or service at a point in time unless one of the following over time criteria is met:

- The customer simultaneously receives and consumes the benefits provided as the Group performs.
- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- The Group's performance does not create an asset with an alternative use and the Group has an enforceable right to payment for performance completed to date.

(a) Sale of goods

Revenue from sale of goods is recognised when the Group has transferred control of the goods to the customer, being when the goods have been delivered to the customer and upon its acceptance. Following delivery, the customer has full discretion over the manner of distribution and price to sell the goods, and bears the risks of obsolescence and loss in relation to the goods.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

(b) Services

Revenue from logistics services is recognised over time in the period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided because the customer receives and uses the benefits simultaneously.

4.18 Revenue from other sources and other operating income

(a) Dividend income

Dividend income is recognised when the right to receive payment is established.

(b) Interest income

Interest income is recognised on an accrual basis using the effective interest method.

(c) Rental income

Rental income is accounted for on a straight-line method over the lease term.

4.19 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 (continued)

4.20 Fair value measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using a valuation technique. The measurement assumes that the transaction takes place either in the principal market or in the absence of a principal market, in the most advantageous market. For non-financial asset, the fair value measurement takes into account a market's participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. However, this basis does not apply to share-based payment transactions.

For financial reporting purposes, the fair value measurements are analysed into level 1 to level 3 as follows:

(a) Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liability that the entity can access at the measurement date;

(b) Level 2: Inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and

(c) Level 3: Inputs are unobservable inputs for the asset or liability.

The transfer of fair value between levels is determined as of the date of the event or change in circumstances that caused the transfer.

4.21 Earnings per ordinary share

Basic earnings per ordinary share is calculated by dividing the consolidated profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the reporting period, adjusted for own shares held.

Diluted earnings per ordinary share is determined by adjusting the consolidated profit or loss attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effect of all dilutive potential ordinary shares, which comprise share options granted to employees.

NOTES TO THE FINANCIAL STATEMENTS
31 March 2021 (continued)

5 NEW ACCOUNTING STANDARDS AND INTERPRETATIONS

5.1 During the financial year, the Group has adopted the following new accounting standards and interpretations (including the consequential amendments, if any):

Description
Amendments to MFRS 3: Definition of a Business
Amendments to MFRS 4: Extension of the Temporary Exemption from Applying MFRS 9
Amendments to MFRS 7, MFRS 9 and MFRS 139: Interest Rate Benchmark Reform
Amendments to MFRS 101 and MFRS 108: Definition of Material
Amendments to References to the Conceptual Framework in MFRS Standards

The adoption of the above accounting standards and interpretations (including the consequential amendments, if any) did not have any material impact on the Group's financial statements.

5.2 At the date of authorisation of these financial statements, the following accounting standards and interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective and have not been adopted by the Group:

Description	Effective Date
MFRS 17: Insurance Contracts	1 January 2023
Amendments to MFRS 3: Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16: Interest Rate Benchmark Reform - Phase 2	1 January 2021
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 16: Covid-19-Related Rent Concessions	1 June 2020
Amendment to MFRS 16: Covid-19-Related Rent Concessions beyond 30 June 2021	1 April 2021
Amendments to MFRS 17: Insurance Contracts	1 January 2023
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to MFRS 101: Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108: Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 116: Property, Plant and Equipment - Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137: Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to MFRS Standards 2018 – 2020 Cycles	1 January 2022

The adoption of the above accounting standards and interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group upon their initial application.

6 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The outbreak of the COVID-19 has brought unprecedented challenges and added economic uncertainties in Malaysia and markets in which the Group operates. While the Group has considered the potential financial impact of the COVID-19 pandemic in the preparation of these financial statements, the full financial impact to the Group remains uncertain. Accordingly, there is a possibility that factors not currently anticipated by management could occur in the future and therefore affect the recognition and measurement of the Group's assets and liabilities at the reporting date.

(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 other than as discussed below:

6 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

(a) Critical judgements made in applying accounting policies (continued)

(i) Lease terms

Some leases contain extension options exercisable by the Group before the end of the non-cancellable contract period. In determining the lease term, management considers all facts and circumstances including the past practice and any cost that will be incurred to change the asset if an option to extend is not taken. An extension option is only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

(ii) Share-based payments

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity investments at the date at which they are granted. The estimating of the fair value requires determining the most appropriate valuation model for a grant of equity instruments, which is dependent on the terms and conditions of the grant. This also requires determining the most appropriate inputs to the valuation model including the expected life of the option volatility and dividend yield and making assumptions about them.

(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.

(ii) Depreciation of property, plant and equipment and right-of-use assets

The estimates for the residual values, useful lives and related depreciation charges for the property, plant and equipment and right-of-use assets are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions. The Group anticipates that the residual values of its property, plant and equipment and right-of-use assets except for the vessels of the Group will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised. The carrying amounts of property, plant and equipment and right-of-use assets as at the reporting date are disclosed in Note 7 and Note 8 to the financial statements respectively.

(iii) Impairment of trade receivables

The Group uses the simplified approach to estimate a lifetime expected credit loss allowance for all trade receivables. The Group develops the expected loss rates based on the payment profiles of past sales (including changes in the customer payment profile in response to the COVID-19 pandemic) and the corresponding historical credit losses, and adjusts for qualitative and quantitative reasonable and supportable forward-looking information. If the expectation is different from the estimation, such difference will impact the carrying values of trade receivables and contract assets. The carrying amount of trade receivables as at the reporting date are disclosed in Note 12 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
31 March 2021 (continued)

6 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

(b) Key sources of estimation of uncertainties (continued)

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: (continued)

(iv) Impairment of non-trade receivables

The loss allowances for non-trade financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting appropriate inputs to the impairment calculation, based on the past payment trends, existing market conditions as well as forward-looking estimates incorporating the impact of COVID-19 pandemic at the end of each reporting period. The carrying amounts of other receivables and amounts owing by subsidiaries as at the reporting date are disclosed in Note 12 to the financial statements.

(v) Fair value of financial instruments

The methods and assumptions used by the management to determine the fair values of financial instruments are as follows:

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

- 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.

(vi) 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.

(vii) Impairment of property, plant and equipment and right-of-use assets

The Group determines whether its property, plant and equipment and right-of-use assets are impaired by evaluating the extent to which the recoverable amount of the asset is less than its carrying amount. This evaluation is subject to changes such as market performance, economic and political situation of the country. A variety of methods is used to determine the recoverable amount, such as valuation reports and discounted cash flows. The carrying amounts of property, plant and equipment and right-of-use assets as at the reporting date are disclosed in Note 7 and Note 8 to the financial statements respectively.

7 PROPERTY, PLANT AND EQUIPMENT

Group

Carrying amount	At 1 April RM	Additions RM	Disposals RM	Impairment loss RM	Reclassfication RM	Disposals of subsidiaries (Note 32) RM	Depreciation RM	At 31 March RM
2020/2021								
Freehold land	12,349,616	-	-	-	-	-	-	12,349,616
Buildings	7,975,772	130,173	-	-	21,068,166	-	(331,167)	28,842,944
Motor vehicles	268,311	303,325	(63,250)	-	-	-	(196,681)	311,705
Office equipment	121,871	13,610	-	-	-	-	(53,102)	82,379
Operating equipment	9,165,635	70,638	(166,022)	-	-	-	(1,557,169)	7,513,082
Plant and machinery	-	1,612,083	(1,520,501)	-	-	-	(40,302)	51,280
Vessel equipment	87,219	-	-	-	-	-	(20,252)	66,967
Vessels	1,587,300	-	(214,500)	-	-	(429,000)	-	943,800
Construction work-in-progress	8,660,330	18,700,785	-	-	(21,068,166)	-	-	6,292,949
	40,216,054	20,830,614	(1,964,273)	-	-	(429,000)	(2,198,673)	56,454,722
2019/2020								
Freehold land	19,135,155	-	-	-	-	(6,785,539)	-	12,349,616
Buildings	36,327,849	632,495	-	-	6,979,128	(34,986,881)	(976,819)	7,975,772
Motor vehicles	618,867	6,400	-	-	-	(120,911)	(236,045)	268,311
Office equipment	343,160	109,601	(462)	(33,332)	-	(173,935)	(123,161)	121,871
Operating equipment	22,999,322	3,075,730	(636,791)	-	-	(12,261,209)	(4,011,417)	9,165,635
Plant and machinery	298,931	-	-	(258,251)	-	-	(40,680)	-
Vessel equipment	346,788	1,100	-	(183,530)	-	-	(77,139)	87,219
Vessels	10,311,926	-	-	(8,196,574)	-	-	(528,052)	1,587,300
Construction work-in-progress	6,252,250	9,387,208	-	-	(6,979,128)	-	-	8,660,330
	96,634,248	13,212,534	(637,253)	(8,671,687)	-	(54,328,475)	(5,993,313)	40,216,054

NOTES TO THE FINANCIAL STATEMENTS
31 March 2021 (continued)

7 PROPERTY, PLANT AND EQUIPMENT (continued)

Group

	Cost RM	Accumulated depreciation RM	Accumulated impairment losses RM	Carrying amount RM
At 31.3.2021				
Freehold land	12,349,616	-	-	12,349,616
Buildings	29,480,058	(637,114)	-	28,842,944
Motor vehicles	1,418,723	(1,107,018)	-	311,705
Office equipment	924,814	(821,874)	(20,561)	82,379
Operating equipment	23,412,167	(15,899,085)	-	7,513,082
Plant and machinery	567,918	(260,139)	(256,499)	51,280
Vessel equipment	850,509	(670,317)	(113,225)	66,967
Vessels	11,157,213	(6,597,157)	(3,616,256)	943,800
Construction work-in-progress	6,292,949	-	-	6,292,949
	86,453,967	(25,992,704)	(4,006,541)	56,454,722
At 31.3.2020				
Freehold land	12,349,616	-	-	12,349,616
Buildings	8,281,719	(305,947)	-	7,975,772
Motor vehicles	1,401,231	(1,132,920)	-	268,311
Office equipment	993,057	(837,854)	(33,332)	121,871
Operating equipment	23,942,577	(14,776,942)	-	9,165,635
Plant and machinery	682,223	(423,972)	(258,251)	-
Vessel equipment	1,129,220	(858,471)	(183,530)	87,219
Vessels	21,079,553	(10,181,767)	(9,310,486)	1,587,300
Construction work-in-progress	8,660,330	-	-	8,660,330
	78,519,526	(28,517,873)	(9,785,599)	40,216,054

The titles of certain freehold land and buildings are in the process of being registered in the Group's name by the relevant authority.

Company	At 1 April RM	Addition RM	Depreciation RM	At 31 March RM
2020/2021				
Office equipment	1,150	-	(318)	832
2019/2020				
Office equipment	13,510	1,250	(13,610)	1,150

	Cost RM	Accumulated depreciation RM	Carrying amount RM
At 31.3.2021			
Office equipment	340,122	(339,290)	832
At 31.3.2020			
Office equipment	340,122	(338,972)	1,150

8 RIGHT-OF-USE ASSETS

Group Carrying amount	At 1 April RM	Additions (Note 18) RM	Disposals RM	Disposals of subsidiaries (Note 32) RM	Depreciation RM	At 31 March RM
2020/2021						
Leasehold land under Sale and Purchase Agreements	25,703,357	-	-	-	(387,537)	25,315,820
Leasehold land under Lease Agreement	16,319,540	-	-	-	(548,556)	15,770,984
	42,022,897	-	-	-	(936,093)	41,086,804
2019/2020						
Leasehold land under Sale and Purchase Agreements	34,583,906	-	(8,387,424)	-	(493,125)	25,703,357
Leasehold land under Lease Agreement	-	25,242,653	-	(8,493,111)	(430,002)	16,319,540
	34,583,906	25,242,653	(8,387,424)	(8,493,111)	(923,127)	42,022,897

	Cost RM	Accumulated depreciation RM	Carrying amount RM
At 31.3.2021			
Leasehold land under Sale and Purchase Agreements	27,249,042	(1,933,222)	25,315,820
Leasehold land under Lease Agreement	16,456,679	(685,695)	15,770,984
	43,705,721	(2,618,917)	41,086,804
At 31.3.2020			
Leasehold land under Sale and Purchase Agreements	27,249,042	(1,545,685)	25,703,357
Leasehold land under Lease Agreement	16,456,679	(137,139)	16,319,540
	43,705,721	(1,682,824)	42,022,897

(a) Certain leasehold land under Sale and Purchase Agreements of the Group which amounted to RM25,315,820 (2020: RM25,703,357) have been pledged to licensed banks as security for banking facilities granted to the Group as disclosed in Note 19 to the financial statements.

