



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

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2015

24 February 2016

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015

RM'000	Note	As at 31.12.2015 Unaudited	As at 31.03.2015 Audited
Assets			
Property, plant and equipment		93,825	80,594
Goodwill on consolidation		-	272
Non-current assets		93,825	80,866
Inventories		828	314
Trade and other receivables		39,295	39,064
Tax recoverable		1,717	-
Cash and cash equivalents		19,202	15,949
Current assets		61,042	55,327
Total assets		154,867	136,193
Equity and liabilities			
Share capital		60,954	60,736
Treasury shares		(131)	(131)
Other reserves		5,516	5,220
Retained earnings	19	48,229	35,300
Equity attributable to owners of the Company		114,568	101,125
Non-controlling interest		496	425
Total equity		115,064	101,550
Borrowings (secured)	21	12,438	7,583
Deferred tax liabilities		4,888	5,578
Non-current liabilities		17,326	13,161
Trade and other payables		11,665	12,944
Borrowings (secured)	21	10,362	8,367
Tax liabilities		450	171
Current liabilities		22,477	21,482
Total liabilities		39,803	34,643
Total equity and liabilities		154,867	136,193
Net assets per share attributable to owners of the Company (RM)		0.94	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 QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2015**
(These figures have not been audited)

RM'000	Note	3 months ended		9 months ended	
		31.12.2015	31.12.2014	31.12.2015	31.12.2014
Revenue	7	31,014	32,739	93,942	98,025
Cost of sales		(24,699)	(25,540)	(74,377)	(78,295)
Gross profit		6,315	7,199	19,565	19,730
Other income		505	589	1,721	1,563
Marketing and distribution costs		(206)	(214)	(569)	(558)
Administration expenses		(1,224)	(1,668)	(4,477)	(5,188)
Other expenses		(1,162)	(585)	(2,228)	(2,281)
Finance costs		(342)	(247)	(790)	(726)
Profit before tax	26	3,886	5,074	13,222	12,540
Tax expense	18	1,502	(961)	(222)	(2,525)
Profit for the period		5,388	4,113	13,000	10,015
Other comprehensive income		-	-	-	-
Total comprehensive income		5,388	4,113	13,000	10,015
Profit attributable to:					
Owners of the Company		5,351	4,082	12,929	9,939
Non-controlling interest		37	31	71	76
Profit for the period		5,388	4,113	13,000	10,015
Total comprehensive income attributable to:					
Owners of the Company		5,351	4,082	12,929	9,939
Non-controlling interest		37	31	71	76
		5,388	4,113	13,000	10,015
Earnings per share attributable to owners of the Company:					
Basic (sen)	24	4.4	3.4	10.6	8.3
Diluted (sen)	24	4.4	3.4	10.6	8.3

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 NINE MONTHS ENDED 31 DECEMBER 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	Non-Distributable			
At 1 April 2015	60,736	(131)	4,502	718	35,300		101,125	425	101,550
Total comprehensive income for the period	-	-	-	-	12,929		12,929	71	13,000
Issuance of shares	218	-	52	-	-		270	-	270
Share option value	-	-	-	244	-		244	-	244
At 31 December 2015	60,954	(131)	4,554	962	48,229		114,568	496	115,064
At 1 April 2014	60,000	(131)	4,325	211	37,975		102,380	339	102,719
Total comprehensive income for the period	-	-	-	-	9,939		9,939	76	10,015
Issuance of shares	456	-	245	-	-		701	-	701
Dividends	-	-	-	-	(3,650)		(3,650)	-	(3,650)
Share option value	-	-	-	318	-		318	-	318
At 31 December 2014	60,456	(131)	4,570	529	44,264		109,688	415	110,103

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 QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2015

(These figures have not been audited)

RM'000	9 months ended	
	31.12.2015	31.12.2014
Cash flows from operating activities		
Profit before tax	13,222	12,540
Adjustments for:		
Non-cash items	5,646	(4)
Non-operating items	555	529
Interest income	(361)	(171)
Interest expense	790	726
Operating profit before working capital changes	19,852	13,620
Changes in working capital:		
Inventories	(514)	2
Receivables	(230)	4,465
Payables	(1,280)	(2,725)
Cash generated from operations	17,828	15,362
Net tax paid	(2,350)	(2,763)
Net cash from operating activities	15,478	12,599
Cash flows from investing activities		
Interest received	361	172
Purchase of property, plant and equipment	(17,905)	(5,284)
Proceeds from disposal of property, plant and equipment	342	3,254
Proceeds from issuance of shares	270	566
Net cash used in investing activities	(16,932)	(1,292)
Cash flows from financing activities		
Additional fixed deposits pledged to licensed bank	(15)	(3)
Drawdown of term loan	12,570	-
Interest paid	(790)	-
Net repayment of borrowings	(7,142)	(3,650)
Repayment to the directors	-	(5,725)
Net cash from/(used in) financing activities	4,623	(9,378)
Net changes in cash and cash equivalents	3,169	1,929
Cash and cash equivalents at the beginning of financial year	15,095	11,321
Cash and cash equivalents at the end of financial year	18,264	13,250
Analysis of cash and cash equivalents		
Fixed deposits	12,191	7,378
Cash and bank balances	7,011	5,416
	19,202	12,794
Bank overdraft	(653)	(584)
Fixed deposits pledged to licensed bank	(285)	(270)
	18,264	11,940

