



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

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2015

25 November 2015

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2015

RM'000	Note	As at 30.09.2015 Unaudited	As at 31.03.2015 Audited
Assets			
Property, plant and equipment		89,370	80,594
Goodwill on consolidation		272	272
Non-current assets		89,642	80,866
Inventories		837	314
Trade and other receivables		40,773	39,064
Cash and cash equivalents		19,127	15,949
Current assets		60,737	55,327
Total assets		150,379	136,193
Equity and liabilities			
Share capital		60,954	60,736
Treasury shares		(131)	(131)
Other reserves		5,442	5,220
Retained earnings	19	42,878	35,300
Equity attributable to owners of the Company		109,143	101,125
Non-controlling interest		459	425
Total equity		109,602	101,550
Borrowings (secured)	21	10,876	7,583
Deferred tax liabilities		5,693	5,578
Non-current liabilities		16,569	13,161
Trade and other payables		13,599	12,944
Borrowings (secured)	21	10,364	8,367
Tax liabilities		245	171
Current liabilities		24,208	21,482
Total liabilities		40,777	34,643
Total equity and liabilities		150,379	136,193
Net assets per share attributable to owners of the Company (RM)		0.90	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)
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2015**
(These figures have not been audited)

RM'000	Note	3 months ended		6 months ended	
		30.09.2015	30.09.2014	30.09.2015	30.09.2014
Revenue	7	30,831	31,154	62,928	65,286
Cost of sales		(24,391)	(25,148)	(49,678)	(52,755)
Gross profit		6,440	6,006	13,250	12,531
Other income		949	365	1,216	974
Marketing and distribution costs		(202)	(227)	(363)	(344)
Administration expenses		(1,747)	(1,822)	(3,253)	(3,520)
Other expenses		(576)	(1,119)	(1,066)	(1,696)
Finance costs		(252)	(257)	(448)	(479)
Profit before tax	26	4,612	2,946	9,336	7,466
Tax expense	18	(784)	(652)	(1,724)	(1,564)
Profit for the period		3,828	2,294	7,612	5,902
Other comprehensive income		-	-	-	-
Total comprehensive income		3,828	2,294	7,612	5,902
Profit attributable to:					
Owners of the Company		3,812	2,262	7,578	5,857
Non-controlling interest		16	32	34	45
Profit for the period		3,828	2,294	7,612	5,902
Total comprehensive income attributable to:					
Owners of the Company		3,812	2,262	7,578	5,857
Non-controlling interest		16	32	34	45
		3,828	2,294	7,612	5,902
Earnings per share attributable to owners of the Company:					
Basic (sen)	24	3.1	1.9	6.2	4.9
Diluted (sen)	24	3.1	1.9	6.2	4.9

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 SIX MONTHS ENDED 30 SEPTEMBER 2015

(These figures have not been audited)

RM'000	Attributable to owners of the Company							
	Share capital	Treasury shares	Share premium	Share issuance scheme reserve	Retained earnings	Total	Non-controlling interest	Total equity
At 1 April 2015	60,736	(131)	4,502	718	35,300	101,125	425	101,550
Total comprehensive income for the period	-	-	-	-	7,578	7,578	34	7,612
Issuance of shares	218	-	52	-	-	270	-	270
Share option value	-	-	-	170	-	170	-	170
At 30 September 2015	60,954	(131)	4,554	888	42,878	109,143	459	109,602
At 1 April 2014	60,000	(131)	4,325	211	37,975	102,380	339	102,719
Total comprehensive income for the period	-	-	-	-	5,857	5,857	45	5,902
Issuance of shares	408	-	98	-	-	506	-	506
Share option value	-	-	-	318	-	318	-	318
At 30 September 2014	60,408	(131)	4,423	529	43,832	109,061	384	109,445

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 SIX MONTHS ENDED 30 SEPTEMBER 2015
(These figures have not been audited)