(b) The leasehold land under Lease Agreement of the Group at the reporting period is used in operations and its lease term is 30 years. The Lease Agreement includes extension and termination options which are negotiated by management to provide flexibility in managing the portfolio of leased asset and align with the Group's business needs. Management exercises judgement in determining whether the extension and termination options are reasonably certain to be exercised.

(c) The Group also has leases with lease terms of 12 months or less and leases of office equipment with low value. The Group has applied the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

NOTES TO THE FINANCIAL STATEMENTS
31 March 2021 (continued)

9 INVESTMENTS IN SUBSIDIARIES

Company	2021 RM	2020 RM
Unquoted shares, at cost		
At 1 April 2020/2019	20,658,935	59,150,019
Acquisitions (Note 31)	-	630,000
Disposals (Note 32)	(1,000,000)	(29,537,371)
Impairment loss	-	(10,783,713)
Reversal of impairment loss	-	1,200,000
At 31 March	19,658,935	20,658,935

Details of the subsidiaries are as follows:

Name of company	Principal Place of Business/Country of Incorporation	Percentage of issued share capital held by parent 2021	2020	Principal activities
Channel Legion Sdn. Bhd. #	Malaysia	50%	50%	Investment holding
Complete Logistic Specialists Sdn. Bhd.	Malaysia	100%	100%	Total logistics services provider
Complete Marine Services Sdn. Bhd.	Malaysia	-	100%	Shipowner and provision of marine transportation services
Ecocentre Sdn. Bhd. #	Malaysia	65%	65%	Dormant
Guper Bonded Warehouse Sdn. Bhd. #	Malaysia	100%	100%	Investment holding
Guper Properties Sdn. Bhd. #	Malaysia	100%	100%	Insurance agents
Guper Resources Sdn. Bhd. #	Malaysia	100%	100%	Investment holding
Island Network Sdn. Bhd.	Malaysia	100%	100%	General trading
Malsuria Logistics Sdn. Bhd.	Malaysia	100%	100%	Shipowner and provision of marine transportation services
Malsuria (M) Sdn. Bhd.	Malaysia	100%	100%	Shipowner and provision of marine transportation services
Malsuria Tanker Services Sdn. Bhd.	Malaysia	-	100%	Shipowner and provision of marine transportation services
Pengangkutan Sekata Sdn. Bhd.	Malaysia	100%	100%	Lorry transport operator
CIBC Technology Sdn. Bhd. (Formerly known as Sierra Jaya Sdn. Bhd.)	Malaysia	100%	100%	Shipowner and provision of marine transportation services
Sin Hiap Hoe Trading & Transport Sdn. Berhad #	Malaysia	100%	100%	Lorry transport operator
Ultra Trinity Sdn. Bhd. #	Malaysia	100%	100%	Investment holding
Subsidiary of Pengangkutan Sekata Sdn. Bhd.				
Dian Pahlawan Sdn. Bhd. #	Malaysia	100%	100%	Lorry transport operator

Not audited by Crowe Malaysia PLT

9 INVESTMENTS IN SUBSIDIARIES (continued)

(a) Details of the acquisitions of subsidiaries are disclosed in Note 31 to the financial statements.

(b) Details of the disposals of subsidiaries are disclosed in Note 32 to the financial statements.

(c) In the previous financial year, the Company had carried out a review of the recoverable amounts of its investments in certain subsidiaries that had been persistently making losses. A net impairment losses of RM9,583,713, representing the write-down of the investments to their recoverable amounts were recognised in “Other expenses” and “Other income” line items of the statements of profit or loss and other comprehensive income respectively.

(d) The non-controlling interests at the end of the reporting period comprise the following:

Group	**2021** **RM**	**2020** **RM**
Ecocentre Sdn. Bhd.	39,332	764,239
Channel Legion Sdn. Bhd. (“CL”)	(24,740)	235,365
	14,592	999,604

The summarised financial information (before intra-group elimination) for the subsidiaries that has non-controlling interests that are material to the Group is as follows:

	Ecocentre Sdn. Bhd.	
	2021 **RM**	**2020** **RM**
At 31 March		
Current assets	704,730	2,239,903
Current liabilities	(592,346)	(56,361)
Net assets	112,384	2,183,542
Financial year ended 31 March		
Revenue	-	-
Loss after tax/Total comprehensive expenses	(71,158)	(76,951)
Total comprehensive expenses attributable to non-controlling interests	(24,907)	(26,934)
Net cash from operating activities	830,600	1,307,901
Net cash from/(used in) investing activities	1,235,558	(1,224,939)
Net cash used in financing activities	(1,465,501)	(16,801)

NOTES TO THE FINANCIAL STATEMENTS
31 March 2021 (continued)

9 INVESTMENTS IN SUBSIDIARIES (continued)

(d) The non-controlling interests at the end of the reporting period comprise the following: (continued)

	CL 2021 RM	CL 2020 RM
At 31 March		
Non-current assets	28,292,283	16,319,540
Current assets	734,674	547,445
Non-current liabilities	(15,596,690)	(15,819,617)
Current liabilities	(13,479,744)	(576,637)
Net (liabilities)/assets	(49,477)	470,731
Financial year ended 31 March		
Revenue	645,598	-
Loss after tax/Total comprehensive expenses	(520,208)	(89,269)
Total comprehensive expenses attributable to non-controlling interests	(260,105)	(44,635)
Net cash from/(used in) operating activities	1,727,380	(25,957)
Net cash used in investing activities	(12,521,299)	-
Net cash from financing activities	10,819,282	-

10 INVESTMENTS IN ASSOCIATES

	Group 2021 RM	Group 2020 RM	Company 2021 RM	Company 2020 RM
Unquoted shares, at cost	21,400,000	21,400,000	21,400,000	21,400,000
Share of post acquisition results	1,998,549	238,098	-	-
	23,398,549	21,638,098	21,400,000	21,400,000

Details of the associates are as follows:

Name of company	Principal Place of Business/Country of Incorporation	Effective equity interest 2021	Effective equity interest 2020	Principal activities
Dolphin Shipping Agency Sdn. Bhd. # ("DSA")	Malaysia	20%	20%	Shipping agent for provision of freight services
Gems Logistics Sdn. Bhd. # ("GL")	Malaysia	20%	20%	Provision of warehousing services
Guper Integrated Logistics Sdn. Bhd. # ("GIL")	Malaysia	20%	20%	Provision of total logistic services with haulage, forwarding and other associated services

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10 INVESTMENTS IN ASSOCIATES (continued)

The summarised financial information (after any fair value adjustment at acquisition date) for the associates that are material to the Group is as follows:

	DSA RM	GIL RM	GL RM	Total RM
At 31 March 2021				
Non-current assets	16,208,577	42,971,523	24,833,597	84,013,697
Current assets	2,480,323	47,607,618	539,354	50,627,295
Non-current liabilities	-	(16,883,500)	(12,992,568)	(29,876,068)
Current liabilities	(16,091,084)	(10,459,461)	(7,801,018)	(34,351,563)
Net assets	2,597,816	63,236,180	4,579,365	70,413,361
At 31 March 2020				
Non-current assets	16,468,570	41,966,537	21,432,496	79,867,603
Current assets	3,206,645	44,734,972	890,117	48,831,734
Non-current liabilities	-	(21,233,035)	(8,724,719)	(29,957,754)
Current liabilities	(17,281,989)	(9,413,595)	(10,434,892)	(37,130,476)
Net assets	2,393,226	56,054,879	3,163,002	61,611,107
Financial year ended 31 March 2021				
Revenue	5,135,619	46,763,138	3,703,124	55,601,881
Profit after tax/ Total comprehensive income	204,589	7,181,300	1,416,363	8,802,252
Financial year ended 31 March 2020				
Revenue	8,090,261	47,462,595	4,007,548	59,560,404
Profit after tax/ Total comprehensive income	307,823	31,745,511	1,795,820	33,849,154
Reconciliation of net assets to carrying amount				
2021				
Group's share of net assets	519,563	12,647,236	915,873	14,082,672
Gain on remeasuring to the fair value of the retained interests in the former subsidiaries	1,118,344	7,379,051	818,482	9,315,877
Carrying amount of the Group's interests in the associates	1,637,907	20,026,287	1,734,355	23,398,549
2020				
Group's share of net assets	478,645	11,210,976	632,600	12,322,221
Gain on remeasuring to the fair value of the retained interests in the former subsidiaries	1,118,344	7,379,051	818,482	9,315,877
Carrying amount of the Group's interests in the associates	1,596,989	18,590,027	1,451,082	21,638,098

NOTES TO THE FINANCIAL STATEMENTS
31 March 2021 (continued)

11 OTHER INVESTMENT

	Group 2021 RM	Group 2020 RM	Company 2021 RM	Company 2020 RM
Quoted ordinary shares, at fair value				
- Classic Scenic Berhad	29,160,000	-	29,160,000	-

The Group has designated its equity investment at fair value through other comprehensive income because the Group intends to hold for long-term strategic purposes.

12 TRADE AND OTHER RECEIVABLES

	Group 2021 RM	Group 2020 RM	Company 2021 RM	Company 2020 RM
Trade receivables				
Third parties	10,008,605	14,293,648	-	-
Subsidiary	-	-	14,000	14,000
Related parties	193,882	93,306	-	-
Less: Impairment loss on third party receivables	(763,381)	(421,216)	-	-
	9,439,106	13,965,738	14,000	14,000
Other receivables				
Subsidiaries	-	-	70,113,112	60,602,556
Other receivables	281,981	534,646	-	410
Associate	63,243	2,543,422	-	2,543,422
Deposits	2,206,537	1,628,565	2,000	2,000
Prepayments	228,927	341,307	15,000	15,000
	2,780,688	5,047,940	70,130,112	63,163,388
	12,219,794	19,013,678	70,144,112	63,177,388

(a) Trade receivables are non-interest bearing and the normal trade credit terms granted by the Group range from 1 to 4 (2020: 1 to 4) months.

(b) Movement of the impairment loss on third party receivables is as follows:

Group	2021 RM	2020 RM
At 1 April 2020/2019	(421,216)	(527,373)
Addition	(342,165)	(169,124)
Written off	-	253,415
Disposal of a subsidiary	-	21,866
At 31 March	(763,381)	(421,216)

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

(d) Amount owing by an associate represents payment made on behalf, which is unsecured, interest-free and repayable on demand.

13 CASH AND CASH EQUIVALENTS

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Fixed deposits with a licensed bank	165,000	165,000	-	-
Short-term investments	33,609,232	79,782,523	33,609,232	79,782,523
Cash and bank balances	16,077,707	19,125,197	11,160,712	15,528,759
As per statements of financial position	49,851,939	99,072,720	44,769,944	95,311,282
Fixed deposits pledged to a licensed bank	(165,000)	(165,000)	-	-
As per statements of cash flows	49,686,939	98,907,720	44,769,944	95,311,282

(a) Fixed deposits of the Group at the end of the reporting period have maturity period of 12 (2020: 12) months.

(b) Effective interest rate of the fixed deposits of the Group is 1.60% (2020: 1.60%) per annum.

(c) Short-term investments are investments in cash funds which are designated as fair value through profit or loss.

