



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

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER AND YEAR ENDED 31 MARCH 2015

26 May 2015

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2015

RM'000	Note	As at 31.03.2015 Unaudited	As at 31.03.2014 Audited
Assets			
Property, plant and equipment		80,594	92,014
Goodwill on consolidation		272	272
Non-current assets		80,866	92,286
Inventories		314	376
Trade and other receivables		38,962	35,769
Tax recoverable		-	238
Cash and cash equivalents		15,949	11,588
Current assets		55,225	47,971
Total assets		136,091	140,257
Equity and liabilities			
Share capital		60,736	60,000
Treasury shares		(131)	(131)
Other reserves		5,255	4,536
Retained earnings	19	35,230	37,975
Equity attributable to owners of the Company		101,090	102,380
Non-controlling interest		461	339
Total equity		101,551	102,719
Borrowings (secured)	21	7,583	10,312
Deferred tax liabilities		5,578	6,046
Non-current liabilities		13,161	16,358
Trade and other payables		12,841	14,082
Borrowings (secured)	21	8,367	6,439
Tax liabilities		171	659
Current liabilities		21,379	21,180
Total liabilities		34,540	37,538
Total equity and liabilities		136,091	140,257
Net assets per share attributable to owners of the Company (RM)		0.84	0.86

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 2015**

(These figures have not been audited)

RM'000	Note	3 months ended		12 months ended	
		31.03.2015	31.03.2014	31.03.2015	31.03.2014
Revenue	7	29,268	27,884	127,293	120,609
Cost of sales		(23,140)	(21,790)	(101,435)	(91,014)
Gross profit		6,128	6,094	25,858	29,595
Other income		858	370	2,421	5,750
Marketing and distribution costs		(169)	(165)	(727)	(705)
Administration expenses		(1,731)	(1,333)	(6,919)	(7,829)
Other expenses		(13,387)	(3,268)	(15,668)	(8,602)
Finance costs		(263)	(259)	(989)	(1,012)
(Loss)/Profit before tax	26	(8,564)	1,439	3,976	17,197
Tax expense	18	(424)	(167)	(2,949)	(3,064)
(Loss)/Profit for the financial year		(8,988)	1,272	1,027	14,133
Foreign currency translation		-	-	-	404
Total comprehensive (expense)/income		(8,988)	1,272	1,027	14,537
(Loss)/Profit attributable to:					
Owners of the Company		(9,034)	1,239	905	14,048
Non-controlling interest		46	33	122	85
(Loss)/Profit for the financial year		(8,988)	1,272	1,027	14,133
Total comprehensive (expense)/income attributable to:					
Owners of the Company		(9,034)	1,239	905	14,452
Non-controlling interest		46	33	122	85
		(8,988)	1,272	1,027	14,537
(Loss)/Earnings per share attributable to owners of the Company:					
Basic (sen)	24	(7.5)	1.0	0.8	11.7
Diluted (sen)	24	(7.5)	1.0	0.8	11.7

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 QUARTER AND YEAR ENDED 31 MARCH 2015

(These figures have not been audited)

RM'000	Attributable to owners of the Company								Total equity
	Non-Distributable					Distributable		Non-controlling interest	
	Share capital	Treasury shares	Share premium	Share issuance scheme reserve	Exchange fluctuation reserve	Retained earnings	Total		
At 1 April 2014	60,000	(131)	4,325	211	-	37,975	102,380	339	102,719
Total comprehensive income for the financial year	-	-	-	-	-	905	905	122	1,027
Issuance of shares	736	-	177	-	-	-	913	-	913
Dividends	-	-	-	-	-	(3,650)	(3,650)	-	(3,650)
Share option value	-	-	-	542	-	-	542	-	542
At 31 March 2015	60,736	(131)	4,502	753	-	35,230	101,090	461	101,551
At 1 April 2013	60,000	(131)	4,325	-	(404)	23,927	87,717	254	87,971
Total comprehensive income for the financial year	-	-	-	-	404	14,048	14,452	85	14,537
Share option value	-	-	-	211	-	-	211	-	211
At 31 March 2014	60,000	(131)	4,325	211	-	37,975	102,380	339	102,719

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 QUARTER AND YEAR ENDED 31 MARCH 2015
(These figures have not been audited)