RM'000	6 months ended	
	30.09.2015	30.09.2014
Cash flows from operating activities		
Profit before tax	9,336	7,466
Adjustments for:		
Non-cash items	3,777	4,060
Non-operating items	(8)	658
Interest income	(227)	(120)
Interest expense	448	479
Operating profit before working capital changes	13,326	12,543
Changes in working capital:		
Inventories	(524)	(80)
Receivables	(1,708)	2,293
Payables	624	(1,966)
Cash generated from operations	11,718	12,790
Net tax paid	(1,536)	(1,359)
Net cash from operating activities	10,182	11,431
Cash flows from investing activities		
Interest received	228	120
Net cash outflow from the acquisition of a subsidiary	-	-
Purchase of property, plant and equipment	(11,454)	(4,241)
Proceeds from disposal of property, plant and equipment	272	2,790
Proceeds from issuance of shares	270	506
Net cash used in investing activities	(10,684)	(825)
Cash flows from financing activities		
Additional fixed deposits pledged to licensed bank	-	(3)
Drawdown of term loan	8,285	-
Interest paid	(448)	(479)
Net repayment of borrowings	(4,658)	(3,617)
Repayment to the directors	30	-
Net cash used in financing activities	3,209	(4,099)
Net changes in cash and cash equivalents	2,707	6,507
Cash and cash equivalents at the beginning of financial year	15,095	11,321
Cash and cash equivalents at the end of financial year	17,802	17,828
Analysis of cash and cash equivalents		
Fixed deposits	12,105	5,343
Cash and bank balances	7,022	12,755
	19,127	18,098
Bank overdraft	(1,054)	-
Fixed deposits pledged to licensed bank	(271)	(270)
	17,802	17,828

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 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 quarter ended 30 September 2015.

4 Significant Estimates And Changes In Estimates

There were no changes in estimates that had any material effects on the second quarter ended 30 September 2015.

5 Debt And Equity Securities

During the current quarter, 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 issuances, repurchases or repayments of debt and equity securities during the quarter ended 30 September 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 September 2015						
External revenue	24,366	4,131	2,334	30,831	-	30,831
Intersegment revenue	1,727	-	3,305	5,032	(5,032)	-
Total revenue	26,093	4,131	5,639	35,863	(5,032)	30,831
Segment profit	5,017	1,248	1,470	7,735	(1,150)	6,585
Depreciation	(1,450)	(94)	(102)	(1,646)	(196)	(1,842)
Interest income	25	1	95	121	-	121
Finance costs	(207)	-	(45)	(252)	-	(252)
Profit before tax	3,385	1,155	1,418	5,958	(1,346)	4,612
Tax expense	(652)	(175)	4	(823)	39	(784)
Profit after tax	2,733	980	1,422	5,135	(1,307)	3,828

7 Segmental Information (continued)

RM'000	Logistics	Shipping	Others	Total	Elimination	Group
Results For 3 Months Ended						
30 September 2014						
External revenue	25,008	5,151	995	31,154	-	31,154
Intersegment revenue	1,491	-	4,775	6,266	(6,266)	-
Total revenue	26,499	5,151	5,770	37,420	(6,266)	31,154
Segment profit	4,549	1,350	1,670	7,569	(2,534)	5,035
Depreciation	(1,359)	(170)	(91)	(1,620)	(281)	(1,901)
Interest income	18	1	50	69	-	69
Finance costs	(257)	-	-	(257)	-	(257)
Profit before tax	2,951	1,181	1,629	5,761	(2,815)	2,946
Tax expense	(537)	(114)	(137)	(788)	136	(652)
Profit after tax	2,414	1,067	1,492	4,973	(2,679)	2,294
Results For 6 Months Ended						
30 September 2015						
External revenue	50,912	8,052	3,964	62,928	-	62,928
Intersegment revenue	3,396	158	6,211	9,765	(9,765)	-
Total revenue	54,308	8,210	10,175	72,693	(9,765)	62,928
Segment profit	10,363	2,101	2,350	14,814	(1,650)	13,164
Depreciation	(2,885)	(127)	(186)	(3,198)	(409)	(3,607)
Interest income	38	2	187	227	-	227
Finance costs	(403)	-	(45)	(448)	-	(448)
Profit before tax	7,113	1,976	2,306	11,395	(2,059)	9,336
Tax expense	(1,377)	(276)	(150)	(1,803)	79	(1,724)
Profit after tax	5,736	1,700	2,156	9,592	(1,980)	7,612
30 September 2014						
External revenue	52,566	10,759	1,961	65,286	-	65,286
Intersegment revenue	3,140	268	7,849	11,257	(11,257)	-
Total revenue	55,706	11,027	9,810	76,543	(11,257)	65,286
Segment profit	10,146	2,106	1,855	14,107	(2,534)	11,573
Depreciation	(2,651)	(359)	(172)	(3,182)	(566)	(3,748)
Interest income	26	2	92	120	-	120
Finance costs	(479)	-	-	(479)	-	(479)
Profit before tax	7,042	1,749	1,775	10,566	(3,100)	7,466
Tax income/(expense)	(1,319)	(210)	(223)	(1,752)	188	(1,564)
Profit after tax	5,723	1,539	1,552	8,814	(2,912)	5,902
Assets and Liabilities As At						
30 September 2015						
Segment/Total assets	95,465	21,097	117,230	233,792	(83,413)	150,379
Segment/Total liabilities	46,788	5,851	23,642	76,281	(35,504)	40,777
30 September 2014						
Segment/Total assets	95,020	34,726	95,772	225,518	(79,141)	146,377
Segment/Total liabilities	37,984	40,626	9,974	88,584	(51,652)	36,932

