



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

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2016**

**23 November 2016**

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

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 SEPTEMBER 2016**

| <b>RM'000</b>  | <b>Note</b> | <b>As at<br/>30.09.2016<br/>Unaudited</b> | <b>As at<br/>31.03.2016<br/>Audited</b> |
|--|-------------|---|---|
| <b>Assets</b>  |             |   |   |
| Property, plant and equipment  |             | 105,706                                   | 96,528                                  |
| <b>Non-current assets</b>  |             | <b>105,706</b>                            | <b>96,528</b>                           |
| Inventories  |             | 1,099                                     | 854                                     |
| Trade and other receivables  |             | 40,404                                    | 33,070                                  |
| Tax recoverable  |             | 1,144                                     | 1,564                                   |
| Cash and cash equivalents  |             | 17,470                                    | 21,738                                  |
| <b>Current assets</b>  |             | <b>60,117</b>                             | <b>57,226</b>                           |
| <b>Total assets</b>  |             | <b>165,823</b>                            | <b>153,754</b>                          |
| <b>Equity and liabilities</b>  |             |   |   |
| Share capital  |             | 61,219                                    | 61,219                                  |
| Treasury shares  |             | (131)                                     | (131)                                   |
| Other reserves   |             | 5,735                                     | 5,631                                   |
| Retained earnings  | 19          | 57,881                                    | 51,529                                  |
| Equity attributable to owners of the Company                               |             | 124,704                                   | 118,248                                 |
| Non-controlling interests  |             | 621                                       | 535                                     |
| <b>Total equity</b>  |             | <b>125,325</b>                            | <b>118,783</b>                          |
| Borrowings (secured)   | 21          | 13,296                                    | 10,997                                  |
| Deferred tax liabilities   |             | 4,908                                     | 4,788                                   |
| <b>Non-current liabilities</b>   |             | <b>18,204</b>                             | <b>15,785</b>                           |
| Trade and other payables   |             | 13,285                                    | 9,662                                   |
| Borrowings (secured)   | 21          | 9,009                                     | 9,524                                   |
| <b>Current liabilities</b>   |             | <b>22,294</b>                             | <b>19,186</b>                           |
| <b>Total liabilities</b>   |             | <b>40,498</b>                             | <b>34,971</b>                           |
| <b>Total equity and liabilities</b>  |             | <b>165,823</b>                            | <b>153,754</b>                          |
| <b>Net assets per share attributable to owners<br/>of the Company (RM)</b> |             | <b>1.02</b>                               | <b>0.97</b>                             |

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 SECOND QUARTER ENDED 30 SEPTEMBER 2016**  
(These figures have not been audited)

