



**COMPLETE LOGISTIC SERVICES BERHAD (716241-X)**  
**(Incorporated in Malaysia)**

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE FIRST QUARTER ENDED 30 JUNE 2013**

**27 August 2013**

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**COMPLETE LOGISTIC SERVICES BERHAD (716241-X)**  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2013**

RM'000	Note	As at 30.06.2013 Unaudited	As at 31.03.2013 Audited
<b>ASSETS</b>			
Property, plant and equipment		90,384	80,649
Goodwill on consolidation		272	272
<b>Non-current Assets</b>		<b>90,656</b>	<b>80,921</b>
Inventories		520	702
Trade and other receivables		37,854	31,818
Tax recoverable		598	729
Cash and cash equivalents		12,375	11,623
<b>Current Assets</b>		<b>51,347</b>	<b>44,872</b>
Non-current assets held for sale		-	-
<b>TOTAL ASSETS</b>		<b>142,003</b>	<b>125,793</b>
<b>EQUITY AND LIABILITIES</b>			
Share capital		60,000	60,000
Treasury shares		(131)	(131)
Other reserves		4,325	3,921
Retained earnings	19	30,779	23,927
Equity attributable to owners of the Company		94,973	87,717
Non-controlling interest		274	254
<b>Total Equity</b>		<b>95,247</b>	<b>87,971</b>
Borrowings (secured)	21	13,198	13,815
Deferred tax liabilities		6,579	4,196
<b>Non-current Liabilities</b>		<b>19,777</b>	<b>18,011</b>
Trade and other payables		20,967	14,830
Borrowings (secured)	21	5,728	4,918
Tax liabilities		284	63
<b>Current Liabilities</b>		<b>26,979</b>	<b>19,811</b>
<b>Total Liabilities</b>		<b>46,756</b>	<b>37,822</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>142,003</b>	<b>125,793</b>
<b>Net assets per share attributable to owners of the Company (RM)</b>		<b>0.79</b>	<b>0.73</b>

The above condensed consolidated statement of financial position should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

**COMPLETE LOGISTIC SERVICES BERHAD (716241-X)**  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS  
AND OTHER COMPREHENSIVE INCOME  
FOR THE FIRST QUARTER ENDED 30 JUNE 2013**

(These figures have not been audited)

<b>RM'000</b>	<b>Note</b>	<b>3 months ended</b>	
		<b>30.06.2013</b>	<b>30.06.2012</b>
Revenue	7	31,794	28,054
Cost of sales		(23,237)	(20,510)
Gross profit		8,557	7,544
Other income		4,308	390
Marketing and distribution costs		(308)	(82)
Administration expenses		(2,331)	(2,168)
Other expenses		(1,637)	(1,303)
Finance costs		(257)	(274)
Profit before tax	26	8,332	4,107
Tax expense	18	(1,056)	(234)
<b>Profit for the period</b>		<b>7,276</b>	<b>3,873</b>
Foreign currency translation		(404)	55
<b>Total comprehensive income</b>		<b>6,872</b>	<b>3,928</b>
<b>Profit attributable to:</b>			
Owners of the Company		7,256	3,854
Non-controlling interest		20	19
<b>Profit for the period</b>		<b>7,276</b>	<b>3,873</b>
<b>Total comprehensive income attributable to:</b>			
Owners of the Company		6,852	3,909
Non-controlling interest		20	19
		6,872	3,928
<b>Earnings per share attributable to owners of the Company:</b>			
Basic (sen)	24	6.06	3.21

The above condensed consolidated income statement should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

**COMPLETE LOGISTIC SERVICES BERHAD (716241-X)**  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FIRST QUARTER ENDED 30 JUNE 2013**  
(These figures have not been audited)

<u>RM'000</u>	Attributable to owners of the Company						Total	Non- controlling interest	Total equity
	Non-Distributable			Distributable					
	Share capital	Treasury shares	Share premium	Exchange fluctuation reserve	Retained earnings	Total			
<b>At 1 April 2013</b>	60,000	(131)	4,325	(404)	23,927	87,717	254	87,971	
Total comprehensive income for the period	-	-	-	404	6,852	7,256	20	7,276	
<b>At 30 June 2013</b>	60,000	(131)	4,325	-	30,779	94,973	274	95,247	
<b>At 1 April 2012</b>	60,000	(131)	4,325	(364)	11,932	75,762	168	75,930	
Total comprehensive income for the period	-	-	-	55	3,854	3,909	19	3,928	
<b>At 30 June 2012</b>	60,000	(131)	4,325	(309)	15,786	79,671	187	79,858	

