



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

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER AND YEAR ENDED 31 MARCH 2014

28 May 2014

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2014

RM'000	Note	As at 31.03.2014 Unaudited	As at 31.03.2013 Audited
ASSETS			
Property, plant and equipment		92,019	80,649
Goodwill on consolidation		272	272
Non-current Assets		92,291	80,921
Inventories		376	702
Trade and other receivables		35,764	31,818
Tax recoverable		238	729
Cash and cash equivalents		11,588	11,623
Current Assets		47,966	44,872
TOTAL ASSETS		140,257	125,793
EQUITY AND LIABILITIES			
Share capital		60,000	60,000
Treasury shares		(131)	(131)
Other reserves		4,536	3,921
Retained earnings	19	37,976	23,927
Equity attributable to owners of the Company		102,381	87,717
Non-controlling interest		338	254
Total Equity		102,719	87,971
Borrowings (secured)	21	10,312	13,815
Deferred tax liabilities		6,046	4,196
Non-current Liabilities		16,358	18,011
Trade and other payables		14,082	14,830
Borrowings (secured)	21	6,439	4,918
Tax liabilities		659	63
Current Liabilities		21,180	19,811
Total Liabilities		37,538	37,822
TOTAL EQUITY AND LIABILITIES		140,257	125,793
Net assets per share attributable to owners of the Company (RM)		0.84	0.73

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)
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**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE QUARTER AND YEAR ENDED 31 MARCH 2014**

(These figures have not been audited)

RM'000	Note	3 months ended		12 months ended	
		31.03.2014	31.03.2013	31.03.2014	31.03.2013
Revenue	7	27,884	21,923	120,609	102,395
Cost of sales		(21,790)	(15,922)	(91,014)	(75,449)
Gross profit		6,094	6,001	29,595	26,946
Other income		365	1,852	5,745	2,512
Marketing and distribution costs		(164)	(40)	(704)	(364)
Administration expenses		(1,333)	(1,076)	(7,829)	(7,685)
Other expenses		(3,248)	(2,825)	(8,178)	(7,125)
Finance costs		(275)	(284)	(1,028)	(1,123)
Profit before tax	26	1,439	3,628	17,601	13,161
Tax expense	18	(167)	(358)	(3,064)	(1,079)
Profit for the period		1,272	3,270	14,537	12,082
Foreign currency translation		-	(14)	(404)	(40)
Total comprehensive income		1,272	3,256	14,133	12,042
Profit attributable to:					
Owners of the Company		1,240	3,260	14,453	11,995
Non-controlling interest		32	10	84	87
Profit for the period		1,272	3,270	14,537	12,082
Total comprehensive income attributable to:					
Owners of the Company		1,240	3,246	14,049	11,955
Non-controlling interest		32	10	84	87
		1,272	3,256	14,133	12,042
Earnings per share attributable to owners of the Company:					
Basic (sen)	24	1.04	2.72	12.08	10.02

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)
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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2014
(These figures have not been audited)

<u>RM'000</u>	Attributable to owners of the Company									
						Non-Distributable		Distributable		
	Share capital	Treasury shares	Share premium	Share issuance scheme reserve	Exchange fluctuation reserve	Retained earnings	Total	Non-controlling interest	Total equity	
At 1 April 2013	60,000	(131)	4,325	-	(404)	23,927	87,717	254	87,971	
Total comprehensive income for the period	-	-	-	-	404	14,049	14,453	84	14,537	
Share issuance scheme option value	-	-	-	211	-	-	211	-	211	
At 31 March 2014	60,000	(131)	4,325	211	-	37,976	102,381	338	102,719	
At 1 April 2012	60,000	(131)	4,325	-	(364)	11,932	75,762	167	75,929	
Total comprehensive income for the period	-	-	-	-	(40)	11,995	11,955	87	12,042	
At 31 March 2013	60,000	(131)	4,325	-	(404)	23,927	87,717	254	87,971	

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)
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 31 MARCH 2014
(These figures have not been audited)

