



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

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 30 JUNE 2015

27 August 2015

Complete Logistic Services Berhad
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COMPLETE LOGISTIC SERVICES BERHAD (716241-X)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2015

RM'000	Note	As at 30.06.2015 Unaudited	As at 31.03.2015 Audited
Assets			
Property, plant and equipment		82,734	80,594
Goodwill on consolidation		272	272
Non-current assets		83,006	80,866
Inventories		481	314
Trade and other receivables		44,703	39,064
Cash and cash equivalents		17,391	15,949
Current assets		62,575	55,327
Total assets		145,581	136,193
Equity and liabilities			
Share capital		60,844	60,736
Treasury shares		(131)	(131)
Other reserves		5,331	5,220
Retained earnings	19	39,066	35,300
Equity attributable to owners of the Company		105,110	101,125
Non-controlling interest		443	425
Total equity		105,553	101,550
Borrowings (secured)	21	8,570	7,583
Deferred tax liabilities		5,623	5,578
Non-current liabilities		14,193	13,161
Trade and other payables		16,841	12,944
Borrowings (secured)	21	8,783	8,367
Tax liabilities		211	171
Current liabilities		25,835	21,482
Total liabilities		40,028	34,643
Total equity and liabilities		145,581	136,193
Net assets per share attributable to owners of the Company (RM)		0.87	0.84

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 FIRST QUARTER ENDED 30 JUNE 2015**

(These figures have not been audited)

RM'000	Note	3 months ended	
		30.06.2015	30.06.2014
Revenue	7	32,097	34,132
Cost of sales		(25,287)	(27,607)
Gross profit		6,810	6,525
Other income		267	609
Marketing and distribution costs		(161)	(117)
Administration expenses		(1,506)	(1,698)
Other expenses		(490)	(577)
Finance costs		(196)	(222)
Profit before tax	26	4,724	4,520
Tax expense	18	(940)	(912)
Profit for the period		3,784	3,608
Foreign currency translation		-	-
Total comprehensive income		3,784	3,608
Profit attributable to:			
Owners of the Company		3,766	3,595
Non-controlling interest		18	13
Profit for the period		3,784	3,608
Total comprehensive income attributable to:			
Owners of the Company		3,766	3,595
Non-controlling interest		18	13
		3,784	3,608
Earnings per share attributable to owners of the Company:			
Basic (sen)	24	3.1	3.0
Diluted (sen)	24	3.1	3.0

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 FIRST QUARTER ENDED 30 JUNE 2015
(These figures have not been audited)

RM'000	Attributable to owners of the Company						Total	Non-controlling interest	Total equity
	Share capital	Treasury shares	Share premium	Share issuance scheme reserve	Retained earnings	Distributable			
At 1 April 2015	60,736	(131)	4,502	718	35,300		101,125	425	101,550
Total comprehensive income for the period	-	-	-	-	3,766		3,766	18	3,784
Issuance of shares	108	-	26	-	-		134	-	134
Share option value	-	-	-	85	-		85	-	85
At 30 June 2015	60,844	(131)	4,528	803	39,066		105,110	443	105,553
At 1 April 2014	60,000	(131)	4,325	211	37,975		102,380	339	102,719
Total comprehensive income for the period	-	-	-	-	3,595		3,595	13	3,608
Issuance of shares	150	-	36	-	-		186	-	186
Share option value	-	-	-	159	-		159	-	159
At 30 June 2014	60,150	(131)	4,361	370	41,570		106,320	352	106,672

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 2015
(These figures have not been audited)