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

**COMPLETE LOGISTIC SERVICES BERHAD (716241-X)**  
**(Incorporated in Malaysia)**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW**  
**FOR THE FIRST QUARTER ENDED 30 JUNE 2013**  
(These figures have not been audited)

<b>RM'000</b>	<b>3 months ended</b>	
	<b>30.06.2013</b>	<b>30.06.2012</b>
<b>Cash flows from operating activities</b>		
Profit before tax	8,332	4,107
Adjustments for:		
Non-cash items	2,002	1,447
Non-operating items	(3,977)	(170)
Interest income	(35)	(40)
Interest expense	257	274
Operating profit before working capital changes	6,579	5,618
Changes in working capital:		
Inventories	182	(304)
Receivables	2,599	(5,743)
Payables	(1,685)	702
Cash generated from operations	7,675	273
Net tax paid	(324)	(472)
<b>Net cash from/(used in) operating activities</b>	<b>7,351</b>	<b>(199)</b>
<b>Cash flows from investing activities</b>		
Deposit paid for the proposed acquisition of a company	-	(1,000)
Interest received	35	40
Net cash outflow from the acquisition of a subsidiary	(5,407)	-
Purchase of property, plant and equipment	(287)	33
Proceeds from disposal of property, plant and equipment	670	125
<b>Net cash used in investing activities</b>	<b>(4,989)</b>	<b>(802)</b>
<b>Cash flows from financing activities</b>		
Additional fixed deposits pledged to licensed bank	-	(12)
Interest paid	(257)	(274)
Net repayment of borrowings	(1,399)	(1,182)
Advances from the directors	46	665
<b>Net cash used in financing activities</b>	<b>(1,610)</b>	<b>(803)</b>
<b>Net changes in cash and cash equivalents</b>	<b>752</b>	<b>(1,804)</b>
Effects of exchange rate changes	-	7
Cash and cash equivalents at the beginning of financial period	11,517	6,594
<b>Cash and cash equivalents at the end of financial period</b>	<b>12,269</b>	<b>4,797</b>
<b>Analysis of cash and cash equivalents</b>		
Fixed deposit	2,284	5,163
Cash and bank balances	10,091	3,215
	12,375	8,378
Bank overdraft	-	(1,627)
Fixed deposits pledged to licensed bank	(106)	(1,954)
	12,269	4,797

The above condensed consolidated statement of cash flow should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

**COMPLETE LOGISTIC SERVICES BERHAD (716241-X)**  
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**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**1 Basis Of Preparation**

This unaudited interim financial report has been prepared in accordance with MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 March 2013.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the most recent audited financial statements for the financial year ended 31 March 2013 except for the following new MFRS, Amendments to MFRS and IC Interpretations to be applied by the Group for the financial periods beginning on or after 1 April 2013:

MFRS 3	<i>Business Combinations</i>
MFRS 10	<i>Consolidated Financial Statements</i>
MFRS 11	<i>Joint Arrangements</i>
MFRS 12	<i>Disclosure of Interests in Other Entities</i>
MFRS 13	<i>Fair Value Measurement</i>
MFRS 119	<i>Employee Benefits (revised)</i>
MFRS 127	<i>Consolidated and Separate Financial Statements (revised)</i>
MFRS 128	<i>Investments in Associates and Joint Ventures (revised)</i>
Amendments to MFRS 1	<i>First-time Adoption of MFRS - Government Loans</i>
Amendments to MFRS 7	<i>Financial Instruments: Disclosures - Offsetting Financial Assets and Financial Liabilities</i>
Amendments to MFRS 10	<i>Consolidated Financial Statements: Transition Guidance</i>
Amendments to MFRS 11	<i>Joint Arrangements: Transition Guidance</i>
Amendments to MFRS 12	<i>Disclosure of Interests in Other Entities: Transition Guidance</i>
Amendments to MFRS 101	<i>Presentation of Items of Other Comprehensive Income</i>
Annual Improvements to IC Interpretations and MFRSs 2009 - 2011 Cycle	

The adoption of the above pronouncements did not have any significant effects on this interim financial report upon their initial application.