(d) The reconciliations of liabilities arising from financing activities are as follows:

Group	2021 RM	2020 RM
Term loans		
At 1 April 2020/2019	15,196,060	18,235,541
Changes in financing cash flows:		
Proceeds from drawdown	6,000,000	5,608,361
Repayment of borrowing principal	(4,185,371)	(5,869,021)
Repayment of borrowing interests	(419,522)	(821,050)
	1,395,107	(1,081,710)
Non-cash changes:		
Disposals of subsidiaries (Note 32)	-	(2,778,821)
Finance charges recognised in profit or loss (Note 26)	419,522	821,050
	419,522	(1,957,771)
At 31 March	17,010,689	15,196,060

NOTES TO THE FINANCIAL STATEMENTS
31 March 2021 (continued)

14 SHARE CAPITAL

Group and Company	2021 Number of shares	2021 RM	2020 Number of shares	2020 RM
Issued and fully paid-up:				
At 1 April 2020/2019	126,998,500	70,477,440	125,410,600	68,850,085
Issued during the financial year	1,650,500	1,920,486	1,587,900	1,627,355
At 31 March	128,649,000	72,397,926	126,998,500	70,477,440

15 RETAINED EARNINGS

Company

Under the single tier tax system, tax on the Company's profits is the final tax and accordingly, any dividends to the shareholders are not subject to tax.

16 OTHER RESERVES

		Group 2021 RM	Group 2020 RM	Company 2021 RM	Company 2020 RM
Non-distributable					
Fair value reserve	(a)	(227,851)	-	(227,851)	-
Share option reserve	(b)	55,162	732,353	55,162	732,353
		(172,689)	732,353	(172,689)	732,353

(a) Fair value reserve

The fair value reserve represents the cumulative fair value changes of investments designated at fair value through other comprehensive income.

16 OTHER RESERVES (continued)

(b) Share option reserve

The share option reserve represents the equity-settled share options granted to directors and employees of the Group.

In previous financial years, the Company granted share options to eligible directors and employees of the Group under the Share Issuance Scheme ("SIS") approved by the shareholders of the Company at the extraordinary general meeting held on 25 September 2013 to subscribe for a total of 6,400,000 ordinary shares at an exercise price of RM0.62 per share ("SIS 1"), out of which 200,000 (2020: 50,000) ordinary shares were forfeited during the financial year due to the resignations of employees and a total of 40,000 (2020: 573,000) ordinary shares were exercisable at the end of the reporting period. On 27 June 2016, the Company has granted share options to eligible directors and employees of the Group under the SIS to subscribe for a total of 845,000 ordinary shares at an exercise price of RM0.68 per share ("SIS 2"), out of which 5,000 (2020: 25,000) ordinary shares were forfeited due to the resignations of employees and a total of 34,000 (2020: 375,500) ordinary shares are exercisable at the end of the reporting period. On 28 April 2017, the Company has granted share options to eligible directors and employees of the Group under the SIS to subscribe for a total of 1,055,000 ordinary shares at an exercise price of RM0.88 per share ("SIS 3"), out of which no (2020: 95,000) ordinary shares were forfeited due to the resignations of employees and a total of 39,000 (2020: 770,000) ordinary shares were exercisable at the end of the reporting period. On 3 September 2018, the Company has granted share options to eligible directors and employees of the Group under the SIS to subscribe for a total of 2,328,000 ordinary shares at an exercise price of RM0.55 per share ("SIS 4"), out of which no (2020: 80,000) ordinary shares were forfeited due to the resignations of employees and a total of 20,000 (2020: 270,000) ordinary shares were exercisable at the end of the reporting period.

The share options granted are exercisable at any time from the date of offer up to the date of expiry on 18 November 2018 subject to a maximum percentage of 100% (2020: 100%) of the total number of share options granted in each year from the date of offer. Where the maximum percentage of the share options for a particular period is not fully exercised, the unexercised share options shall be carried forward to the next period and shall not be subject to the maximum percentage for the next period.

On 4 September 2018, the Board has approved to extend its existing SISs' tenure which is expiring on 18 November 2018 for another 5 years until 18 November 2023. These options are exercisable on the specified exercisable period and stated in the SIS By-Laws subject to the options being vested as follows:

	From 19.11.2018	**From 1.4.2019**	**From 1.4.2020**
SIS 1	20%	80%	-
SIS 2	-	50%	50%
SIS 3	-	50%	50%
SIS 4	100%	-	-

NOTES TO THE FINANCIAL STATEMENTS
31 March 2021 (continued)

16 OTHER RESERVES (continued)

(b) Share option reserve (continued)

The number and weighted average exercise prices ("WAEP") of share options are as follows:

Company	**2021**		**2020**	
	WAEP	**Number of options**	**WAEP**	**Number of options**
SIS 1				
Outstanding at 1 April 2020/2019	RM0.62	573,000	RM0.62	1,834,400
Exercised	RM0.62	(333,000)	RM0.62	(1,211,400)
Forfeited	RM0.62	(200,000)	RM0.62	(50,000)
Outstanding at 31 March	RM0.62	40,000	RM0.62	573,000
Exercisable at 31 March	RM0.62	40,000	RM0.62	573,000
SIS 2				
Outstanding at 1 April 2020/2019	RM0.68	375,500	RM0.68	488,000
Exercised	RM0.68	(336,500)	RM0.68	(87,500)
Forfeited	RM0.68	(5,000)	RM0.68	(25,000)
Outstanding at 31 March	RM0.68	34,000	RM0.68	375,500
Exercisable at 31 March	RM0.68	34,000	RM0.68	375,500
SIS 3				
Outstanding at 1 April 2020/2019	RM0.88	770,000	RM0.88	865,000
Exercised	RM0.88	(731,000)	RM0.88	-
Forfeited	RM0.88	-	RM0.88	(95,000)
Outstanding at 31 March	RM0.88	39,000	RM0.88	770,000
Exercisable at 31 March	RM0.88	39,000	RM0.88	770,000
SIS 4				
Outstanding at 1 April 2020/2019	RM0.55	270,000	RM0.55	639,000
Exercised	RM0.55	(250,000)	RM0.55	(289,000)
Forfeited	RM0.55	-	RM0.55	(80,000)
Outstanding at 31 March	RM0.55	20,000	RM0.55	270,000
Exercisable at 31 March	RM0.55	20,000	RM0.55	270,000

16 OTHER RESERVES (continued)

(b) Share option reserve (continued)

The fair value of share options is measured using Black-Scholes model taking into account the following assumptions:

	SIS 1	SIS 2	SIS 3	SIS 4
Fair value at grant date	RM0.217	RM0.122	RM0.266	RM0.266
Exercise price	RM0.62	RM0.68	RM0.88	RM0.55
Share price at grant date	RM0.69	RM0.75	RM1.03	RM0.60
Weighted average share price	RM0.65	RM0.71	RM1.00	RM0.60
Expected life	5 years	874 days	569 days	76 days
Expected dividend yield	0%	0%	0%	0%
Expected volatility	22.62%	8.19%	32.55%	15.06%
Risk-free rate	3.10%	3.05%	3.05%	3.05%

17 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 127(6) of the Companies Act 2016 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 2021, the Company held a total number of 319,300 treasury shares out of its 128,649,000 issued and fully paid-up ordinary shares at a carrying amount of RM131,249.

18 LEASE LIABILITIES

Group	2021 RM	2020 RM
At 1 April 2020/2019	16,394,754	-
Recognised during the financial year (Note 8)	-	25,242,653
Interest expense recognised in profit or loss (Note 26)	822,834	571,790
Repayment of principal	(247,696)	(224,319)
Repayment of interest expense	(822,834)	(571,790)
Disposals of subsidiaries (Note 32)	-	(8,623,580)
At 31 March	16,147,058	16,394,754
Analysed by:		
Current liabilities	550,368	575,137
Non-current liabilities	15,596,690	15,819,617
	16,147,058	16,394,754

NOTES TO THE FINANCIAL STATEMENTS
31 March 2021 (continued)

19 TERM LOANS

Group	2021 RM	2020 RM
Non-current portion		
Repayable between 1 and 2 years	3,106,975	3,889,184
Repayable between 2 and 5 years	7,567,950	5,488,874
Repayable more than 5 years	1,504,022	1,990,436
	12,178,947	11,368,494
Current portion		
Repayable within 1 year	4,831,742	3,827,566
	17,010,689	15,196,060

Term loans are secured by:

(a) a facility agreement as principal instrument;
(b) a corporate guarantee of the Company as disclosed in Note 23;
(c) certain property, plant and equipment of the Group as disclosed in Note 7;
(d) certain right-of-use assets of the Group as disclosed in Note 8; and
(e) a personal guarantee of a Director.

Details of term loans are as follows:

	2021 RM	2020 RM
Term loan I	1,025,747	1,796,665
Term loan II	729,640	1,278,046
Term loan III	525,243	920,042
Term loan IV	758,302	1,458,310
Term loan V	3,720,274	4,434,509
Term loan VI	4,449,259	5,308,488
Term loan VII	5,802,224	-
	17,010,689	15,196,060

	Number of monthly instalments		Monthly instalments RM	Commencement month of repayment	Effective interest rate per annum 2021 %	Effective interest rate per annum 2020 %
Term loan I	84	*	63,929	September 2015	3.36	4.40
Term loan II	84	*	45,477	August 2015	3.36	4.40
Term loan III	84	*	32,739	August 2015	3.36	4.40
Term loan IV	60	*	58,334	May 2017	4.22	4.97
Term loan V	84		69,580	May 2019	3.25	4.00
Term loan VI	84		80,597	November 2019	3.25	4.00
Term loan VII	84	*	71,429	January 2021	3.36	-

* The monthly instalments comprising principal loan repayment only.

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

20 DEFERRED TAX LIABILITIES

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

Group	2021 RM	2020 RM
At 1 April 2020/2019	2,234,992	6,113,092
Recognised in profit or loss (Note 27)	(356,008)	(460,891)
Disposals of subsidiaries (Note 32)	-	(3,417,209)
At 31 March	1,878,984	2,234,992
Presented after appropriate offsetting:		
Deferred tax assets	(190,743)	(536,825)
Deferred tax liabilities	2,069,727	2,771,817
	1,878,984	2,234,992

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

Deferred tax liabilities

Group	Property, plant and equipment RM	Others RM	Total RM
At 1 April 2019	6,376,486	41,776	6,418,262
Recognised in profit or loss	(180,974)	(22,854)	(203,828)
Disposals of subsidiaries	(3,423,695)	(18,922)	(3,442,617)
At 31 March/1 April 2020	2,771,817	-	2,771,817
Recognised in profit or loss	(702,090)	-	(702,090)
At 31 March 2021	2,069,727	-	2,069,727

Deferred tax assets

Group	Unutilised tax losses RM	Unabsorbed capital allowances RM	Provisions RM	Total RM
At 1 April 2019	(3,060)	(247,995)	(54,115)	(305,170)
Recognised in profit or loss	259	(249,797)	(7,525)	(257,063)
Disposals of subsidiaries	-	-	25,408	25,408
At 31 March/1 April 2020	(2,801)	(497,792)	(36,232)	(536,825)
Recognised in profit or loss	(1,175)	329,141	18,116	346,082
At 31 March 2021	(3,976)	(168,651)	(18,116)	(190,743)

NOTES TO THE FINANCIAL STATEMENTS
31 March 2021 (continued)

20 DEFERRED TAX LIABILITIES (continued)

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

Group	2021 RM	2020 RM
Property, plant and equipment	(16,567)	-
Unutilised tax losses	1,307,659	1,322,887
Others	332,133	22,961
	1,623,225	1,345,848

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

21 TRADE AND OTHER PAYABLES

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Trade payables				
Third parties	2,399,654	3,197,167	-	-
Related parties	530,969	585,538	-	-
	2,930,623	3,782,705	-	-
Other payables				
Other payables	5,112,578	2,374,257	21,449	6,366
Related parties	235,093	357,865	2,979	-
Subsidiaries	-	-	591,894	2,026,900
Director	3,414,949	183,587	-	-
Accruals	2,529,248	1,925,115	147,591	141,900
	11,291,868	4,840,824	763,913	2,175,166
	14,222,491	8,623,529	763,913	2,175,166

(a) Trade payables are non-interest bearing and the normal trade credit terms granted to the Group range from 1 to 4 (2020: 1 to 4) months.