| RM'000   | Note | Current quarter<br>3 months ended |              | Cumulative quarter<br>6 months ended |              |
|--|------|-----------------------------------|--------------|--------------------------------------|--------------|
|  |      | 30.09.2016                        | 30.09.2015   | 30.09.2016                           | 30.09.2015   |
| Revenue  |      | 31,044                            | 30,831       | 60,783                               | 62,928       |
| Cost of sales  |      | (25,135)                          | (24,391)     | (48,810)                             | (49,678)     |
| Gross profit   |      | 5,909                             | 6,440        | 11,973                               | 13,250       |
| Other income   |      | 287                               | 949          | 926                                  | 1,216        |
| Marketing and distribution costs                                 |      | (175)                             | (202)        | (351)                                | (363)        |
| Administration expenses  |      | (1,529)                           | (1,747)      | (3,076)                              | (3,253)      |
| Other expenses   |      | (590)                             | (576)        | (1,078)                              | (1,066)      |
| Finance costs  |      | (259)                             | (252)        | (554)                                | (448)        |
| Profit before tax  |      | 3,643                             | 4,612        | 7,840                                | 9,336        |
| Tax expense  | 18   | (591)                             | (784)        | (1,402)                              | (1,724)      |
| <b>Profit for the period</b>                                     |      | <b>3,052</b>                      | <b>3,828</b> | <b>6,438</b>                         | <b>7,612</b> |
| Other comprehensive income                                       |      | -                                 | -            | -                                    | -            |
| <b>Total comprehensive income</b>                                |      | <b>3,052</b>                      | <b>3,828</b> | <b>6,438</b>                         | <b>7,612</b> |
| <b>Profit attributable to:</b>                                   |      |                                   |              |                                      |              |
| Owners of the Company  |      | 3,012                             | 3,812        | 6,352                                | 7,578        |
| Non-controlling interest   |      | 40                                | 16           | 86                                   | 34           |
| <b>Profit for the period</b>                                     |      | <b>3,052</b>                      | <b>3,828</b> | <b>6,438</b>                         | <b>7,612</b> |
| <b>Total comprehensive income attributable to:</b>               |      |                                   |              |                                      |              |
| Owners of the Company  |      | 3,012                             | 3,812        | 6,352                                | 7,578        |
| Non-controlling interest   |      | 40                                | 16           | 86                                   | 34           |
|  |      | <b>3,052</b>                      | <b>3,828</b> | <b>6,438</b>                         | <b>7,612</b> |
| <b>Earnings per share attributable to owners of the Company:</b> |      |                                   |              |                                      |              |
| Basic (sen)  | 24   | 2.5                               | 3.1          | 5.2                                  | 6.2          |
| Diluted (sen)  | 24   | 2.5                               | 3.1          | 5.2                                  | 6.2          |

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)**  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2016**

(These figures have not been audited)

| RM'000                                    | Attributable to owners of the Company |                 |               |                      |                   |         | Non-controlling interests | Total equity |
|---|---------------------------------------|-----------------|---------------|----------------------|-------------------|---------|---------------------------|--------------|
|   | Non-Distributable                     |                 |               | Distributable        |                   |         |                           |              |
|   | Share capital                         | Treasury shares | Share premium | Share option reserve | Retained earnings | Total   |                           |              |
| <b>At 1 April 2016</b>                    | 61,219                                | (131)           | 5,147         | 484                  | 51,529            | 118,248 | 535                       | 118,783      |
| Total comprehensive income for the period | -                                     | -               | -             | -                    | 6,352             | 6,352   | 86                        | 6,438        |
| Share option value                        | -                                     | -               | -             | 104                  | -                 | 104     | -                         | 104          |
| <b>At 30 September 2016</b>               | 61,219                                | (131)           | 5,147         | 588                  | 57,881            | 124,704 | 621                       | 125,325      |
| <b>At 1 April 2015</b>                    | 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          |
| <b>At 30 September 2015</b>               | 60,954                                | (131)           | 4,554         | 888                  | 42,878            | 109,143 | 459                       | 109,602      |

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 SECOND QUARTER ENDED 30 SEPTEMBER 2016**  
(These figures have not been audited)