The Group has not adopted the following Amendments to MFRS issued which have yet effective:

Amendments to MFRS 9	<i>Mandatory Effective Date of MFRS 9 and Transition Disclosures</i>
Amendments to MFRS 10	<i>Consolidated Financial Statements: Investment Entities</i>
Amendments to MFRS 12	<i>Disclosure of Interests in Other Entities: Investment Entities</i>
Amendments to MFRS 127	<i>Consolidated and Separate Financial Statements: Investment Entities</i>
Amendments to MFRS 132	<i>Financial Instruments: Presentation - Offsetting Financial Assets and Financial Liabilities</i>

The Group will adopt the above pronouncements when they become effective in the respective financial periods. These pronouncements are not expected to have any significant effects to the Group upon their initial application.

## 2 Seasonality Or Cyclicity Of Operations

The business operations of the Group are subject to the forces of supply and demand and thus, could display cyclical trends.

## 3 Unusual Items Due To Their Nature, Size Or Incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the first quarter ended 30 June 2013.

## 4 Significant Estimates And Changes In Estimates

There were no changes in estimates that had any material effects on the first quarter ended 30 June 2013.

## 5 Debt And Equity Securities

There were no issuances, repurchases or repayments of debt and equity securities during the quarter ended 30 June 2013.

## 6 Dividends Paid

There were no dividends paid during the current and previous corresponding quarter.

## 7 Segmental Information

The Group's operations comprise the following business segments:

Shipping : Provision of marine transportation services

Trading : Trading of goods

Logistics : Total logistic services provider including trading of freight, haulage, lorry and trucking, custom clearance and Inland Port operation

Others : Insurance agency and investment holding

<b>RM'000</b>	<b>Shipping</b>	<b>Trading</b>	<b>Logistics</b>	<b>Others</b>	<b>Total</b>	<b>Elimination</b>	<b>Group</b>
<b>Results For 3 Months Ended</b>							
<b>30 June 2013</b>							
External revenue	6,556	1,294	23,866	78	<b>31,794</b>	-	<b>31,794</b>
Intersegment revenue	1,410	2,013	860	8,480	<b>12,763</b>	(12,763)	-
Total revenue	7,966	3,307	24,726	8,558	<b>44,557</b>	(12,763)	<b>31,794</b>
Segment profit	2,257	216	4,294	7,899	<b>14,666</b>	(4,128)	<b>10,538</b>
Depreciation	(203)	(59)	(1,340)	(20)	<b>(1,622)</b>	(362)	<b>(1,984)</b>
Interest income	5	-	29	1	<b>35</b>	-	<b>35</b>
Finance costs	-	-	(257)	-	<b>(257)</b>	-	<b>(257)</b>
Profit before tax	2,059	157	2,726	7,880	<b>12,822</b>	(4,490)	<b>8,332</b>
Tax expense	(222)	(24)	(469)	(10)	<b>(725)</b>	(331)	<b>(1,056)</b>
Profit after tax	1,837	133	2,257	7,870	<b>12,097</b>	(4,821)	<b>7,276</b>

## 7 Segmental Information (continued)

RM'000	Shipping	Trading	Logistics	Others	Total	Elimination	Group
<b>Results For 3 Months Ended</b>							
<b>30 June 2012</b>							
External revenue	7,412	1,381	19,240	21	<b>28,054</b>	-	<b>28,054</b>
Intersegment revenue	-	687	589	544	<b>1,820</b>	(1,820)	-
Total revenue	7,412	2,068	19,829	565	<b>29,874</b>	(1,820)	<b>28,054</b>
Segment profit	1,619	195	4,138	424	<b>6,376</b>	(560)	<b>5,816</b>
Depreciation	(222)	(93)	(853)	-	<b>(1,168)</b>	(307)	<b>(1,475)</b>
Interest income	4	12	20	4	<b>40</b>	-	<b>40</b>
Finance costs	(25)	(3)	(246)	-	<b>(274)</b>	-	<b>(274)</b>
Profit before tax	1,376	111	3,059	428	<b>4,974</b>	(867)	<b>4,107</b>
Tax expense	199	(34)	(382)	(17)	<b>(234)</b>	-	<b>(234)</b>
Profit after tax	1,575	77	2,677	411	<b>4,740</b>	(867)	<b>3,873</b>