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

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

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

22 CAPITAL COMMITMENT

Group	2021 RM	2020 RM
Approved and contracted for:		
Purchase of property, plant and equipment	7,914,983	7,436,895

23 FINANCIAL GUARANTEE CONTRACTS

Company	2021 RM	2020 RM
Secured		
Corporate guarantee given to licensed banks for banking facilities granted to certain subsidiaries (Note 19)	17,010,689	15,196,060

24 REVENUE

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Timing of revenue recognition:				
Over time:				
Rendering of services	40,288,858	105,684,687	-	-
Management fee receivable	-	-	84,000	84,000
At a point in time:				
Sale of goods	2,058,624	2,484,651	-	-
Dividend income from subsidiaries	-	-	3,520,000	34,366,473
	42,347,482	108,169,338	3,604,000	34,450,473

25 COST OF SALES

Group	2021 RM	2020 RM
Purchase of goods	1,802,732	2,052,309
Services rendered	35,319,551	88,147,918
	37,122,283	90,200,227

NOTES TO THE FINANCIAL STATEMENTS
31 March 2021 (continued)

26 PROFIT BEFORE TAX

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Profit before tax is arrived at after (charging)/crediting:				
Auditors' remuneration:				
Statutory audit				
- current year	(141,200)	(132,900)	(50,000)	(30,000)
- underprovision in prior years	(16,000)	(15,000)	(15,000)	(15,000)
Other audit services	(5,000)	(5,000)	(5,000)	(5,000)
Bad debts written off	-	(16,254)	-	-
Depreciation of property, plant and equipment (Note 7)	(2,198,673)	(5,993,313)	(318)	(13,610)
Depreciation of right-of-use assets (Note 8)	(936,093)	(923,127)	-	-
Directors' remuneration:				
Directors of the Company				
- fees	(88,781)	(111,000)	(88,781)	(111,000)
- other emoluments	(750,573)	(967,449)	(12,500)	(8,750)
Directors of the subsidiaries				
- other emoluments	-	(223,947)	-	-
Impairment loss on:				
- investments in subsidiaries (Note 9)	-	-	-	(10,783,713)
- property, plant and equipment (Note 7)	-	(8,671,687)	-	-
- trade receivables (Note 12)	(342,165)	(169,124)	-	-
Interest expense on:				
- bank overdraft	-	(47,780)	-	-
- lease liabilities (Note 18)	(822,834)	(571,790)	-	-
- term loans (Note 13)	(419,522)	(821,050)	-	-
Loss on disposal of property, plant and equipment	-	(10,411)	-	-
Realised loss on foreign exchange	(51,008)	(95,644)	-	-
Share option expense	(118,805)	(423,930)	(118,805)	(423,930)
Unrealised loss on foreign exchange	(5,661)	(9,670)	-	-
Bad debts recovered	39,728	-	-	-
Dividend income from subsidiaries (Note 24)	-	-	3,520,000	34,366,473
Gain on disposals of subsidiaries	731,038	36,303,945	502,000	60,898,028
Gain on remeasuring to the fair value of the retained interests in the former subsidiaries	-	9,315,877	-	15,608,041
Gain on disposal of property, plant and equipment	474,422	2,814,713	-	-
Interest income from:				
- fixed deposits	211,525	65,423	211,525	-
- short-term investments	823,611	474,110	823,611	474,110
- others	1,013,276	112,817	998,694	57,262
Rental income from:				
- office	8,000	32,000	-	-
- operating equipment	-	6,000	-	-
Reversal of impairment loss on:				
- investments in subsidiaries (Note 9)	-	-	-	1,200,000
Realised gain on foreign exchange	55,886	119,151	-	-
Unrealised gain on foreign exchange	2,399	272	-	-

27 TAX EXPENSE

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Current tax	1,093,368	3,109,342	298,290	33,867
Deferred tax (Note 20)	(252,923)	(327,611)	-	-
	840,445	2,781,731	298,290	33,867
(Over)/Underprovision in prior years:				
Current tax	(16,114)	290,760	(33,867)	(24,512)
Deferred tax (Note 20)	(103,085)	(133,280)	-	-
	(119,199)	157,480	(33,867)	(24,512)
	721,246	2,939,211	264,423	9,355

Current tax expense is calculated at the statutory tax rate of 24% (2020: 24%) of the estimated taxable profit for the fiscal year.

The shipping income of the Group is exempted from tax under Section 54A of the Income Tax Act 1967 and the tax exemption was extended up to the year of assessment 2023 via a letter from the Ministry of Finance dated 10 July 2020.

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		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Profit before tax	4,274,652	49,180,048	5,415,359	100,997,122
Tax rate of 24% (2020: 24%)	1,025,916	11,803,212	1,299,686	24,239,309
Tax effects in respect of:				
Non-allowable expenses	630,332	4,998,236	161,551	2,956,882
Non-taxable income	(781,410)	(13,465,531)	(1,162,947)	(27,162,324)
Utilisation of deferred tax assets not recognised in prior years	-	(62,696)	-	-
Deferred tax assets not recognised	66,570	-	-	-
Tax-exempt income	(100,963)	(491,490)	-	-
	840,445	2,781,731	298,290	33,867
(Over)/Underprovision in prior years:				
Current tax	(16,114)	290,760	(33,867)	(24,512)
Deferred tax	(103,085)	(133,280)	-	-
	721,246	2,939,211	264,423	9,355

NOTES TO THE FINANCIAL STATEMENTS
31 March 2021 (continued)

27 TAX EXPENSE (continued)

Subject to the agreement of the Inland Revenue Board, certain subsidiaries have unabsorbed capital allowances and unutilised tax losses amounting to approximately RM772,000 (2020: RM1,308,000) and RM6,485,000 (2020: RM6,367,000) respectively which are available to offset against their future taxable profits.

The unused tax losses expire at end of the year of assessment 2025 but the unabsorbed capital allowances can be carried forward indefinitely to be utilised against income from the same business source, subject to no substantial change in shareholders of the subsidiaries.

28 DIVIDENDS

	2021		2020	
	Gross dividend per share RM	Amount of dividend RM	Gross dividend per share RM	Amount of dividend RM
Interim tax-exempt dividend paid	0.16	20,325,952	0.16	20,268,672

29 EARNINGS PER ORDINARY SHARE

(a) Basic

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

Group	2021	2020
Profit after tax (RM)	3,838,418	46,312,406
Weighted average number of ordinary shares in issue:		
At 1 April 2020/2019	126,213,705	123,632,283
Effect of new ordinary shares issued	884,011	2,581,422
At 31 March	127,097,716	126,213,705
Basic earnings per ordinary share (sen)	3.0	36.7

29 EARNINGS PER ORDINARY SHARE (continued)

(b) Diluted

The diluted earnings per ordinary share has been calculated based on the consolidated profit after tax attributable to the owners of the Company divided by the weighted average number of ordinary shares in issue after adjustment for the effects all dilutive potential ordinary shares during the financial year.

Group	2021	2020
Profit after tax (RM)	3,838,418	46,312,406
Weighted average number of ordinary shares for basic earnings per share	127,097,716	126,213,705
Effect of share options issued	87,312^	106,027
Weighted average number of ordinary share for diluted earnings per share	127,185,028	126,319,732
Diluted earnings per ordinary share (sen)	3.0	36.7

^ - At the reporting date, the Company's SIS 3 do not have any dilutive effects to the Group's earning per share as the share option exercise price is higher than the market price.

The effects of the share options issued on the diluted earning per share have only accounted for SIS 1, SIS 2 and SIS 4.

30 EMPLOYEE BENEFITS

	Group 2021 RM	Group 2020 RM	Company 2021 RM	Company 2020 RM
Wages, salaries and bonuses	4,137,796	12,656,504	96,000	112,500
Defined contribution plans	401,510	1,323,114	-	1,980
Social security contributions	51,896	181,018	593	824
Other benefits	542,816	807,247	-	110
	5,134,018	14,967,883	96,593	115,414

NOTES TO THE FINANCIAL STATEMENTS
31 March 2021 (continued)

31 ACQUISITIONS OF SUBSIDIARIES

There were no acquisitions of subsidiaries during the financial year.

In the previous financial year, Pengangkutan Sekata Sdn. Bhd., a wholly-owned subsidiary of the Company had on 16 December 2019 transferred its investment in Sin Hiap Hoe Trading & Transport Sdn. Berhad to the Company for a total consideration of RM350,000. The transfer does not have any effect on the financial results of the Group.

On 16 December 2019, the Company acquired 50% equity interest in Channel Legion Sdn. Bhd. consisting of 250,000 ordinary shares for a total consideration of RM280,000.

Details of the acquisitions are as follows:

	Group RM	Company RM
Other receivables	(500,550)	-
Tax recoverable	(3,600)	-
Cash and cash equivalents	(61,020)	-
Other payables	5,170	-
Fair value of net identifiable assets acquired	(560,000)	-
Investments in subsidiaries	-	(630,000)
Non-controlling interests	280,000	-
Consideration paid	(280,000)	(630,000)
Cash and cash equivalents of a subsidiary acquired	61,020	-
Net cash outflows on acquisitions	(218,980)	(630,000)

The subsidiary acquired had contributed a net loss of RM89,269 to the Group's financial results from the date of acquisition. There were no material impacts to the Group's revenue and profit after tax if the acquisition had occurred on 1 April 2019.

32 DISPOSALS OF SUBSIDIARIES

On 31 March 2021, the Company disposed of the entire equity interest in Complete Marine Services Sdn Bhd ("CMS") and Malsuria Tanker Services Sdn Bhd ("MTS") for cash consideration of RM2,000 and RM1,500,000 respectively.

Details of the disposals are as follows:

	Group RM	Company RM
Investments in subsidiaries	-	1,000,000
Property, plant and equipment	429,000	-
Trade and other receivables	579,820	-
Cash and bank balances	366,917	-
Trade and other payables	(604,967)	-
Tax recoverable	192	-
Carrying amount of net assets disposed of	770,962	1,000,000
Gain on disposals of subsidiaries	731,038	502,000
Net disposals proceeds	1,502,000	1,502,000
Cash and cash equivalents of subsidiaries disposed of	(366,917)	-
Net cash inflows on disposals of subsidiaries	1,135,083	1,502,000

32 DISPOSALS OF SUBSIDIARIES (continued)

In the previous financial year, the Company had on 13 August 2019, disposed of 80% of its equity interests in Dolphin Shipping Agency Sdn. Bhd., Guper Integrated Logistics Sdn. Bhd. and Gems Logistics Sdn. Bhd. (collectively referred to as the "Subject Companies") for a total cash consideration of RM85,600,000. Following the completion of the disposal, the Subject Companies became associates of the Company.

On 30 March 2020, the Company disposed of the entire equity interest in Bagai Pertama Sdn. Bhd., Complete Container Services Sdn. Bhd. and Complete Shipping Sdn. Bhd. for a total cash consideration of RM3,000.