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 31 December 2015.

4 Significant Estimates And Changes In Estimates

There were no other changes in estimates that had any material effects on the third quarter ended 31 December 2015.

5 Debt And Equity Securities

There were no issuances, repurchases or repayments of debt and equity securities during the quarter ended 31 December 2015.

6 Dividends Paid

There were no dividends paid during the current corresponding quarter. In the previous corresponding quarter, an interim tax-exempt dividend of 3 sen per share declared on 26 August 2014, was paid on 3 October 2014 to the shareholders registered in the Records of Depositors at the close of business on 15 September 2014.

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, warehousing, 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 December 2015						
External revenue	24,411	4,599	2,004	31,014	-	31,014
Intersegment revenue	1,668	-	3,338	5,006	(5,006)	-
Total revenue	26,079	4,599	5,342	36,020	(5,006)	31,014
Segment profit	4,519	1,045	1,397	6,961	(1,072)	5,889
Depreciation	(1,426)	(58)	(118)	(1,602)	(193)	(1,795)
Interest income	32	-	102	134	-	134
Finance costs	(238)	-	(104)	(342)	-	(342)
Profit before tax	2,887	987	1,277	5,151	(1,265)	3,886
Tax expense	(342)	1,432	(36)	1,054	448	1,502
Profit after tax	2,545	2,419	1,241	6,205	(817)	5,388

7 Segmental Information (continued)

RM'000	Logistics	Shipping	Others	Total	Elimination	Group
Results For 3 Months Ended						
31 December 2014						
External revenue	28,286	3,847	606	32,739	-	32,739
Intersegment revenue	1,153	326	2,914	4,393	(4,393)	-
Total revenue	29,439	4,173	3,520	37,132	(4,393)	32,739
Segment profit	7,226	624	15	7,865	(665)	7,200
Depreciation	(1,410)	(156)	(91)	(1,657)	(273)	(1,930)
Interest income	17	-	34	51	-	51
Finance costs	(247)	-	-	(247)	-	(247)
Profit before tax	5,586	468	(42)	6,012	(938)	5,074
Tax expense	(881)	(72)	(66)	(1,019)	58	(961)
Profit after tax	4,705	396	(108)	4,993	(880)	4,113
Results For 9 Months Ended						
31 December 2015						
External revenue	75,323	12,651	5,968	93,942	-	93,942
Intersegment revenue	5,064	158	9,549	14,771	(14,771)	-
Total revenue	80,387	12,809	15,517	108,713	(14,771)	93,942
Segment profit	14,882	3,146	3,747	21,775	(2,722)	19,053
Depreciation	(4,311)	(185)	(304)	(4,800)	(602)	(5,402)
Interest income	70	2	289	361	-	361
Finance costs	(641)	-	(149)	(790)	-	(790)
Profit before tax	10,000	2,963	3,583	16,546	(3,324)	13,222
Tax expense	(1,719)	1,156	(186)	(749)	527	(222)
Profit after tax	8,281	4,119	3,397	15,797	(2,797)	13,000
31 December 2014						
External revenue	80,852	14,606	2,567	98,025	-	98,025
Intersegment revenue	4,293	594	10,763	15,650	(15,650)	-
Total revenue	85,145	15,200	13,330	113,675	(15,650)	98,025
Segment profit	17,372	2,730	1,870	21,972	(3,199)	18,773
Depreciation	(4,061)	(515)	(263)	(4,839)	(839)	(5,678)
Interest income	43	2	126	171	-	171
Finance costs	(726)	-	-	(726)	-	(726)
Profit before tax	12,628	2,217	1,733	16,578	(4,038)	12,540
Tax expense	(2,200)	(282)	(289)	(2,771)	246	(2,525)
Profit after tax	10,428	1,935	1,444	13,807	(3,792)	10,015
Assets and Liabilities As At						
31 December 2015						
Segment/Total assets	92,931	21,843	121,275	236,049	(82,899)	153,150
Segment/Total liabilities	42,509	4,177	26,372	73,058	(34,972)	38,086
31 December 2014						
Segment/Total assets	97,200	34,630	92,684	224,514	(79,825)	144,689
Segment/Total liabilities	36,059	40,135	10,513	86,707	(52,121)	34,586