8 Related Party Disclosures

Significant recurrent related party transactions are as follows:

RM'000	3 months ended		6 months ended	
	30.09.2015	30.09.2014	30.09.2015	30.09.2014
Companies in which certain Directors have interests:				
Revenue from services rendered	1,249	1,331	3,195	2,872
Forwarding service charges payable	329	443	657	991
Fuel payable	987	-	1,939	-
Spare parts payable	25	21	79	53
Rental income receivable	6	6	12	10
Warehouse expense payable	22	20	29	40

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 RM11.94 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

On 20 August 2015, the name of a wholly owned subsidiary of the Company, Complete Biofuel Sdn Bhd, has been struck-off from the register pursuant to Section 308(2) of the Companies Act 1965.

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

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 further extend the completion date of the disposal. However, the Parties to the SPA had on 2 October 2015 mutually agreed to terminate the SPA.

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 RM0.32 million compared to the preceding year corresponding quarter (“corresponding quarter”). However, the Group reported an increase in pre-tax profit by RM1.67 million compared to the corresponding quarter mainly due to the increase in pre-tax profit of logistic segment by RM0.43 million during the current quarter and a non-recurring loss of RM0.78 million arising from the disposal of tug and barge recorded in the corresponding quarter.

(a) Logistics

The logistics segment registered a revenue of RM26.09 million, representing a decrease in revenue by RM0.41 million as compared to the corresponding quarter. This segment reported a pre-tax profit of RM3.38 million which is an increase of RM0.43 million when compared to the corresponding quarter mainly due to business improvement during the current quarter.

(b) Shipping

Revenue of the shipping segment has decreased by RM1.02 million as compared to the corresponding quarter. In line with the revenue, current quarter's pre-tax profit decreased slightly by RM0.03 million as compared to the corresponding quarter.

15 Comparison With Immediate Preceding Quarter

RM'000	3 months ended		Variance
	30.09.2015	30.06.2015	
Revenue	30,831	32,097	(1,266)
Profit before tax	4,612	4,724	(112)

Revenue and pre-tax profit of the Group in the current quarter decreased marginally by RM1.27 million and RM0.11 million respectively as compared to the immediate preceding quarter.

16 Commentary On Prospects

With the current economic outlook, the Board expects the shipping industry to remain competitive. The logistics segment is expected to continue contributing positively to the Group for the remaining financial year.

17 Profit Forecast

Not applicable.

18 Tax Expense

RM'000	3 months ended		6 months ended	
	30.09.2015	30.09.2014	30.09.2015	30.09.2014
Income tax	714	695	1,609	1,548
Deferred tax	70	(43)	115	16
Total tax expense	784	652	1,724	1,564

Income tax is calculated at the statutory tax rate of 24% 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	As at
	30.09.2015	31.03.2015
Realised	86,778	78,717
Unrealised	(5,693)	(5,573)
	81,085	73,144
Consolidation adjustments	(38,207)	(37,844)
Total retained earnings	42,878	35,300

20 Corporate Proposals

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

21 Borrowings (secured)

RM'000	As at	As at
	30.09.2015	31.03.2015
Short term borrowings:		
Bank overdraft	1,054	584
Hire purchase	3,772	4,250
Term loans	5,538	3,533
	10,364	8,367
Long term borrowings:		
Hire purchase	2,279	3,304
Term loans	8,597	4,279
	10,876	7,583
Total borrowings	21,240	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		6 months ended	
	30.09.2015	30.09.2014	30.09.2015	30.09.2014
Profit attributable to Owners of the Company (RM'000)	3,812	2,262	7,578	5,857
Weighted average number of ordinary shares in issue ('000)	121,508	120,140	121,508	120,140
Effect of dilution ('000)	938	94	938	94
Adjusted weighted average number of ordinary shares in issue ('000)	122,446	120,234	122,446	120,234
Basic EPS (sen)	3.1	1.9	6.2	4.9
Diluted EPS (sen)	3.1	1.9	6.2	4.9

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

RM'000	3 months ended		6 months ended	
	30.09.2015	30.09.2014	30.09.2015	30.09.2014
Profit before tax is arrived at after crediting/(charging):				
Depreciation	(1,842)	(1,901)	(3,607)	(3,748)
Interest expense	(252)	(257)	(448)	(479)
Interest income	121	69	227	120
Other income	828	296	989	854
Realised gain/(loss) in foreign exchange	168	(20)	320	(56)
Unrealised gain in foreign exchange	70	-	38	-

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 25 November 2015.