Details of the disposals are as follows:

	Group RM	Company RM
Investments in subsidiaries	-	29,537,371
Property, plant and equipment	54,328,475	-
Right-of-use assets	8,493,111	-
Trade and other receivables	100,336,766	-
Cash and bank balances	874,996	-
Non-current assets held for sale	1,849,998	-
Trade and other payables	(88,880,777)	-
Bank overdraft	(1,212,940)	-
Term loans	(2,778,821)	-
Lease liabilities	(8,623,580)	-
Tax liabilities	(546,401)	-
Deferred tax liabilities	(3,417,209)	-
Carrying amount of net assets disposed of	60,423,618	29,537,371
Fair value of equity interests retained	(21,400,000)	(21,400,000)
	39,023,618	8,137,371
Gain on disposals of subsidiaries	45,619,822	76,506,069
Net disposals proceeds	84,643,440	84,643,440
Cash and cash equivalents of subsidiaries disposed of	337,944	-
Net cash inflows on disposals of subsidiaries	84,981,384	84,643,440

33 DIRECTORS' REMUNERATION

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

	Group 2021 RM	Group 2020 RM	Company 2021 RM	Company 2020 RM
Executive Directors:				
Non-fee emoluments	658,163	854,999	-	-
Defined contribution plans	79,910	103,700	-	-
Executive directors of the subsidiaries:				
Non-fee emoluments	-	199,233	-	-
Defined contribution plans	-	24,714	-	-
Non-executive Directors:				
Fees	88,781	111,000	88,781	111,000
Other emoluments	12,500	8,750	12,500	8,750
	839,354	1,302,396	101,281	119,750

NOTES TO THE FINANCIAL STATEMENTS
31 March 2021 (continued)

33 DIRECTORS' REMUNERATION (continued)

In previous financial years, the Company granted share options to eligible key management personnel of the Group under the Share Issuance Scheme ("SIS") to subscribe for a total of 3,030,000 ordinary shares at an exercise price of RM0.62 per share ("SIS 1"), out of which no (2020: 200,000) ordinary shares were exercisable at the end of the reporting period. On 27 June 2016, the Company has granted share options to an eligible director of the subsidiary under the SIS to subscribe for a total of 10,000 ordinary shares at an exercise price of RM0.68 per share ("SIS 2"), out of which no ordinary shares was exercisable at the end of the reporting period. On 28 April 2017, the Company granted share options to an eligible director of the subsidiary under the SIS to subscribe for a total of 50,000 ordinary shares at an exercise price of RM0.88 per share ("SIS 3"), out of which no (2020: 50,000) ordinary shares were exercisable at the end of the reporting period. On 3 September 2018, the Company granted share options to an eligible director of the subsidiary under the SIS to subscribe for a total of 110,000 ordinary shares at an exercise price of RM0.55 per share ("SIS 4"), out of which no ordinary shares was exercisable at the end of the reporting period.

During the financial year, no (2020: 848,000) ordinary shares under the SIS were exercised by the eligible key management personnel of the Group.

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) its associates;
(iii) close family members of certain directors of the Company and the subsidiaries;
(iv) companies in which certain directors of the Company and the subsidiaries have direct and indirect financial interests; and
(v) 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:

	2021 RM	2020 RM
Group		
Companies in which certain Directors have interests:		
Revenue from sales of goods and services rendered	939,510	7,206,142
Rental income receivable	8,000	24,000
Forwarding service charges payable	(402,619)	(1,333,943)
Fuel payable	-	(3,459,697)
Spare parts, tyres, tyres maintenance services and consumables payable	(46,242)	(210,402)
Warehouse expense payable	-	(29,103)
Associate:		
Disposal of lands	-	15,858,139
Company		
Dividend income from subsidiaries	3,520,000	34,366,473
Management fee receivable from a subsidiary	84,000	84,000

34 RELATED PARTY DISCLOSURES (continued)

(c) Compensation of key management personnel

The remunerations of key management personnel are as follows:

Group	2021 RM	2020 RM
Short-term employee benefits	658,163	1,054,232
Defined contribution plans	79,910	128,414
	738,073	1,182,646

In previous financial years, the Company granted share options to eligible key management personnel of the Group under the Share Issuance Scheme ("SIS") to subscribe for a total of 3,030,000 ordinary shares at an exercise price of RM0.62 per share ("SIS 1"), out of which no (2020: 200,000) ordinary shares are exercisable at the end of the reporting period. On 27 June 2016, the Company has granted share options to an eligible director of the subsidiary under the SIS to subscribe for a total of 10,000 ordinary shares at an exercise price of RM0.68 per share ("SIS 2"), out of which no ordinary shares was exercisable at the end of the reporting period. On 28 April 2017, the Company granted share options to an eligible director of the subsidiary under the SIS to subscribe for a total of 50,000 ordinary shares at an exercise price of RM0.88 per share ("SIS 3"), out of which no (2020: 50,000) ordinary shares were exercisable at the end of the reporting period. On 3 September 2018, the Company granted share options to an eligible director of the subsidiary under the SIS to subscribe for a total of 110,000 ordinary shares at an exercise price of RM0.55 per share ("SIS 4"), out of which no ordinary shares was exercisable at the end of the reporting period.

During the financial year, no (2020: 848,000) ordinary shares under the SIS were exercised by the eligible key management personnel of the Group.

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 include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Intersegment pricing is determined based on negotiated terms.

The Group's operations comprise the following business segments:

Logistics	:	Total logistic services provider including lorry transportation services (tanker, general cargo, side curtain), project logistics and freighting services
Warehousing	:	Provision of warehouse for renting
Marine	:	Provision of marine transportation services
Others	:	Trading of goods, insurance agents and investment holding

NOTES TO THE FINANCIAL STATEMENTS
31 March 2021 (continued)

35 OPERATING SEGMENTS (continued)

(a) Business segments (continued)

2021	Logistics RM	Warehousing RM	Marine RM	Others RM	Elimination RM	Total RM
Revenue						
External revenue	27,874,774	2,710,498	8,932,997	2,829,213	-	42,347,482
Intersegment revenue	902,170	-	170,959	3,604,000	(4,677,129)	-
	28,776,944	2,710,498	9,103,956	6,433,213	(4,677,129)	42,347,482
Results						
Segment results	1,923,040	2,492,934	(393,443)	3,641,380	(1,060,549)	6,603,362
Depreciation	(1,934,404)	(581,845)	(22,091)	(596,426)	-	(3,134,766)
Interest income	13,764	-	625	2,034,023	-	2,048,412
Finance costs	(50,849)	(567,782)	-	(623,725)	-	(1,242,356)
(Loss)/Profit before tax	(48,449)	1,343,307	(414,909)	4,455,252	(1,060,549)	4,274,652
Tax expense	(81,589)	(339,942)	94,964	(394,679)	-	(721,246)
(Loss)/Profit after tax	(130,038)	1,003,365	(319,945)	4,060,573	(1,060,549)	3,553,406

35 OPERATING SEGMENTS (continued)

(a) Business segments (continued)

2020	Logistics RM	Warehousing RM	Marine RM	Others RM	Elimination RM	Total RM
Revenue						
External revenue	86,420,557	7,317,191	11,218,813	3,212,777	-	108,169,338
Intersegment revenue	5,095,438	-	1,162,377	34,942,700	(41,200,515)	-
	91,515,995	7,317,191	12,381,190	38,155,477	(41,200,515)	108,169,338
Results						
Segment results	11,847,588	6,258,113	(3,161,747)	81,870,485	(39,929,681)	56,884,758
Depreciation	(4,290,575)	(1,279,292)	(334,962)	(542,719)	(468,892)	(6,916,440)
Interest income	119,107	244	1,071	531,928	-	652,350
Finance costs	(147,865)	(587,757)	-	(704,998)	-	(1,440,620)
Profit before tax	7,528,255	4,391,308	(3,495,638)	81,154,696	(40,398,573)	49,180,048
Tax expense	(1,767,703)	(1,125,979)	(92,293)	(136,062)	182,826	(2,939,211)
Profit/(Loss) after tax	5,760,552	3,265,329	(3,587,931)	81,018,634	(40,215,747)	46,240,837

NOTES TO THE FINANCIAL STATEMENTS
31 March 2021 (continued)

35 OPERATING SEGMENTS (continued)

(b) Geographical segments

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

(c) Major customers

The following are major customers with revenue equal to or more than 10% of the Group's total revenue:

	Revenue 2021 RM	Revenue 2020 RM	Segment
Customer #1	4,033,864	-	Marine
Customer #2	-	12,867,909	Logistics
Customer #3	-	14,479,668	Logistics

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 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 (continued)

36.1 Financial risk management policies (continued)

(a) Market risk (continued)

(i) Foreign currency risk (continued)

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

2021	United States Dollar RM	Indonesian Rupiah RM	Ringgit Malaysia RM	Total RM
Financial assets				
Other investment	-	-	29,160,000	29,160,000
Trade and other receivables	128,697	-	9,655,633	9,784,330
Cash and cash equivalents	629,821	71	49,222,047	49,851,939
	758,518	71	88,037,680	88,796,269
Financial liabilities				
Trade and other payables	-	-	(14,222,491)	(14,222,491)
Borrowings	-	-	(17,010,689)	(17,010,689)
	-	-	(31,233,180)	(31,233,180)
Net financial assets	758,518	71	56,804,500	57,563,089
Less: Net financial assets denominated in the respective entities functional currencies	-	-	(56,804,500)	(56,804,500)
Currency exposure	758,518	71	-	758,589

36 FINANCIAL INSTRUMENTS (continued)

36.1 Financial risk management policies (continued)

(a) Market risk (continued)

(i) Foreign currency risk (continued)

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

2020	United States Dollar RM	Indonesian Rupiah RM	Ringgit Malaysia RM	Total RM
Financial assets				
Trade and other receivables	163,427	-	16,880,379	17,043,806
Cash and cash equivalents	279,687	71	98,792,962	99,072,720
	443,114	71	115,673,341	116,116,526
Financial liabilities				
Trade and other payables	-	-	(8,623,529)	(8,623,529)
Borrowings	-	-	(15,196,060)	(15,196,060)
	-	-	(23,819,589)	(23,819,589)
Net financial assets	443,114	71	91,853,752	92,296,937
Less: Net financial assets denominated in the respective entities functional currencies	-	-	(91,853,752)	(91,853,752)
Currency exposure	443,114	71	-	443,185

36 FINANCIAL INSTRUMENTS (continued)

36.1 Financial risk management policies (continued)

(a) Market risk (continued)

(i) Foreign currency risk (continued)

Foreign currency risk sensitivity analysis

Any reasonably possible change in the foreign currency exchange rates at the end of the reporting period against the respective functional currencies of the entities within the Group does not have a material impact on the profit after taxation and other comprehensive income of the Group and of the Company and hence, no sensitivity analysis is presented.

(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.

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	**2021 Decrease/ (Increase) RM**	**2020 Decrease/ (Increase) RM**
Effects on profit after tax/other comprehensive income:		
Increase of 100 basis points	(129,281)	(115,489)
Decrease of 100 basis points	129,281	115,489

(iii) Equity price risk

The Group's principal exposure to equity price risk arises mainly from changes in quoted investment prices.

Equity Price Risk Sensitivity Analysis

Any reasonably possible change in the prices of quoted investments at the end of the reporting period does not have a material impact on the profit after taxation and other comprehensive income of the Group and of the Company and hence, no sensitivity analysis is presented.

NOTES TO THE FINANCIAL STATEMENTS
31 March 2021 (continued)

36 FINANCIAL INSTRUMENTS (continued)

36.1 Financial risk management policies (continued)

(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 Company's exposure to credit risk arises principally from loans and advances to subsidiaries, associate, and corporate guarantee given to financial institutions for credit facilities granted to certain subsidiaries. The Company monitors the results of these subsidiaries and associate regularly and repayments made by the subsidiaries and associate.

(i) Credit risk concentration profile

The Group's major concentration of credit risk relates to the amounts owing by 2 (2020: 3) customers which constituted approximately 38% (2020: 48%) of its trade receivables as at the end of the reporting period.

(ii) Exposure to credit risk

At the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position of the Group and of the Company after deducting any allowance for impairment losses (where applicable).

(iii) Assessment of impairment loss

At each reporting date, the Group assess whether any of the financial assets at amortised cost are impaired.

The gross carrying amounts of financial assets are written off when there is no expectation of recovery (i.e. the debtor does not have assets or sources of income to generate sufficient cash flows to repay the debt) despite the fact that they are still subject to enforcement activities.

Trade receivables

The Group applies the simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The Group considers any receivables having financial difficulty or with significant balances outstanding for more than 1 year, are deemed credit impaired.

36 FINANCIAL INSTRUMENTS (continued)

36.1 Financial risk management policies (continued)

(b) Credit risk (continued)

(iii) Assessment of impairment loss (continued)

The expected loss rates are based on the payment profiles of sales over a period of 4 months from the measurement date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle their debts.