### Assets and Liabilities As At

#### 30 June 2013

Segment assets/ Total assets	36,929	6,839	89,568	91,536	<b>224,872</b>	(82,869)	<b>142,003</b>
Segment liabilities/ Total liabilities	38,266	6,245	35,561	10,411	<b>90,483</b>	(43,727)	<b>46,756</b>

#### 30 June 2012

Segment assets/ Total assets	40,310	66,353	9,038	78,859	<b>194,560</b>	(67,524)	<b>127,036</b>
Segment liabilities/ Total liabilities	39,433	32,260	7,509	6,554	<b>85,756</b>	(38,578)	<b>47,178</b>

## 8 Related Party Disclosures

Significant recurrent related party transactions are as follows:

RM'000	3 months ended	
	30.06.2013	30.06.2012
Companies in which certain Directors have interests:		
Revenue from services rendered	1,760	2,384
Container haulage/transportation/logistics service charges payable	590	1,140
Forwarding service charges payable	148	68
Spare parts payable	10	12
Rental expense payable	8	8
Rental income receivable	3	3

The Directors are of the opinion that the above transactions have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.



## **9 Valuation of Property, Plant and Equipment**

There was no valuation on property, plant and equipment during the current and previous corresponding quarter.

## **10 Capital Commitments**

As at the end of the reporting quarter, the Group has approved and contracted for capital commitments of RM4.0 million in respect of property, plant and equipment.

## **11 Contingent Assets And Liabilities**

There were no changes in contingent liabilities and contingent assets since the end of last financial year.

## **12 Changes in Composition of the Group**

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

Save as disclosed above, there were no changes in the composition of the Group during the current quarter.

## **13 Events After The Reporting Period**

There were no material events subsequent to the end of the current quarter.

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**COMPLETE LOGISTIC SERVICES BERHAD (716241-X)**  
**(Incorporated in Malaysia)**

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET  
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**14 Analysis Of Performance - Comparison With Preceding Year Corresponding Quarter**

During the quarter under review, the Group reported a significant increase in revenue of RM3.74 million as compared to the preceding year corresponding quarter ("corresponding quarter"). In terms of the Group's financial results, there was a significant increase in pre-tax profit by RM4.23 million as compared to the corresponding quarter due to the gain on bargain purchase of RM3.67 million arising from the acquisition of the entire equity interest in Pengangkutan Sekata Sdn Bhd and its subsidiaries ("Sekata").

(a) Shipping

The revenue of the shipping segment has increased by RM0.55 million as compared to the corresponding quarter. This segment posted a pre-tax profit of RM2.06 million compared to a pre-tax profit of RM1.38 million in the corresponding quarter. Such increase was mainly arising from the improvement in shipping activities of the Group during the current quarter.

(b) Logistics

The logistics segment registered a revenue of RM24.73 million and a pre-tax profit of RM2.73 million. This represents an increase of RM4.90 million in revenue but a slight decrease in pre-tax profit of RM0.33 million when compared to the corresponding quarter.

(c) Trading

Trading segment posted a revenue of RM3.31 million and a pre-tax profit of RM0.16 million in the current quarter, an improvement of RM1.24 million and RM0.05 million respectively from the results achieved in the corresponding quarter.

**15 Comparison With Immediate Preceding Quarter**

RM'000	3 months ended		Variance
	30.06.2013	31.03.2013	
Revenue	31,794	21,923	9,871
Profit before tax	8,332	3,628	4,704

The revenue in the current quarter increased by RM9.87 million mainly due to the higher revenue in the logistics segments contributed by the newly acquired subsidiary, Pengangkutan Sekata Sdn Bhd.

The Group registered a substantial increase of RM4.70 million in pre-tax profit, mainly due to the gain on bargain purchase (Note 14) as well as the improvement in shipping segment during the current quarter.

## 16 Commentary On Prospects

With the acquisition of Pengangkutan Sekata Sdn Bhd completed on 19 April 2013, the Group's logistics segment is expected to be the segment of growth for the current financial year.