8 Related Party Disclosures

Significant recurrent related party transactions are as follows:

RM'000	3 months ended		9 months ended	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
Companies in which certain Directors have interests:				
Revenue from services rendered	1,830	1,781	5,025	4,653
Forwarding service charges payable	287	555	944	1,546
Fuel payable	1,424	569	3,363	569
Spare parts payable	37	26	116	79
Rental income receivable	6	6	18	16
Warehouse expense payable	20	10	49	50

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 RM2.48 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 29 January 2016, the Company had increased its issued and paid-up capital from RM60,954,000 to RM61,219,000 through the issuance of 530,000 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 RM1.73 million compared to the preceding year corresponding quarter (“corresponding quarter”) and a decrease in pre-tax profit of RM1.19 million compared to the corresponding quarter.

(a) *Logistics*

The logistics segment registered a revenue of RM26.08 million, representing a decrease of RM3.36 million compared to the corresponding quarter. In line with the decrease in revenue for the current quarter, this segment reported a pre-tax profit of RM2.89 million which is a decrease of RM2.70 million compared to the corresponding quarter.

(b) *Shipping*

Revenue of the shipping segment has increased by RM0.43 million compared to the corresponding quarter whereas the pre-tax profit has increased by RM0.52 million compared to the corresponding quarter.

15 Comparison With Immediate Preceding Quarter

RM'000	3 months ended		Variance
	31.12.2015	30.09.2015	
Revenue	31,014	30,831	183
Profit before tax	3,886	4,612	(726)

Revenue of the Group in the current quarter increased slightly by RM0.18 million as compared to the immediate preceding quarter. In terms of pre-tax profit, the current quarter results showed a decrease of RM0.73 million as compared to the immediate preceding quarter.

16 Commentary On Prospects

The Board foresees the Group to experience lower business activities in the next quarter due to festive season. However, the Group will remain focused in developing the logistics segment to maintain its performance for the current financial year.

17 Profit Forecast

Not applicable.

18 Tax Expense

RM'000	3 months ended		9 months ended	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
Income tax				
Current period	265	816	1,874	2,364
(Over)/Underprovision in prior years	(962)	24	(962)	24
Deferred tax				
Current period	(805)	121	(690)	137
Total tax expense	(1,502)	961	222	2,525

Income tax is calculated at the statutory tax rate of 24% on 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 tax exemption on shipping income from certain subsidiaries of the Company under Section 54A of the Income Tax Act 1967. The overprovision of income tax in prior years was mainly due to tax incentive not claimed earlier.

19 Retained Earnings

RM'000	As at	As at
	31.12.2015	31.03.2015
Realised	91,377	78,717
Unrealised	(4,888)	(5,573)
	86,489	73,144
Consolidation adjustments	(38,260)	(37,844)
Total retained earnings	48,229	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. However, both parties to the SPA had on 2 October 2015 mutually agreed to terminate the disposal.

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
	31.12.2015	31.03.2015
Short term borrowings:		
Bank overdraft	653	584
Hire purchase	3,534	4,250
Term loans	6,175	3,533
	10,362	8,367
Long term borrowings:		
Hire purchase	1,593	3,304
Term loans	10,845	4,279
	12,438	7,583
Total borrowings	22,800	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		9 months ended	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
Profit attributable to Owners of the Company (RM'000)	5,351	4,082	12,929	9,939
Weighted average number of ordinary shares in issue ('000)	121,508	120,229	121,508	120,229
Effect of dilution ('000)	891	174	891	174
Adjusted weighted average number of ordinary shares in issue ('000)	122,399	120,403	122,399	120,403
Basic EPS (sen)	4.4	3.4	10.6	8.3
Diluted EPS (sen)	4.4	3.4	10.6	8.3

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		9 months ended	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
Profit before tax is arrived at after crediting/(charging):				
Depreciation	(1,795)	(1,930)	(5,402)	(5,678)
Interest expense	(342)	(247)	(790)	(726)
Interest income	134	51	361	171
Other income	371	538	1,360	1,392
Realised (loss)/gain in foreign exchange	(16)	(24)	304	(80)
Unrealised (loss)/gain in foreign exchange	(30)	-	8	-

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 24 February 2016.