The information about the exposure to credit risk and the loss allowances calculated under MFRS 9 for trade receivables are summarised below:

Group	**Gross amount RM**	**Individual impairment RM**	**Collective impairment RM**	**Carrying amount RM**
2021				
Current (not past due)	4,252,800	-	-	4,252,800
1 to 90 days past due	2,077,732	-	-	2,077,732
91 to 120 days past due	247,735	-	-	247,735
Credit impaired:				
Over 120 days past due	3,624,220	(606,010)	(157,371)	2,860,839
	10,202,487	(606,010)	(157,371)	9,439,106
2020				
Current (not past due)	9,049,404	-	-	9,049,404
1 to 90 days past due	2,930,214	-	-	2,930,214
91 to 120 days past due	962,673	-	-	962,673
Credit impaired:				
Over 120 days past due	1,444,663	(278,643)	(142,573)	1,023,447
	14,386,954	(278,643)	(142,573)	13,965,738

The movements in the loss allowances in respect of trade receivables are disclosed in Note 12 to the financial statements.

Other receivables

Other receivables are also subject to the impairment requirements of MFRS 9, the identified impairment loss was immaterial and hence, it is not provided for.

Fixed deposits with a licensed bank, cash and bank balances

The Group considers these banks and financial institutions have low credit risks. In addition, some of the bank balances are insured by Government agencies. Therefore, the Group is of the view that the loss allowance is immaterial and hence, it is not provided for.

NOTES TO THE FINANCIAL STATEMENTS
31 March 2021 (continued)

36 FINANCIAL INSTRUMENTS (continued)

36.1 Financial risk management policies (continued)

(b) Credit risk (continued)

(iii) Assessment of impairment loss (continued)

Amounts owing by subsidiaries and an associate (Non-trade balances)

The Company applies the 3-stage general approach to measuring expected credit losses for all inter-company balances. Generally, the Company considers loans and advances to subsidiaries and an associate have low credit risks. The Company assumes that there is a significant increase in credit risk when a subsidiary's and an associate's financial position deteriorates significantly. As the Company is able to determine the timing of payments of the subsidiaries' and associate's loans and advances when they are payable, the Company considers the loans and advances to be in default when the subsidiaries and the associate are not able to pay when demanded. The Company considers a subsidiary's and an associate's loan or advance to be credit impaired when the subsidiary and the associate are unlikely to repay its loan or advance in full or the subsidiary and the associate are continuously loss making or the subsidiary and the associate are having a deficit in its total equity.

The Company determines the probability of default for these loans and advances individually using internal information available.

The information about the exposure to credit risk and the loss allowances calculated under MFRS 9 for amounts owing by subsidiaries are summarised below:

Company	Gross amount RM	Lifetime loss allowance RM	Carrying amount RM
2021			
Low credit risk	70,113,112	-	70,113,112
2020			
Low credit risk	60,602,556	-	60,602,556

The movements in the loss allowances are disclosed in Note 12 to the financial statements.

Financial guarantee contracts

All of the financial guarantee contracts are considered to be performing, have low risks of default and historically there were no instances where these financial guarantee contracts were called upon by the parties of which the financial guarantee contracts were issued to. Accordingly, no loss allowances were identified based on 12-month expected credit losses.

(c) Liquidity risk

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

36 FINANCIAL INSTRUMENTS (continued)

36.1 Financial risk management policies (continued)

(c) Liquidity risk (continued)

The following table sets out the maturity profile of the financial liabilities 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
2021						
Lease liabilities	5.00	16,147,058	29,974,856	1,070,531	5,352,653	23,551,672
Term loans	3.42	17,010,689	18,398,298	5,321,554	11,530,201	1,546,543
Trade and other payables	-	14,222,491	14,222,491	14,222,491	-	-
		47,380,238	62,595,645	20,614,576	16,882,854	25,098,215
2020						
Lease liabilities	5.00	16,394,754	32,115,917	1,070,531	5,352,653	25,692,733
Term loans	4.42	15,196,060	16,768,322	4,405,210	10,327,593	2,035,519
Trade and other payables	-	8,623,529	8,623,529	8,623,529	-	-
		40,214,343	57,507,768	14,099,270	15,680,246	27,728,252

NOTES TO THE FINANCIAL STATEMENTS
31 March 2021 (continued)

36 FINANCIAL INSTRUMENTS (continued)

36.1 Financial risk management policies (continued)

(c) Liquidity risk (continued)

The following table sets out the maturity profile of the financial liabilities 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): (continued)

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
2021						
Trade and other payables	-	763,913	763,913	763,913	-	-
Financial guarantee contracts in relation to corporate guarantee given to certain subsidiaries	-	-	17,010,689	17,010,689	-	-
		763,913	17,774,602	17,774,602	-	-
2020						
Trade and other payables	-	2,175,166	2,175,166	2,175,166	-	-
Financial guarantee contracts in relation to corporate guarantee given to certain subsidiaries	-	-	15,196,060	15,196,060	-	-
		2,175,166	17,371,226	17,371,226	-	-

36 FINANCIAL INSTRUMENTS (continued)

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 shareholders' equity. Net debt is calculated as term loans 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	2021 RM	2020 RM
Lease liabilities	16,147,058	16,394,754
Trade and other payables	14,222,491	8,623,529
Term loans	17,010,689	15,196,060
Less: Cash and cash equivalents	(49,851,939)	(99,072,720)
Net excess	(2,471,701)	(58,858,377)
Total shareholders' equity	163,049,154	178,429,674
Debt-to-equity ratio	Not applicable	Not applicable

36.3 Classification of financial instruments

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Financial assets				
Mandatorily at fair value through profit or loss:				
Cash and cash equivalents (short-term investments)	33,609,232	79,782,523	33,609,232	79,782,523
Amortised cost:				
Trade and other receivables	9,784,330	17,043,806	70,127,112	63,160,388
Cash and cash equivalents	16,242,707	19,290,197	11,160,712	15,528,759
	59,636,269	116,116,526	114,897,056	158,471,670
Designated at fair value through other comprehensive income upon initial recognition:				
Quoted equity investment	29,160,000	-	29,160,000	-
Financial liabilities				
Amortised cost:				
Trade and other payables	14,222,491	8,623,529	763,913	2,175,166
Term loans	17,010,689	15,196,060	-	-
	31,233,180	23,819,589	763,913	2,175,166

NOTES TO THE FINANCIAL STATEMENTS
31 March 2021 (continued)

36 FINANCIAL INSTRUMENTS (continued)

36.4 Gains or losses arising from financial instruments

	Group 2021 RM	Group 2020 RM	Company 2021 RM	Company 2020 RM
Financial assets				
Mandatorily at fair value through profit or loss:				
Interest income on short-term investments	823,611	474,110	823,611	474,110
Amortised cost:				
Impairment loss on trade receivables	(342,165)	(169,124)	-	-
Interest income	1,224,801	178,240	1,210,219	57,262
Net gains recognised in profit or loss	1,706,247	483,226	2,033,830	531,372
Equity investments at fair value through other comprehensive income:				
Fair value on investment in quoted share	(227,851)	-	(227,851)	-
Financial liabilities				
Amortised cost:				
Interest expenses	(1,242,356)	(1,440,620)	-	-
Net losses recognised in profit or loss	(1,242,356)	(1,440,620)	-	-

36 FINANCIAL INSTRUMENTS (continued)

36.5 Fair value information

Other than those disclosed below, the fair values of the financial assets and financial liabilities maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments.

Group	Fair value of financial instruments carried at fair value			Fair value of financial instruments not carried at fair value			Total fair value	Carrying amount
	RM Level 1	RM Level 2	RM Level 3	RM Level 1	RM Level 2	RM Level 3	RM	RM
Group/Company								
2021								
Financial asset								
Other investment:								
- Quoted	29,160,000	-	-	-	-	-	29,160,000	29,160,000
Cash and cash equivalents #	33,609,232	-	-	-	-	-	33,609,232	33,609,232
Group								
2021								
Financial liability								
Term loans	-	-	-	-	17,010,689	-	17,010,689	17,010,689
Group/Company								
2020								
Financial asset								
Cash and cash equivalents #	79,782,523	-	-	-	-	-	79,782,523	79,782,523
Group								
2020								
Financial liability								
Term loans	-	-	-	-	15,196,060	-	15,196,060	15,196,060

\# The fair value of cash and cash equivalents represent money market fund which is determined by reference to statements provided by the respective financial institutions, with which the investments were entered into.

NOTES TO THE FINANCIAL STATEMENTS
31 March 2021 (continued)

37. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

The significant events during the financial year are as follows:

(a) On 27 April 2020, the Company had declared an interim dividend of RM0.16 per ordinary share amounting to RM20.3 million for the current financial year which had been paid on 12 June 2020.

(b) On 13 May 2020, the Company had increased its paid-up share capital from RM70,477,440 to RM70,835,097 through the issuance of 90,000 new ordinary shares at RM0.55, 149,000 new ordinary shares at RM0.62 and 119,000 new ordinary shares at RM0.68 from the exercise of options under the Share Issuance Scheme. The new ordinary shares issued rank pari passu in all respects with the existing ordinary shares of the Company.

(c) On 12 January 2021, Sin Hiap Hoe Trading & Transport Sdn Berhad, a wholly-owned subsidiary of the Company had mutually agreed with Bun Seng Hardware Sdn Bhd to revoke the previous Sale and Purchase Agreement ("SPA") dated 16 January 2020 for the acquisition of a parcel of vacant leasehold industrial land held under H.S.(D) 119778, PT No. 121658, Mukim Klang, District of Klang, Selangor measuring approximately 9,712 square metres for a cash consideration of RM7,840,500.00, by the execution of a Deed of Revocation and accompanied by the simultaneous execution of a Fresh Sale and Purchase Agreement ("Fresh SPA"). The Fresh SPA shall have the same cash consideration and the same principal terms and conditions as the previous SPA save and except the payment of an additional 5% deposit.

(d) On 2 March 2021, the Company had increased its paid-up share capital from RM70,835,097 to RM72,397,926 through the issuance of 160,000 new ordinary shares at RM0.55, 184,000 new ordinary shares at RM0.62, 217,500 new ordinary shares at RM0.68 and 731,000 new ordinary shares at RM0.88 from the exercise of options under the Share Issuance Scheme. The new ordinary shares issued rank pari passu in all respects with the existing ordinary shares of the Company.

(e) On 16 March 2021, the Company acquired 18,000,000 ordinary shares or approximately 14.94% of the equity interest in Classic Scenic Berhad from Lim Ket Leng Holding Sdn Bhd through direct business transaction for a cash consideration of RM29,340,000 or RM1.63 per ordinary share.

(f) On 31 March 2021, the Company entered into a transaction for the disposal of the entire equity interest in Complete Marine Services Sdn Bhd ("CMS") and Malsuria Tanker Services Sdn Bhd ("MTS") for cash consideration of RM2,000 and RM1,500,000 respectively. Following the completion of the disposals on the same day, CMS and MTS have ceased to be wholly-owned subsidiaries of the Company.

(g) The World Health Organisation declared Covid-19 a pandemic, causing huge impact on people's lives, families, communities and businesses around the world. The Malaysian Government announced Movement Control Order under the Prevention and Control of Infectious Diseases Act 1988 and the Police Act 1967 starting from 18 March 2020 as one of the measures to mitigate the impact of the virus. The outbreak has resulted in significant disruption to business operations and a significant increase in economic uncertainty.

38. SIGNIFICANT EVENTS OCCURRING AFTER THE REPORTING PERIOD

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

(a) On 7 May 2021, the Company had entered into 2 conditional Sale and Purchase Agreements for the proposed disposal of the entire equity interest in Guper Resources Sdn Bhd ("GR") and Ultra Trinity Sdn Bhd ("UT") for cash consideration of RM16,946,000 and RM5,506,000 respectively. The proposed disposals are subject to approval of the shareholders at the extraordinary general meeting of the Company to be convened. Upon completion of the disposal, GR and UT will cease to be subsidiaries of the Company.

(b) On 18 May 2021, the Company entered into a Sale and Purchase Agreement for the disposal of the entire equity interest in Malsuria Logistics Sdn Bhd ("ML") for cash consideration of RM2,000. Following the completion of the disposal on the same day, ML ceased to be a subsidiary of the Company.