RM'000	12 months ended	
	31.03.2015	31.03.2014
Cash flows from operating activities		
Profit before tax	3,976	17,197
Adjustments for:		
Non-cash items	7,923	8,844
Non-operating items	13,007	(3,672)
Interest income	(275)	(194)
Interest expense	742	1,012
Operating profit before working capital changes	25,373	23,187
Changes in working capital:		
Inventories	62	326
Receivables	(3,249)	3,297
Payables	(1,310)	(7,590)
Cash generated from operations	20,876	19,220
Net tax paid	(3,668)	(2,131)
Net cash from operating activities	17,208	17,089
Cash flows from investing activities		
Interest received	275	194
Net cash outflow from the acquisition of a subsidiary	-	(7,674)
Net cash outflow from the disposal of subsidiaries	-	(5)
Purchase of property, plant and equipment	(7,517)	(5,401)
Proceeds from disposal of property, plant and equipment	5,014	3,011
Proceeds from issuance of shares	913	-
Net cash used in investing activities	(1,315)	(9,875)
Cash flows from financing activities		
Additional fixed deposits pledged to licensed bank	(3)	(160)
Dividend paid	(3,650)	-
Interest paid	(742)	(1,012)
Net repayment of borrowings	(7,793)	(5,920)
Advances from/(Repayment to) a director	69	(722)
Net cash used in financing activities	(12,119)	(7,814)
Net changes in cash and cash equivalents	3,774	(600)
Effects of exchange rate changes	-	404
Cash and cash equivalents at the beginning of financial year	11,321	11,517
Cash and cash equivalents at the end of financial year	15,095	11,321
Analysis of cash and cash equivalents		
Fixed deposits	8,790	3,296
Cash and bank balances	7,159	8,292
	15,949	11,588
Bank overdraft	(584)	-
Fixed deposits pledged to licensed bank	(270)	(267)
	15,095	11,321

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 2014.

The accounting policies 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 2014 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 2014:

- Amendments to MFRS 10, MFRS 12 and MFRS 127: Investment Entities
- 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

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 (IFRS 9 issued by International Accounting Standards Board (IASB) in November 2009 and in October 2010)
- MFRS 9: Financial Instruments (Hedge Accounting and Amendments to MFRS 7, MFRS 9 and MFRS 139)
- Amendments to MFRS 9 and MFRS 7: Mandatory Effective Date of MFRS 9 and Transition Disclosures
- MFRS 14: Regulatory Deferral Accounts
- MFRS 15: Revenue from Contracts with Customers
- Amendments to MFRS 10 and 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- Amendments to MFRS 11: Accounting for Acquisitions of Interests in Joint Operation
- Amendments to MFRS 116 and 138: Clarification of Acceptable Method of Depreciation and Amortisation
- Amendments to MFRS 116 and 141: Agriculture: Bearer Plants
- Amendments to MFRS 119: Defined Benefit Plans – Employee Contributions
- Annual Improvements to MFRSs 2010 – 2012 Cycle
- Annual Improvements to MFRSs 2011 – 2013 Cycle
- Annual Improvements to MFRSs 2012 – 2014 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 2015.

4 Significant Estimates And Changes In Estimates

With effect from 1 April 2014, the Board reviewed the estimated useful lives of certain property, plant and equipment of the Group and had accounted for the revised depreciation charges prospectively. The changes in depreciation rates do not have any significant financial impact to the Group for current quarter under review.

Save as disclosed above, there were no other changes in estimates that had any material effects on the quarter and financial year ended 31 March 2015.

5 Debt And Equity Securities

During the current quarter, the Company had increased its issued and paid-up share capital from RM60,456,115 to RM60,736,000 through the issuance of 559,770 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 issuances, repurchases or repayments of debt and equity securities during the quarter and financial year ended 31 March 2015.

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:

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

Shipping : Provision of marine transportation services

Others : Trading of goods, insurance agency and investment holding

RM'000	Logistics	Shipping	Others	Total	Elimination	Group
Results For 3 Months Ended						
31 March 2015						
External revenue	23,730	4,313	1,225	29,268	-	29,268
Intersegment revenue	2,806	(107)	5,071	7,770	(7,770)	-
Total revenue	26,536	4,206	6,296	37,038	(7,770)	29,268
Segment profit	5,074	(10,526)	2,504	(2,948)	(3,810)	(6,758)
Depreciation	(1,426)	(155)	(90)	(1,671)	24	(1,647)
Interest income	36	1	67	104	-	104
Finance costs	(263)	-	-	(263)	-	(263)
Profit/(Loss) before tax	3,421	(10,680)	2,481	(4,778)	(3,786)	(8,564)
Tax expense	(783)	244	(19)	(558)	134	(424)
Profit/(Loss) after tax	2,638	(10,436)	2,462	(5,336)	(3,652)	(8,988)