RM'000	3 months ended	
	30.06.2015	30.06.2014
Cash flows from operating activities		
Profit before tax	4,724	4,520
Adjustments for:		
Non-cash items	1,850	2,006
Non-operating items	(9)	(64)
Interest income	(106)	(51)
Interest expense	196	222
Operating profit before working capital changes	6,655	6,633
Changes in working capital:		
Inventories	(168)	(16)
Receivables	(5,638)	304
Payables	3,589	124
Cash generated from operations	4,438	7,045
Net tax paid	(854)	(765)
Net cash from operating activities	3,584	6,280
Cash flows from investing activities		
Interest received	106	51
Purchase of property, plant and equipment	(3,535)	(2,258)
Proceeds from disposal of property, plant and equipment	271	279
Proceeds from issuance of shares	134	186
Net cash used in investing activities	(3,024)	(1,742)
Cash flows from financing activities		
Additional fixed deposits pledged to licensed bank	-	(3)
Advances from a director	308	-
Drawdown of term loan	2,915	-
Interest paid	(196)	(222)
Net repayment of borrowings	(2,360)	(1,668)
Net cash used in financing activities	667	(1,893)
Net changes in cash and cash equivalents	1,227	2,645
Cash and cash equivalents at the beginning of financial year	15,095	11,321
Cash and cash equivalents at the end of financial year	16,322	13,966
Analysis of cash and cash equivalents		
Fixed deposits	11,072	6,336
Cash and bank balances	6,319	7,900
	17,391	14,236
Bank overdraft	(799)	-
Fixed deposits pledged to licensed bank	(270)	(270)
	16,322	13,966

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 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 2015 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 2015:

- Amendments to MFRS119 Employee Benefits - Defined Benefit Plans: Employee Contributions
- Annual Improvements to MFRSs 2010 – 2012 Cycle
- Annual Improvements to MFRSs 2011 – 2013 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:

- MFRS14 Regulatory Deferral Accounts
- Amendments to MFRS11 Joint Arrangements - Accounting for Acquisitions of Interests in Joint Operations
- Amendments to MFRS101 Presentation of Financial Statements - Disclosure Initiative
- Amendments to MFRS127 Consolidated and Separate Financial Statements - Equity Method in Separate Financial Statements
- Amendments to MFRS10 Consolidated Financial Statements and MFRS128 Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- Amendments to MFRS116 Property, Plant and Equipment and MFRS138 Intangible Assets - Clarification of Acceptable Methods of Depreciation and Amortisation
- Amendments to MFRS116 Property, Plant and Equipment and MFRS141 Agriculture - Bearer Plants
- Amendments to MFRS10 Consolidated Financial Statements, MFRS12 Disclosure of Interests in Other Entities and MFRS128 Investments in Associates and Joint Ventures - Investment Entities: Applying the Consolidation Exception
- Annual Improvements to MFRSs 2012 - 2014 Cycle
- MFRS15 Revenue from Contracts with Customers
- MFRS9 Financial Instruments (International Financial Reporting Standards 9 Financial Instruments as issued by International Accounting Standards Board in July 2014)

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 2015.

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 2015.

5 Debt And Equity Securities

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 issuances, repurchases or repayments of debt and equity securities during the quarter ended 30 June 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						
30 June 2015						
External revenue	26,546	3,921	1,630	32,097	-	32,097
Intersegment revenue	1,669	158	2,906	4,733	(4,733)	-
Total revenue	28,215	4,079	4,536	36,830	(4,733)	32,097
Segment profit	5,346	853	880	7,079	(500)	6,579
Depreciation	(1,435)	(33)	(84)	(1,552)	(213)	(1,765)
Interest income	13	1	92	106	-	106
Finance costs	(196)	-	-	(196)	-	(196)
Profit before tax	3,728	821	888	5,437	(713)	4,724
Tax expense	(725)	(101)	(154)	(980)	40	(940)
Profit after tax	3,003	720	734	4,457	(673)	3,784

7 Segmental Information (continued)

RM'000	Logistics	Shipping	Others	Total	Elimination	Group
Results For 3 Months Ended						
30 June 2014						
External revenue	27,558	5,608	966	34,132	-	34,132
Intersegment revenue	1,649	268	3,074	4,991	(4,991)	-
Total revenue	29,207	5,876	4,040	39,123	(4,991)	34,132
Segment profit	5,597	756	185	6,538	-	6,538
Depreciation	(1,292)	(189)	(81)	(1,562)	(285)	(1,847)
Interest income	8	1	42	51	-	51
Finance costs	(222)	-	-	(222)	-	(222)
Profit before tax	4,091	568	146	4,805	(285)	4,520
Tax expense	(782)	(96)	(86)	(964)	52	(912)
Profit after tax	3,309	472	60	3,841	(233)	3,608
Assets and Liabilities As At						
30 June 2015						
Segment/Total assets	96,852	21,129	106,749	224,730	(79,149)	145,581
Segment/Total liabilities	50,405	6,514	14,505	71,424	(31,396)	40,028
30 June 2014						
Segment/Total assets	91,050	36,265	95,401	222,716	(77,230)	145,486
Segment/Total liabilities	36,430	41,732	11,572	89,734	(50,920)	38,814