(c) On 25 May 2021, the Company entered into a Sale and Purchase Agreement for the disposal of 65% equity interest in Ecocentre Sdn Bhd ("ECO") for cash consideration of RM73,000. Following the completion of the disposal on 31 May 2021, ECO ceased to be a subsidiary of the Company.

(d) On 27 May 2021, the Company entered into a Sale and Purchase Agreement for the acquisition of the remaining 50% equity interest in Channel Legion Sdn Bhd ("CL") for cash consideration of RM5,000,000. Following the completion of the acquisition on 31 May 2021, CL became a wholly-owned subsidiary of the Company.

(e) Subsequent to the reporting date, the numbers of new COVID-19 cases increased substantially in Malaysia and markets in which the Group operates. As the outbreak is evolving, the full effect of the COVID-19 pandemic is subject to uncertainty and could not be ascertained reliably at this juncture.

LIST OF PROPERTIES
AS AT 31 MARCH 2021

No.	Registered Owner		Location	Description/ Existing Use	Tenure of Land	Land Area (m2)	Factory/ Warehouse Space (ft2)	Approximate Age of Building (Years)	Date of Acquisition	Group Carrying Amount @ 31/3/2021 (RM)
1.	Complete Logistic Specialists Sdn Bhd	(i)	No. 25, Jalan Berangan, 42000 Port Klang, Selangor Darul Ehsan.	Land/Building – 3 Storey shophouses	Freehold	180		36	01.06.2014	550,239
		(ii)	No. 27, Jalan Berangan, 42000 Port Klang, Selangor Darul Ehsan.	Land/Building – 3 Storey shophouses	Freehold	180		36	12.11.2007	460,340
2.	Guper Bonded Warehouse Sdn Bhd	(i)	Lot 60584	Vacant Land	Freehold	11,479			16.11.2007	1,227,793
		(ii)	Lot 60585	Vacant Land	Freehold	10,196			16.11.2007	1,090,563
		(iii)	Lot 60586	Vacant Land	Freehold	10,196			16.11.2007	1,090,563
		(iv)	Lot 60587	Vacant Land	Freehold	10,196			16.11.2007	1,090,563
		(v)	Lot 60588 Nilai Industrial Estate, 71800 Nilai, Negeri Sembilan Darul Khusus.	Vacant Land	Freehold	14,164			16.11.2007	1,514,980
3.	Guper Resources Sdn Bhd	(i)	Plot 5 Phase 1, Kawasan Industri Elkay, Lipat Kajang, Jasin, Melaka.	Vacant Land	Freehold	17,802			21.07.2017	5,748,613
		(ii)	Lot 121647 Section 5, Fasa 2B, Pulau Indah Industrial Park, Jalan Sungai Pinang 4/2, 42920 Pulau Indah, Selangor Darul Ehsan.	Land Factory	Leasehold (Expiring on 24.09.2097)	14,245	89,500	1	01.12.2014 01.04.2020	7,388,957 8,623,175
		(iii)	Lot 42 (Lot 87992) Jalan Perigi Nenas 8/7, 42920 Port Klang, Selangor Darul Ehsan.	Land Warehouse	Leasehold (Expiring on 30.03.2097)	10,740	70,000	1.5	05.05.2016 01.07.2019	4,747,130 6,725,849

LIST OF PROPERTIES (continued)
AS AT 31 MARCH 2021

No.	Registered Owner	Location	Description/ Existing Use	Tenure of Land	Land Area (m2)	Factory/ Warehouse Space (ft2)	Approximate Age of Building (Years)	Date of Acquisition	Group Carrying Amount @ 31/3/2021 (RM)
4.	Pengangkutan Sekata Sdn Bhd	(i) PLO 565 Jalan Keluli, Pasir Gudang Industrial Area, 81700 Pasir Gudang, Johor Darul Takzim.	Land Workshop Warehouse (Construction in progress)	Leasehold (Expiring on 18.05.2060)	12,140	79,400		16.07.2016	4,169,645 548,584 6,292,949
5.	Ultra Trinity Sdn Bhd	(i) Lot 121648	Vacant Land	Leasehold	10,152			01.12.2014	5,241,820
		(ii) Lot 121653 Section 5, Fasa 2B, Pulau Indah Industrial Park, Jalan Sungai Pinang 4/2, 42920 Pulau Indah, Selangor Darul Ehsan.	Vacant Land	Leasehold (Expiring on 24.09.2097)	7,298			01.12.2014	3,768,268
6.	Channel Legion Sdn Bhd	(i) Part of P823 & Part of P825 Port Klang Free Zone/KS12, 42920 Pulau Indah, Selangor Darul Ehsan.	Factory	Land Lease Agreement (Expiring on 11.11.2049)	25,900	193,400		31.03.2021	12,521,299

ANALYSIS OF SHAREHOLDINGS
AS AT 16 JULY 2021

Issued and Paid Up Share Capital	:	RM72,397,926 comprising 128,649,000 shares
Voting Rights	:	One (1) vote per share
Number of Shareholders	:	1,677

SIZE OF SHAREHOLDINGS

Size of Holdings	No. of Shareholders	%	No. of Shares *	%
Less than 100	10	0.60	294	-
100 – 1,000	347	20.71	240,106	0.19
1,001 – 10,000	893	53.28	4,387,300	3.42
10,001 – 100,000	320	19.09	10,080,900	7.85
100,001 to less than 5% of the issued shares	104	6.20	84,991,100	66.23
5% and above of the issued shares	2	0.12	28,630,000	22.31
	1,676	100.00	128,329,700	100.00

DIRECTORS' SHAREHOLDINGS

No.	Name of Director	Direct Interest No. of Shares	Direct Interest % *	Indirect Interest No. of Shares	Indirect Interest % *
	Ordinary Shares				
1.	Chia Kah Ying	1,931,800	1.51	-	-

INFORMATION ON SUBSTANTIAL SHAREHOLDERS

No.	Name of Shareholders	Direct Interest No. of Shares	Direct Interest % *	Indirect Interest No. of Shares	Indirect Interest % *
1.	Dato' Ong Choo Meng	37,448,100	29.18	-	-

LIST OF TOP 30 SHAREHOLDERS

No.	Name	No. of Shares	% *
1.	AmSec Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Dato' Ong Choo Meng	18,630,000	14.52
2.	Affin Hwang Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ong Choo Meng	10,000,000	7.79
3.	CGS-CIMB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ong Choo Meng (MY3918)	6,370,000	4.96
4.	M & A Nominee (Asing) Sdn Bhd For Winfields Development Pte. Ltd.	6,300,000	4.91
5.	CIMSEC Nominees (Tempatan) Sdn Bhd CIMB for Hii Chii Kok @ Hii Chee Kok (PB)	4,239,000	3.30
6.	JF Apex Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ng Ah Chai (Margin)	4,200,000	3.27
7.	MIDF Amanah Investment Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Rexter Capital Sdn Bhd (MGN-RCS0003M)	4,160,000	3.24

ANALYSIS OF SHAREHOLDINGS (continued)
AS AT 16 JULY 2021

LIST OF TOP 30 SHAREHOLDERS (CONT'D)

No.	Name	No. of Shares	% *
8.	SK Grand Group Sdn Bhd	3,900,000	3.04
9.	Chandra Sekaran A/L Subrayan	3,809,200	2.97
10.	Inter-Pacific Equity Nominees (Tempatan) Sdn Bhd IPM for Maximum Ace Sdn Bhd	3,223,800	2.51
11.	Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Chiau Beng Teik	2,650,000	2.07
12.	CGS-CIMB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Chiau Haw Choon (MY4189)	2,630,000	2.05
13.	TA Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ong Choo Meng	2,448,100	1.91
14.	Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ng Ah Chai	2,100,000	1.64
15.	CGS-CIMB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Chiau Beng Teik (MY2975)	1,980,000	1.54
16.	Chia Kah Ying	1,931,800	1.51
17.	AllianceGroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Chiau Haw Choon (7009581)	1,500,000	1.17
18.	Tan Choon Leong	1,321,800	1.03
19.	Affin Hwang Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Keh Chuan Seng (M01)	1,300,000	1.01
20.	AllianceGroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Cheong Kai Meng	1,077,000	0.84
21.	Tan Choon Leong	1,071,000	0.83
22.	AmSec Nominees (Tempatan) Sdn Bhd Pledged Securities Account – AmBank (M) Berhad for Mohd Yusri Bin Md Yusof (SMART)	1,000,000	0.78
23.	AmSec Nominees (Tempatan) Sdn Bhd Pledged Securities Account – AmBank (M) Berhad for Ooi Chen Seng (SMART)	950,000	0.74
24.	M & A Nominee (Tempatan) Sdn Bhd Pledged Securities Account for Datuk Chiau Beng Teik (PNG)	919,000	0.72
25.	AllianceGroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Kang Pang Kiang (Dato') (6000059)	900,000	0.70
26.	Tan Choon Leong	800,000	0.62
27.	AmSec Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Chiau Haw Choon	745,400	0.58
28.	Affin Hwang Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Chu Kerd Yee (M01)	720,900	0.56
29.	HLB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Pei Shiun	710,000	0.55
30.	Keh Chuan Yee	700,000	0.55
		92,287,000	71.91

Note: -

* Excluding a total of 319,300 ordinary shares brought back by the Company and retained as treasury shares.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Sixteenth (16th) Annual General Meeting of Complete Logistic Services Berhad will be conducted on a fully virtual basis through live streaming and online participation and voting using Remote Participation and Voting ("RPV") facilities via meeting platform at https://tiih.online provided by Tricor Investor & Issuing House Services Sdn Bhd ("Tricor") in Malaysia on **Thursday, 9 September 2021** at **11.00 a.m.** or immediately after the conclusion or adjournment (as the case may be) of the Extraordinary General Meeting of the Company which will be held on the same day at 10.30 a.m., whichever is later for the following purposes:-

AS ORDINARY BUSINESS

1. To receive the audited financial statements for the financial year ended 31 March 2021 and the Reports of the Directors and Auditors thereon. — ***Please refer to Explanatory Note (1)***

2. To approve the following payments to Directors:

   (i) Directors' fees for the Independent Non-Executive Directors not exceeding RM108,000 for the financial year ending 31 March 2022 (2021: RM88,781); — **Ordinary Resolution *1*** ***Please refer to Explanatory Note (2)***

   (ii) Meeting allowance for the Independent Directors for the period from 10 September 2021 until the next Annual General Meeting ("AGM") of the Company: — **Ordinary Resolution 2** ***Please refer to Explanatory Note (2)***

Position	**Per Meeting Day**
Board Committee Chairman	RM1,250
Independent Director	RM1,000

3. To re-elect the following Directors who retire pursuant to Article 131.1 of the Constitution of the Company:-

   (i) Mr. Law Hee Ling — **Ordinary Resolution 3**
   (ii) Ms. Chia Kah Ying — **Ordinary Resolution 4**

4. To elect the following Directors who retire pursuant to Article 116 of the Constitution of the Company:-

   (i) Dato' Ong Chong Yi — **Ordinary Resolution 5**
   (ii) Mr. Teh Li King — **Ordinary Resolution 6**
   (iii) Mr. Yeoh Chin Hoe — **Ordinary Resolution 7**
   (iv) Mr. Ronald Khoo Boo Soon — **Ordinary Resolution 8**

5. To re-appoint Crowe Malaysia PLT as Auditors of the Company and to authorise the Directors to fix their remuneration; — **Ordinary Resolution 9**

NOTICE OF ANNUAL GENERAL MEETING
(continued)

AS SPECIAL BUSINESS

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

(A) Authority to Allot and Issue Shares Pursuant to Sections 75 and 76 of the Companies Act 2016 ("Act") - General Allotment **Ordinary Resolution 10**