RM'000	31.03.2014	31.03.2013
Cash flows from operating activities		
Profit before tax	17,601	13,161
Adjustments for:		
Non-cash items	9,370	6,344
Non-operating items	(2,996)	(1,339)
Interest income	(194)	(246)
Interest expense	1,571	1,123
Operating profit before working capital changes	25,352	19,043
Changes in working capital:		
Inventories	326	(306)
Receivables	4,017	(2,401)
Payables	(9,590)	(28)
Cash generated from operations	20,105	16,308
Net tax paid	(2,131)	(1,879)
Net cash from operating activities	17,974	14,429
Cash flows from investing activities		
Deposit paid for the proposed acquisition of a company	-	(1,000)
Interest received	194	246
Net cash outflow from the acquisition of a subsidiary	(6,674)	-
Net cash outflow from the disposal of subsidiaries	(5)	-
Purchase of property, plant and equipment	(5,321)	(3,641)
Proceeds from disposal of property, plant and equipment	2,010	5,815
Net cash (used in)/from investing activities	(9,796)	1,420
Cash flows from financing activities		
(Additional)/Withdrawal of fixed deposits pledged to licensed bank	(3)	1,836
Interest paid	(1,571)	(1,123)
Net repayment of borrowings	(5,920)	(6,045)
Repayment to an associate	-	(18)
Repayment to the directors	(722)	(5,536)
Net cash used in financing activities	(8,216)	(10,886)
Net changes in cash and cash equivalents	(38)	4,963
Effects of exchange rate changes	-	(40)
Cash and cash equivalents at the beginning of financial year	11,517	6,594
Cash and cash equivalents at the end of financial year	11,479	11,517
Analysis of cash and cash equivalents		
Fixed deposit	3,296	6,150
Cash and bank balances	8,292	5,473
	11,588	11,623
Fixed deposits pledged to licensed bank	(109)	(106)
	11,479	11,517

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

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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 10 Consolidated Financial Statements
- MFRS 11 Joint Arrangements
- MFRS 12 Disclosure of Interests in Other Entities
- MFRS 13 Fair Value Measurement
- MFRS 119 Employee Benefits (revised)
- MFRS 127 Consolidated and Separate Financial Statements (revised)
- MFRS 128 Investments in Associates and Joint Ventures (revised)
- Amendments to MFRS 7 Financial Instruments: Disclosures - Offsetting Financial Assets and Financial Liabilities
- Amendments to MFRS 10, MFRS 11 and MFRS 12: Transition Guidance
- Amendments to MFRS 101 Presentation of Items of Other Comprehensive Income
- 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 that have been issued but not yet effective:

- MFRS 9 Financial Instruments and Amendments to MFRS 7 and MFRS 9: Mandatory Effective Date of MFRS 9 and Transition Disclosures
- Amendments to MFRS 10, MFRS 12 and MFRS 127: Investment Entities
- Amendments to MFRS 119 Defined Benefit Plans – Employee Contributions
- Amendments to MFRS 132 Offsetting Financial Assets and Financial Liabilities
- Amendments to MFRS 136 Recoverable Amount Disclosures for Non-financial Assets
- Amendments to MFRS 139 Novation of Derivatives and Continuation of Hedge Accounting
- IC Interpretation 21 Levies
- Annual Improvements to MFRSs 2010 – 2012 Cycle
- Annual Improvements to MFRSs 2011 – 2013 Cycle

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 quarter and financial year ended 31 March 2014.

4 Significant Estimates And Changes In Estimates

There were no changes in estimates that had any material effects on the quarter and financial year ended 31 March 2014.

5 Debt And Equity Securities

There were no issuances, repurchases or repayments of debt and equity securities during the quarter ended 31 March 2014.

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

RM'000	Shipping	Trading	Logistics	Others	Total	Elimination	Group
Results For 3 Months Ended							
31 March 2014							
External revenue	4,098	381	23,399	6	27,884	-	27,884
Intersegment revenue	120	2,374	2,211	615	5,320	(5,320)	-
Total revenue	4,218	2,755	25,610	621	33,204	(5,320)	27,884
Segment profit/(loss)	97	120	4,391	(413)	4,195	(385)	3,810
Depreciation	(186)	(65)	(1,496)	(31)	(1,778)	(352)	(2,130)
Interest income	1	5	9	19	34	-	34
Finance costs	-	-	(275)	-	(275)	-	(275)
(Loss)/Profit before tax	(88)	60	2,629	(425)	2,176	(737)	1,439
Tax income/(expense)	36	(45)	(350)	(62)	(421)	254	(167)
(Loss)/Profit after tax	(52)	15	2,279	(487)	1,755	(483)	1,272