7 Segmental Information (continued)

RM'000	Logistics	Shipping	Others	Total	Elimination	Group
Results For 3 Months Ended						
31 March 2014						
External revenue	23,399	4,098	387	27,884	-	27,884
Intersegment revenue	2,211	120	2,989	5,320	(5,320)	-
Total revenue	25,610	4,218	3,376	33,204	(5,320)	27,884
Segment profit	4,380	97	(293)	4,184	(385)	3,799
Depreciation	(1,501)	(186)	(96)	(1,783)	(352)	(2,135)
Interest income	9	1	24	34	-	34
Finance costs	(259)	-	-	(259)	-	(259)
Profit/(Loss) before tax	2,629	(88)	(365)	2,176	(737)	1,439
Tax expense	(350)	36	(107)	(421)	254	(167)
Profit/(Loss) after tax	2,279	(52)	(472)	1,755	(483)	1,272
Results For 12 Months Ended						
31 March 2015						
External revenue	104,582	18,919	3,792	127,293	-	127,293
Intersegment revenue	7,099	487	15,834	23,420	(23,420)	-
Total revenue	111,681	19,406	19,626	150,713	(23,420)	127,293
Segment profit	22,446	(7,796)	4,374	19,024	(7,009)	12,015
Depreciation	(5,487)	(670)	(353)	(6,510)	(815)	(7,325)
Interest income	79	3	193	275	-	275
Finance costs	(989)	-	-	(989)	-	(989)
Profit/(Loss) before tax	16,049	(8,463)	4,214	11,800	(7,824)	3,976
Tax expense	(2,983)	(38)	(308)	(3,329)	380	(2,949)
Profit/(Loss) after tax	13,066	(8,501)	3,906	8,471	(7,444)	1,027
31 March 2014						
External revenue	93,707	23,453	3,449	120,609	-	120,609
Intersegment revenue	6,153	2,127	27,779	36,059	(36,059)	-
Total revenue	99,860	25,580	31,228	156,668	(36,059)	120,609
Segment profit	18,796	4,816	16,392	40,004	(13,516)	26,488
Depreciation	(5,865)	(822)	(341)	(7,028)	(1,445)	(8,473)
Interest income	86	8	100	194	-	194
Finance costs	(1,010)	-	(2)	(1,012)	-	(1,012)
Profit before tax	12,007	4,002	16,149	32,158	(14,961)	17,197
Tax expense	(2,163)	(548)	(276)	(2,987)	(77)	(3,064)
Profit after tax	9,844	3,454	15,873	29,171	(15,038)	14,133
Assets and Liabilities As At						
31 March 2015						
Segment/Total assets	96,227	23,847	96,306	216,380	(80,289)	136,091
Segment/Total liabilities	34,448	39,788	11,238	85,474	(50,934)	34,540
31 March 2014						
Segment/Total assets	87,017	37,504	103,711	228,232	(87,602)	140,630
Segment/Total liabilities	34,502	38,971	12,866	86,339	(46,945)	39,394

8 Related Party Disclosures

Significant recurrent related party transactions are as follows:

RM'000	3 months ended		12 months ended	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
Companies in which certain Directors have interests:				
Revenue from services rendered	1,474	1,585	6,127	6,183
Container haulage/transportation/logistics service charges payable	-	-	-	590
Forwarding service charges payable	514	1,151	2,060	2,130
Fuel payable	276	-	845	-
Spare parts payable	95	32	174	89
Rental expense payable	-	7	-	31
Rental income receivable	8	3	24	12
Warehouse expense payable	12	83	62	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 RM6.76 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

There were no changes in the composition of the Group during the current quarter.

13 Events After The Reporting Period

On 24 April 2015, the Company had increased its issued and paid-up capital from RM60,736,000 to RM60,844,000 through the issuance of 216,000 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 RM1.38 million compared to the preceding year corresponding quarter (“corresponding quarter”). However, the Group reported a pre-tax loss of RM8.56 million for the current quarter mainly due to the impairment losses on the Group’s vessels of RM12.36 million.

(a) Logistics

The logistics segment registered a revenue of RM26.54 million, representing an increase of RM0.93 million compared to the corresponding quarter. In line with the increase in revenue for the current quarter, this segment reported a pre-tax profit of RM3.42 million which is an increase of RM0.79 million compared to the corresponding quarter.