"That pursuant to Sections 75 and 76 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 total number of issued shares (excluding treasury shares) of the Company as at the date of this Annual General Meeting ("AGM") and that such authority shall continue in force until the conclusion of the next AGM of the Company, and that the Directors be and are hereby empowered to obtain the approval of Bursa Malaysia Securities Berhad ("Bursa Malaysia") for the listing of and quotation for the new shares so issued." (See Explanatory Note 4(i) on Special Business below);

(B) Authority to Allot and Issue Shares Pursuant to Sections 75 and 76 of the Act - Share Issuance Scheme ("SIS") Allotment **Ordinary Resolution 11**

"That pursuant to Sections 75 and 76 of the Act, full authority be and is hereby given to the Directors to issue shares in the Company from time to time under the existing SIS of the Company, provided that the aggregate number of shares to be issued under this resolution does not exceed the amount approved under the SIS and that such authority shall continue in force until the conclusion of the next AGM of the Company, and that the Directors be and are hereby empowered to obtain the approval of Bursa Malaysia for the listing of and quotation for the additional shares so issued". (see Explanatory Note 4(ii) on Special Business below);

(C) Proposed Renewal of Shareholders' Mandate to Enable the Company to Purchase up to 10% of its Total Number of Issued Shares ("Proposed Renewal of Share Buy-Back Authority") **Ordinary Resolution 12**

"That subject to the Act, rules, regulations and orders made pursuant to the Act, provisions of the Company's Constitution and the Main Market Listing Requirements ("MMLR") of Bursa Malaysia and any other relevant authority, the Company be and is hereby authorised to purchase and/or hold such amount of ordinary shares in the Company's issued share capital through Bursa Malaysia upon such terms and conditions as the Directors may deem fit in the interest of the Company provided that:-

(i) 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 number of issued shares of the Company at any one time; and

(ii) the maximum amount of funds to be allocated for the Purchased Shares shall not exceed the retained profits of the Company;

NOTICE OF ANNUAL GENERAL MEETING
(continued)

(iii) the authority conferred by this ordinary resolution shall commence immediately upon the passing of this ordinary resolution and continue to be in force until:-

(a) the conclusion of the next AGM of the Company at which time the authority shall lapse unless by ordinary resolution passed at that meeting, the authority is renewed either unconditionally or subject to conditions; or

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

(c) revoked or varied by ordinary resolution passed by the shareholders in general meeting,

whichever occurs first.

That upon completion of the purchase(s) by the Company of its own shares, the Directors of the Company be and are hereby authorised to deal with the shares purchased in their absolute discretion in the following manner:-

(a) cancel all the shares so purchased; and/or

(b) retain the shares so purchased as treasury shares for distribution as dividend to shareholders and/or resell on the market of Bursa Malaysia; and/or

(c) retain part thereof as treasury shares and cancel the remainder.

(See Explanatory Note 4(iii) on Special Business below)

(D) Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions ("RRPT") of a Revenue and/ or Trading Nature ("Proposed Shareholders' Mandate for RRPT"):- **Ordinary Resolution 13**

"That authority be and is hereby given in line with Paragraph 10.09 of the Listing Requirements of Bursa Malaysia Securities Berhad, 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 11 August 2021 ("the Circular"), with the Related Parties as described in the Circular, provided that such transactions are of a 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 at arm's length basis and on normal commercial terms which are 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 and continue in force until:-

(i) 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 that AGM; or

(ii) the expiry of the period within which the next AGM is required by law to be held but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act; or

(iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in general meeting,

whichever occurs first;

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 4(iv) on Special Business below);

7. To transact any other business of which due notice shall have been given in accordance with the Act.

By Order of the Board
Complete Logistic Services Berhad

Henry Ng Heng Hooi (MAICSA 7048492) (SSM PC No. 202008002923)
Maggie Wong Mee Kiat (MAICSA 7058813) (SSM PC No. 202008001958)
Secretaries

Kuala Lumpur
Dated: 11 August 2021

EXPLANATORY NOTES

1. Receiving of the Audited Financial Statements

   Item 1 of the Agenda is intended for discussion only as the provision of Section 340(1) of the Act 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. Payment of Directors' Fees and Benefits

   Section 230(1) of the Act provides that the fees and any other benefits (including any compensation for loss of employment) payable to the directors of a company shall be approved by the members at a general meeting. The Board wishes to seek shareholders' approval for the following payment to the Non-Executive Directors:

   Ordinary Resolution 1 - Proposed payment of Directors' fees for the Non-Executive Directors not exceeding RM108,000 for the financial year ending 31 March 2022 (2021: RM88,781);

   The proposed Ordinary Resolution 1 is to seek shareholders' approval to facilitate the payment of Directors' fees on current year basis. In the event the Directors' fees proposed is insufficient, the Board will seek the approval of shareholders at the next AGM to authorise payment of the shortfall.

   Ordinary Resolution 2 - Proposed payment of meeting allowance of RM1,250 per meeting day for the Board Committees Chairman and RM1,000 per meeting day for the other Independent Directors from 10 September 2021 until the next AGM of the Company. The meeting allowance will only be paid on the actual attendance of meetings by the Directors.

NOTICE OF ANNUAL GENERAL MEETING
(continued)

3. Form of Proxy

(i) A member entitled to attend and vote at the meeting is entitled to appoint not more than two (2) proxies to attend and vote in his stead. There shall be no restriction as to the qualification of the proxy.

(ii) Where a member appoints more than one (1) proxy, 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 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 a member whose name appear in the Record of Depositors as at 2 September 2021 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 instrument appointing a proxy and the power of attorney or other authority must be deposited at the office of the Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid.

(viii) Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the ordinary resolution set out in this Notice will be put to vote by way of poll.

4. Explanatory Notes on Special Business:

(i) Ordinary Resolution 10 - Proposed renewal of authority for Directors to issue shares-General Allotment

Ordinary Resolution 10 is proposed for the purpose of granting a renewal of the general mandate for the issuance of shares by the Company under Sections 75 and 76 of the Act. Ordinary Resolution 10, if passed, will give the Directors of the Company authority to issue not more than ten percent (10%) of the total number of issued 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 did not issue any new shares pursuant to that mandate obtained as at the date of this notice. Ordinary Resolution 10 is a renewal of the general mandate. At this juncture, there is no decision to issue new shares. Should there be a decision to issue new shares after the general mandate is obtained, an announcement will be made to Bursa Malaysia 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 funds raising activities, including but not limited to placement of shares, for the purpose of funding future investment project(s), working capital and/or acquisition(s).

NOTICE OF ANNUAL GENERAL MEETING
(continued)

(ii) Ordinary Resolution 11 - Proposed authority for Directors to issue shares – SIS Allotment.

Ordinary Resolution 11 is proposed for the purpose of granting to Directors of the Company authority to allot and issue ordinary shares in the Company at any time to those employees who have exercised their options under the SIS.

(iii) Ordinary Resolution 12 - Proposed renewal of share buy-back authority.

Ordinary Resolution 12, if passed, will enable the Company to utilise any of its surplus financial resources to purchase its own shares through Bursa Malaysia up to ten percent (10%) of the total number of issued shares 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 11 August 2021, which is dispatched together with the Company's 2021 Annual Report.

(iv) Ordinary Resolution 13 - Proposed shareholders' mandate for RRPT.

Ordinary Resolution 13, if passed, is primarily to authorise the Company and/or its unlisted subsidiaries to enter into arrangements or transactions with Related Parties, particulars of which are set out in Section 4 of the Circular to Shareholders dated 11 August 2021, which is dispatched together with the Company's 2021 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.

Further information on the Proposed shareholders' mandate for RRPT are set out in the Circular to Shareholders of the Company dated 11 August 2021, which is dispatched together with the Company's 2021 Annual Report.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

1. Details of persons who are standing for election as Directors

   The Directors standing for election pursuant to Article 116 of the Constitution of the Company at the Sixteenth Annual General Meeting are Dato' Ong Chong Yi, Mr. Teh Li King, Mr. Yeoh Chin Hoe and Mr. Ronald Khoo Boo Soon. Their profiles are stated on pages 12 to 13 of the 2021 Annual Report.

2. Statement relating to general mandate for issue of securities in accordance with paragraph 6.03(3) of Main Market Listing Requirements of Bursa Malaysia Securities Berhad

   Details of the general mandate to issue securities in the Company pursuant to Sections 75 and 76 of the Companies Act 2016 are set out in Explanatory Note (4)(i) of the Notice of Sixteenth Annual General Meeting.

PROXY FORM

COMPLETE LOGISTIC SERVICES BERHAD
Company No. 200501034100 (716241-X)

I/We, ____
(FULL NAME IN CAPITALS)

of ____
(FULL ADDRESS)

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

Proxy A

Full Name	**NRIC No./Passport No./Company No.**	**Proportion of shareholdings represented**	
		No. of Shares	**%**
Address			

Proxy B

Full Name	**NRIC No./Passport No./Company No.**	**Proportion of shareholdings represented**	
		No. of Shares	**%**
Address			

100%

or failing him / her, the Chairman of the Meeting, as my/our proxy to attend and vote for me/us and on my/our behalf at the Sixteenth Annual General Meeting ("AGM") of the Company that will be conducted on a fully virtual basis through live streaming and online participation and voting using Remote Participation and Voting ("RPV") facilities via meeting platform at *https://tiih.online* provided by Tricor Investor & Issuing House Services Sdn Bhd ("Tricor") in Malaysia on **Thursday, 9 September 2021** at **11.00 a.m.** or immediately after the conclusion or adjournment (as the case may be) of the Extraordinary General Meeting of the Company which will be held on the same day at 10.30 a.m., whichever is later. My/our proxy is to vote on the resolutions as indicated by an "X" in the appropriate spaces below. If this form is returned without any indication as to how the proxy shall vote, the proxy shall vote or abstain as he / she thinks fit.

RESOLUTIONS		**FOR**	**AGAINST**
Ordinary Resolution1	To approve Directors' fees not exceeding RM108,000 for the financial year ending 31 March 2022		
Ordinary Resolution 2	To approve meeting allowance for independent Directors from 10 September 2021 until next Annual General Meeting ("AGM") of the Company		
Ordinary Resolution 3	Re-Election of Mr. Law Hee Ling as Director pursuant to Article 131.1 of the Constitution of the Company		
Ordinary Resolution 4	Re-Election of Ms. Chia Kah Ying as Director pursuant to Article 131.1 of the Constitution of the Company		
Ordinary Resolution 5	Election of Dato' Ong Chong Yi as Director pursuant to Article 116 of the Constitution of the Company		
Ordinary Resolution 6	Election of Mr. Teh Li King as Director pursuant to Article 116 of the Constitution of the Company		
Ordinary Resolution 7	Election of Mr. Yeoh Chin Hoe as Director pursuant to Article 116 of the Constitution of the Company		
Ordinary Resolution 8	Election of Mr. Ronald Khoo Boo Soon as Directors pursuant to Article 116 of the Constitution of the Company		
Ordinary Resolution 9	Re-Appointment of Messrs. Crowe Malaysia PLT as Auditors		
Ordinary Resolution 10	To approve authority for Directors to allot and issue shares- General Allotment		
Ordinary Resolution 11	To approve authority for Directors to allot and issue shares- SIS Allotment		
Ordinary Resolution 12	To renew mandate for Share Buy Back		
Ordinary Resolution 13	To renew mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature		

Dated this ______day of_____________2021

Signature: ____________________________

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Notes:-

(i) A member entitled to attend and vote at the meeting is entitled to appoint not more than two (2) proxies to attend and vote in his stead. There shall be no restriction as to the qualification of the proxy

(ii) Where a member appoints more than one (1) proxy, 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 at least 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 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 a member whose name appear in the Record of Depositors as at 2 September 2021 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 instrument appointing a proxy and the power of attorney or other authority must be deposited at the office of the Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instruments proposes to vote and in default the instrument of proxy shall not be treated as valid.

(viii) Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the ordinary resolution set out in this Notice will be put to vote by way of poll.

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STAMP

The Share Registrar
COMPLETE LOGISTIC SERVICES BERHAD
C/O Tricor Investor & Issuing House Services Sdn Bhd

Unit 32-01
Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No.8, Jalan Kerinchi
59200 Kuala LumpurUnit

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