7 Segmental Information (continued)

RM'000	Shipping	Trading	Logistics	Others	Total	Elimination	Group
Results For 3 Months Ended							
31 March 2013							
External revenue	4,768	2,024	15,108	23	21,923	-	21,923
Intersegment revenue	1,119	1,143	379	3,081	5,722	(5,722)	-
Total revenue	5,887	3,167	15,487	3,104	27,645	(5,722)	21,923
Segment profit	46	20	6,999	2,426	9,491	(4,097)	5,394
Depreciation	(183)	(7)	(1,037)	(52)	(1,279)	(291)	(1,570)
Interest income	22	18	45	3	88	-	88
Finance costs	(1)	-	(283)	-	(284)	-	(284)
(Loss)/Profit before tax	(116)	31	5,724	2,377	8,016	(4,388)	3,628
Tax income/(expense)	128	30	(503)	(13)	(358)	-	(358)
(Loss)/Profit after tax	12	61	5,221	2,364	7,658	(4,388)	3,270
Results For 12 Months Ended							
31 March 2014							
External revenue	23,453	3,237	93,707	212	120,609	-	120,609
Intersegment revenue	2,127	8,962	6,153	18,817	36,059	(36,059)	-
Total revenue	25,580	12,199	99,860	19,029	156,668	(36,059)	120,609
Segment profit	4,816	483	18,807	15,909	40,015	(13,112)	26,903
Depreciation	(822)	(250)	(5,860)	(91)	(7,023)	(1,445)	(8,468)
Interest income	8	7	86	93	194	-	194
Finance costs	-	(2)	(1,026)	-	(1,028)	-	(1,028)
Profit before tax	4,002	238	12,007	15,911	32,158	(14,557)	17,601
Tax expense	(548)	(106)	(2,163)	(170)	(2,987)	(77)	(3,064)
Profit after tax	3,454	132	9,844	15,741	29,171	(14,634)	14,537
31 March 2013							
External revenue	26,302	7,247	68,768	78	102,395	-	102,395
Intersegment revenue	1,119	3,590	1,632	3,681	10,022	(10,022)	-
Total revenue	27,421	10,837	70,400	3,759	112,417	(10,022)	102,395
Segment profit	3,987	598	17,592	2,664	24,841	(4,630)	20,211
Depreciation	(826)	(245)	(3,816)	(80)	(4,967)	(1,205)	(6,172)
Interest income	58	52	120	16	246	-	246
Finance costs	(51)	(3)	(1,070)	-	(1,124)	-	(1,124)
Profit before tax	3,168	402	12,826	2,600	18,996	(5,835)	13,161
Tax income/(expense)	158	(37)	(1,137)	(63)	(1,079)	-	(1,079)
Profit after tax	3,326	365	11,689	2,537	17,917	(5,835)	12,082

7 Segmental Information (continued)

RM'000	Shipping	Trading	Logistics	Others	Total	Elimination	Group
Assets and Liabilities As At							
31 March 2014							
Segment assets/ Total assets	35,707	5,803	88,361	88,892	218,763	(78,506)	140,257
Segment liabilities/ Total liabilities	41,647	5,195	37,049	6,076	89,967	(52,429)	37,538
31 March 2013							
Segment assets/ Total assets	40,129	6,484	70,761	80,858	198,232	(72,439)	125,793
Segment liabilities/ Total liabilities	39,137	6,023	29,064	7,637	81,861	(44,039)	37,822

8 Related Party Disclosures

Significant recurrent related party transactions are as follows:

RM'000	3 months ended		12 months ended	
	31.03.2014	31.03.2013	31.03.2014	31.03.2013
Companies in which certain Directors have interests:				
Revenue from services rendered	1,585	3,011	6,183	10,679
Container haulage/transportation/logistics service charges payable	-	1,680	590	4,708
Forwarding service charges payable	1,151	134	2,130	373
Spare parts payable	32	2	89	53
Rental expense payable	7	7	31	31
Rental income receivable	3	26	12	35
Warehouse expense payable	83	-	136	-

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 RM7.2 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 27 March 2014 entered into a Sale and Purchase Agreement ("SPA") for the disposal of the entire equity interest in Complete Transport Services Sdn Bhd ("CTS") consisting of 10,000 ordinary shares of RM1.00 each on equal basis to each Ms Lin Puey See and Ms Ong Shirley for a total cash consideration of RM5,400. The disposal was completed on 31 March 2014 and in consequent thereof, CTS had ceased to be a wholly-owned subsidiary of the Company.

The Company had on 31 March 2014 approved and given consent to a subsidiary, Complete Biofuel Sdn Bhd to make an application to the Companies Commission of Malaysia ("CCM") to strike off its name pursuant to Section 308 of the Companies Act 1965. The proposed strike-off is expected to be completed upon the receipt of the notification for strike-off from CCM.

The Company had on 31 March 2014 approved and given consent to a subsidiary, Complete International Pte Ltd to inform the Labuan Financial Services Authority ("LFSA") of its intention to strike off its name pursuant to the Labuan Companies Act 1990. The proposed strike-off is expected to be completed upon the receipt of the notification for strike-off from LFSA.