(b) Shipping

As a result of the impairment losses on the Group’s vessels, shipping segment posted a pre-tax loss of RM10.68 million for the current quarter.

15 Comparison With Immediate Preceding Quarter

RM'000	3 months ended		Variance
	31.03.2015	31.12.2014	
Revenue	29,268	32,739	(3,471)
(Loss)/Profit before tax	(8,564)	5,074	(13,638)

Revenue for the current quarter decreased by RM3.47 million compared to the immediate preceding quarter mainly caused by the decline in shipping and logistic activities during the festive holiday season.

The Group registered a pre-tax loss of RM8.56 million mainly due to the impairment losses on the Group's vessels (Note 14).

16 Commentary On Prospects

The performance of the current financial year was impacted by the impairment of certain vessels which are idle.

In the next financial year, the Board foresees the shipping segment to remain sluggish and the logistics segment will remain the main profit driven business of the Group. The Group is continuing to invest in the operating equipment and warehousing facilities and the Board is optimistic that the financial performance of the next financial year will be favourable.

17 Profit Forecast

Not applicable.

18 Tax Expense

RM'000	3 months ended		12 months ended	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
Income tax	1,030	911	3,418	3,154
Deferred tax	(606)	(744)	(469)	(90)
Total tax expense	424	167	2,949	3,064

Income tax is calculated at the statutory tax rate of 25% on 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 tax incentives available.

19 Retained Earnings

RM'000	As at	As at
	31.03.2015	31.03.2014
Realised	60,462	60,283
Unrealised	(5,578)	(6,055)
	54,884	54,228
Consolidation adjustments	(19,654)	(16,253)
Total retained earnings	35,230	37,975

20 Corporate Proposals

The Company had on 28 May 2014 entered into a Sale and Purchase Agreement ("SPA") for the disposal of the entire equity interest in Gems Logistics Sdn Bhd ("GL") consisting of 100,000 ordinary shares of RM1.00 each for a cash consideration of RM1,500,000 and had on 11 July 2014, 24 October 2014, 6 January 2015 and 6 May 2015 agreed to extend the completion date of the disposal. GL will cease to be a wholly-owned subsidiary of the Company upon completion of the disposal which is expected at a date not later than 30 September 2015.

Guper Resources Sdn Bhd, a wholly-owned subsidiary of the Company, had on 1 December 2014 entered into two (2) Sale and Purchase Agreements with Ecolex Sdn Bhd for the acquisition of two (2) parcels of vacant leasehold industrial lands for a total consideration of RM13,407,500. The acquisition will be financed by two (2) fixed term loans totalling RM9,390,000 from Hong Leong Bank Berhad which are secured by a corporate guarantee of the Company.

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

21 Borrowings (secured)

RM'000	As at	As at
	31.03.2015	31.03.2014
Short term borrowings:		
Bank overdraft	584	-
Hire purchase	4,250	3,080
Term loans	3,533	3,359
	8,367	6,439
Long term borrowings:		
Hire purchase	3,304	2,505
Term loans	4,279	7,807
	7,583	10,312
Total borrowings	15,950	16,751

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	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
(Loss)/Profit attributable to Owners of the Company (RM'000)	(9,034)	1,239	905	14,048
Weighted average number of ordinary shares in issue ('000)	120,374	119,681	120,374	119,681
Effect of dilution ('000)	184	13	184	13
Adjusted weighted average number of ordinary shares in issue ('000)	120,558	119,694	120,558	119,694
Basic EPS (sen)	(7.5)	1.0	0.8	11.7
Diluted EPS (sen)	(7.5)	1.0	0.8	11.7

25 Auditors' Report On Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 31 March 2014 was unqualified.

26 Profit Before Tax

RM'000	3 months ended		12 months ended	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
Profit before tax is arrived at after crediting/(charging):				
Depreciation	(1,647)	(2,135)	(7,325)	(8,473)
Gain on bargain purchase	-	-	-	3,672
Impairment of property, plant and equipment	(12,358)	(286)	(12,358)	(286)
Interest expense	(263)	(270)	(989)	(1,023)
Interest income	104	34	275	194
Other income	754	282	2,146	1,948
Provision for and write off of receivables	(158)	(396)	(158)	(396)
Realised gain/(loss) in foreign exchange	(13)	(17)	(93)	185
Unrealised gain/(loss) in foreign exchange	5	(35)	5	(10)

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 26 May 2015.