8 Related Party Disclosures

Significant recurrent related party transactions are as follows:

RM'000	3 months ended	
	30.06.2015	30.06.2014
Companies in which certain Directors have interests:		
Revenue from services rendered	1,946	1,541
Forwarding service charges payable	328	548
Fuel payable	952	-
Spare parts payable	54	32
Rental income receivable	6	4
Warehouse expense payable	7	20

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 RM2.88 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 16 June 2015 acquired the entire equity interest in Guper Industrial Park Sdn Bhd ("GIP"), comprising 2 ordinary shares of RM1.00 each for a cash consideration of RM2. In consequent thereof, GIP becomes a direct wholly owned subsidiary of CLSB.

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 22 July 2015, the Company had increased its issued and paid-up capital from RM60,844,000 to RM60,954,000 through the issuance of 220,000 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.

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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 a decrease in revenue of RM2.04 million compared to the preceding year corresponding quarter (“corresponding quarter”). However, the Group reported a slight increase in pre-tax profit by RM0.20 million compared to the corresponding quarter.

(a) Logistics

Revenue of the logistic segment has decreased by RM0.99 million as compared to the corresponding quarter and accordingly this segment recorded a lower pre-tax profit by RM0.36 million as compared to the corresponding quarter.

(b) Shipping

Revenue of the shipping segment has decreased by RM1.80 million as compared to the corresponding quarter. However, this segment recorded a slight increase in pre-tax profit by RM0.25 million as compared to the corresponding quarter.

15 Comparison With Immediate Preceding Quarter

RM'000	3 months ended		Variance
	30.06.2015	31.03.2015	
Revenue	32,097	29,268	2,829
Profit before tax	4,724	(8,564)	13,288

Revenue of the Group in the current quarter has increased by RM2.83 million mainly contributed by the logistic segment and in contrast to a pre-tax profit of RM4.72 million reported in the current quarter, the pre-tax loss of RM8.56 million reported in the immediate corresponding quarter was mainly due to the impairment of vessels of RM12.36 million.

16 Commentary On Prospects

With the current uncertain economic outlook, the Group will continue to strategize and optimize its resources with main focus on the expansion of its land logistics business while maintaining the on-going businesses of the other segments. The Board will continue to emphasize on strategies to improve cost and operational efficiencies in order to remain competitive in the business environment. The Board is optimistic that barring any unforeseen circumstances, the financial performance of the Group for the remaining financial year will be profitable.

17 Profit Forecast

Not applicable.

18 Tax Expense

RM'000	3 months ended	
	30.06.2015	30.06.2014
Income tax	895	853
Deferred tax	45	59
Total tax expense	940	912

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 tax incentives available.

19 Retained Earnings

RM'000	As at	As at
	30.06.2015	31.03.2015
Realised	82,717	78,717
Unrealised	(5,617)	(5,573)
	77,100	73,144
Consolidation adjustments	(38,034)	(37,844)
Total retained earnings	39,066	35,300

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.

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
	30.06.2015	31.03.2015
Short term borrowings:		
Bank overdraft	799	584
Hire purchase	3,917	4,250
Term loans	4,067	3,533
	8,783	8,367
Long term borrowings:		
Hire purchase	2,772	3,304
Term loans	5,798	4,279
	8,570	7,583
Total borrowings	17,353	15,950

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	
	30.06.2015	30.06.2014
Profit attributable to Owners of the Company (RM'000)	3,766	3,595
Weighted average number of ordinary shares in issue ('000)	121,355	119,938
Effect of dilution ('000)	1,506	99
Adjusted weighted average number of ordinary shares in issue ('000)	122,861	120,037
Basic EPS (sen)	3.1	3.0
Diluted EPS (sen)	3.1	3.0

25 Auditors' Report On Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 31 March 2015 was unqualified.

26 Profit Before Tax

	3 months ended	
RM'000	30.06.2015	30.06.2014
Profit before tax is arrived at after crediting/(charging):		
Depreciation	(1,765)	(1,847)
Interest expense	(196)	(222)
Interest income	106	51
Other income	161	558
Realised gain/(loss) in foreign exchange	152	(36)
Unrealised loss in foreign exchange	(32)	-

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 27 August 2015.