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

13 Events After The Reporting Period

On 14 April 2014, the Company had increased its issued and paid-up capital from RM60,000,000 to RM60,150,000 through the issuance of 300,000 new ordinary shares of RM0.50 each at RM0.62 per share 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.

Save as disclosed above, there were no other material events subsequent to the end of the current quarter.

COMPLETE LOGISTIC SERVICES BERHAD (716241-X)
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**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 recorded an increase in revenue of RM5.96 million compared to the preceding year corresponding quarter (“corresponding quarter”). However, the Group reported a fall in pre-tax profit by RM2.19 million compared to the corresponding quarter mainly due to the business slowdown in the logistics segment.

(a) Shipping

The shipping segment's revenue has decreased by RM1.67 million as compared to the corresponding quarter. However, this segment posted a lower pre-tax loss of RM0.09 million as compared to a pre-tax loss of RM0.12 million in the corresponding quarter.

(b) Logistics

The logistics segment registered a revenue of RM25.61 million, representing an increase in revenue by RM10.12 million contributed mainly by the newly acquired subsidiary during the financial year. In terms of pre-tax profit, the current quarter results showed a decrease of RM3.10 million as compared to the corresponding quarter. The decline in pre-tax profit was mainly attributed to the gain on disposal of property, plant and equipment of a subsidiary amounting to RM2.42 million in the corresponding quarter.

(c) Trading

Revenue for the trading segment of RM2.76 million in the current quarter are mainly contributed by the local trading activities.

15 Comparison With Immediate Preceding Quarter

RM'000	3 months ended		Variance
	31.03.2014	31.12.2013	
Revenue	27,884	30,714	(2,830)
Profit before tax	1,439	4,538	(3,099)

Revenue in the current quarter decreased by RM2.83 million compared to the immediate preceding quarter, mainly due to the lower revenue in the shipping and logistics segments caused by festive season during the current quarter and that accordingly the pre-tax profit to fall by RM3.10 million.

16 Commentary On Prospects

Logistics segment remains to be the main profit driven business of the Group. The Board is positive on the prospects of this business segment and foresees its continued focus to further invest in the operating equipment and warehousing facilities in order to maintain its profitability. Meanwhile, the Board is on the lookout for new investments that will enhance the overall growth of the Group.

Despite the demand for shipping services within the industry remains slow, the Group expects its existing shipping business to be viable for the year ahead.

With a positive growth outlook for its logistics businesses, the Board is optimistic that profitable financial performance to be attained in the next financial year.

17 Profit Forecast

Not applicable.

18 Tax Expense

RM'000	3 months ended		12 months ended	
	31.03.2014	31.03.2013	31.03.2014	31.03.2013
Income tax	911	446	3,154	1,167
Deferred tax	(744)	(88)	(90)	(88)
Total tax expense	167	358	3,064	1,079

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

The overall 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

RM'000	As at 31.04.2014	As at 31.03.2013
Realised	60,284	49,638
Unrealised	(6,055)	(4,214)
	54,229	45,424
Consolidation adjustments	(16,253)	(21,497)
Total retained earnings	37,976	23,927

20 Corporate Proposals

There were no corporate proposals announced as at the reporting date.

21 Borrowings (secured)

RM'000	As at 31.04.2014	As at 31.03.2013
Short term borrowings:		
Hire purchase	3,080	1,729
Term loans	3,359	3,189
	6,439	4,918
Long term borrowings:		
Hire purchase	2,505	2,639
Term loans	7,807	11,176
	10,312	13,815
Total borrowings	16,751	18,733

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")

	3 months ended		12 months ended	
	31.03.2014	31.03.2013	31.03.2014	31.03.2013
Profit attributable to Owners of the Company (RM'000)	1,240	3,260	14,453	11,995
Weighted average number of ordinary shares in issue ('000)	119,681	119,681	119,681	119,681
Basic EPS (sen)	1.04	2.72	12.08	10.02

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		12 months ended	
	31.03.2014	31.03.2013	31.03.2014	31.03.2013
Profit before tax is arrived at after crediting/(charging):				
Depreciation	(2,130)	(1,570)	(8,468)	(6,172)
Gain on bargain purchase	-	-	3,672	-
Gain on disposal of a property	-	1,506	-	1,506
Impairment of property, plant and equipment	(286)	-	(286)	-
Interest expense	(275)	(284)	(1,028)	(1,123)
Interest income	34	88	194	246
Other income	282	193	1,948	656
Provision for and write off of receivables	(371)	(190)	(371)	(190)
Realised (loss)/gain in foreign exchange	(17)	(75)	185	(70)
Unrealised (loss)/gain in foreign exchange	(35)	(48)	(10)	18

Save as disclosed above, there were no other material 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 28 May 2014.