The shipping industry meanwhile is expected to remain difficult for the current financial year. To meet the challenges ahead, the Group will have to develop varied and innovative shipping packages to stay ahead as well as for sustainability. The Group is also planning to down-size its vessel fleet in view of the anticipated depressed freight market to mitigate cost outlay and ultimately, to conserve the Group's resources.

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

The Central Bank of Malaysia, in its report on the performance of the Malaysian economy for the second quarter of 2013 has projected the Malaysian economy to grow at an annualised rate of 4.5% to 5.0% for the year 2013. With the Malaysian economy steaming positively ahead with positive growth coupled with the Group's business well transformed and structured to grow, the Board is optimistic that the financial performance of the Group will continue to be profitable for the current financial year.

## 17 Profit Forecast

Not applicable.

## 18 Tax Expense

<b>RM'000</b>	<b>3 months ended</b>	
	<b>30.06.2013</b>	<b>30.06.2012</b>
Income tax	612	234
Deferred tax	444	-
<b>Total tax expense</b>	<b>1,056</b>	<b>234</b>

Income tax is calculated at the statutory tax rate of 25% of the estimated assessable profit for the period.

The effective tax rate of the Group is lower than the statutory tax rate, mainly due to the lower tax rate applied on the income derived from the Malaysian resident shipping subsidiaries of the Company.

## 19 Retained Earnings

<b>RM'000</b>	<b>As at</b>	<b>As at</b>
	<b>30.06.2013</b>	<b>31.03.2013</b>
Realised	23,699	41,211
Unrealised	6,561	4,214
	30,260	45,425
Consolidation adjustments	519	(21,497)
<b>Total retained earnings</b>	<b>30,779</b>	<b>23,928</b>

## 20 Corporate Proposals

On 25 July 2013, the Company had proposed a share issuance scheme involving the issuance of new ordinary shares of RM0.50 each in the Company representing up to 15% of the issued and paid-up share capital of the Company excluding treasury shares to the eligible Directors and employees of the Group, which is subject to the following approvals being obtained from:

- (a) Bursa Securities for the listing of and quotation for the new shares of the Company to be issued upon the exercise of SIS (approval has been obtained on 14 August 2013);
- (b) Shareholders of the Company at the extraordinary general meeting to be convened on 25 September 2013; and
- (c) Other relevant authorities, if required.

Save as disclosed above, there were no other corporate proposals announced but not completed as at the reporting date.

## 21 Borrowings (secured)

<b>RM'000</b>	<b>As at 30.06.2013</b>	<b>As at 31.03.2013</b>
Short term borrowings:		
Hire purchase	2,470	1,729
Term loans	3,258	3,189
	<u>5,728</u>	<u>4,918</u>
Long term borrowings:		
Hire purchase	2,876	2,639
Term loans	10,322	11,176
	<u>13,198</u>	<u>13,815</u>
<b>Total borrowings</b>	<b><u>18,926</u></b>	<b><u>18,733</u></b>

## 22 Changes In Material Litigation

There was no material litigation against the Group as at the reporting date.

## 23 Proposed Dividend

No dividend has been proposed during the current quarter.

## 24 Earnings Per Share ("EPS")

	<b>3 months ended</b>	
	<b>30.06.2013</b>	<b>30.06.2012</b>
Profit attributable to Owners of the Company (RM'000)	7,256	3,854
Weighted average number of ordinary shares in issue ('000)	119,681	119,851
<b>Basic EPS (sen)</b>	<b><u>6.06</u></b>	<b><u>3.21</u></b>

Diluted EPS was not computed as the Company did not have any convertible financial instruments during the period.

## 25 Auditors' Report On Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 31 March 2013 was unqualified.

## 26 Profit Before Tax

RM'000	3 months ended	
	30.06.2013	30.06.2012
<b>Profit before tax is arrived at after crediting/(charging):</b>		
Interest income	35	40
Other income	463	349
Realised gain in foreign exchange	138	2
Unrealised gain in foreign exchange	-	29
Gain on bargain purchase	3,672	-
Interest expense	(257)	(274)
Depreciation	(1,984)	(1,476)
Realised loss in foreign exchange	(28)	-
Unrealised loss in foreign exchange	(17)	-

Save as disclosed above, there were no other gain or loss on disposal of quoted or unquoted investment or real properties, gain or loss on derivatives or exceptional item for current quarter under review.

## 27 Authorised For Issue

The condensed consolidated interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 27 August 2013.