| <b>RM'000</b>   | <b>6 months ended</b> |                   |
|---|-----------------------|-------------------|
|   | <b>30.09.2016</b>     | <b>30.09.2015</b> |
| <b>Cash flows from operating activities</b>                   |                       |                   |
| Profit before tax   | 7,840                 | 9,336             |
| Adjustments for:  |                       |                   |
| Non-cash items  | 3,555                 | 3,777             |
| Non-operating items   | (2)                   | (8)               |
| Interest income   | (242)                 | (227)             |
| Interest expense  | 554                   | 448               |
| Operating profit before working capital changes               | 11,705                | 13,326            |
| Changes in working capital:                                   |                       |                   |
| Inventories   | (245)                 | (524)             |
| Receivables   | (7,254)               | (1,708)           |
| Payables  | 1,562                 | 624               |
| Cash generated from operations                                | 5,768                 | 11,718            |
| Net tax paid  | (910)                 | (1,536)           |
| <b>Net cash from operating activities</b>                     | <b>4,858</b>          | <b>10,182</b>     |
| <b>Cash flows from investing activities</b>                   |                       |                   |
| Interest received   | 242                   | 228               |
| Net cash outflow from the acquisition of a subsidiary         | (357)                 | -                 |
| Net cash inflow from the disposal of a subsidiary             | 47                    | -                 |
| Purchase of property, plant and equipment                     | (3,257)               | (11,454)          |
| Proceeds from disposal of property, plant and equipment       | 12                    | 272               |
| Proceeds from issuance of shares                              | -                     | 270               |
| <b>Net cash used in investing activities</b>                  | <b>(3,313)</b>        | <b>(10,684)</b>   |
| <b>Cash flows from financing activities</b>                   |                       |                   |
| Withdrawal of fixed deposits pledged to licensed bank         | 116                   | -                 |
| Drawdown of term loan   | 530                   | 8,285             |
| Interest paid   | (554)                 | (448)             |
| Net repayment of borrowings                                   | (5,176)               | (4,658)           |
| (Repayment to)/Advances from a director                       | (1,155)               | 30                |
| <b>Net cash (used in)/from financing activities</b>           | <b>(6,239)</b>        | <b>3,209</b>      |
| <b>Net changes in cash and cash equivalents</b>               | <b>(4,694)</b>        | <b>2,707</b>      |
| Cash and cash equivalents at the beginning of financial year  | 21,396                | 15,095            |
| <b>Cash and cash equivalents at the end of financial year</b> | <b>16,702</b>         | <b>17,802</b>     |
| <b>Analysis of cash and cash equivalents</b>                  |                       |                   |
| Fixed deposits  | 6,765                 | 12,105            |
| Cash and bank balances  | 10,705                | 7,022             |
|   | 17,470                | 19,127            |
| Bank overdraft  | (595)                 | (1,054)           |
| Fixed deposits pledged to licensed bank                       | (173)                 | (271)             |
|   | 16,702                | 17,802            |

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 MFRS134: 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

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 2016 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 2016:

MFRS14 Regulatory Deferral Accounts

Amendments to MFRS10, MFRS12 and MFRS128 - Investment Entities: Applying the Consolidation Exception

Amendments to MFRS11: Accounting for Acquisitions of Interests in Joint Operations

Amendments to MFRS101 Presentation of Financial Statements - Disclosure Initiative

Amendments to MFRS116 and MFRS138 - Clarification of Acceptable Methods of Depreciation and

Amendments to MFRS116 and MFRS141 - Agriculture: Bearer Plants

Amendments to MFRS127 - Equity Method in Separate Financial Statements

Annual Improvements to MFRSs 2012 - 2014 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:

MFRS9 Financial Instruments (IFRS9 issued by IASB in July 2014)

MFRS15 Revenue from Contracts with Customers

MFRS16 Leases

Amendments to MFRS2 Share-based Payment - Classification and Measurement of Share-based Payment transactions

Amendments to MFRS10 and MFRS128 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

Amendments to MFRS15 - Effective Date of MFRS15

Amendments to MFRS107 - Disclosure Initiative

Amendments to MFRS112 - Recognition of Deferred Tax Assets for Unrealised Losses

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 2016.

#### 4 Significant Estimates And Changes In Estimates

There were no changes in estimates that had any material effects during the quarter ended 30 September 2016.

#### 5 Debt And Equity Securities

There were no issuances, repurchases or repayments of debt and equity securities during the quarter ended 30 September 2016.

#### 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          |
|-----------------------------------|-----------|----------|--------|----------------|-------------|----------------|
| <b>Results For 3 Months Ended</b> |           |          |        |                |             |                |
| <b>30 September 2016</b>          |           |          |        |                |             |                |
| External revenue                  | 25,765    | 3,618    | 1,661  | <b>31,044</b>  | -           | <b>31,044</b>  |
| Intersegment revenue              | 1,892     | 295      | 2,553  | <b>4,740</b>   | (4,740)     | -              |
| Total revenue                     | 27,657    | 3,913    | 4,214  | <b>35,784</b>  | (4,740)     | <b>31,044</b>  |
| Segment profit                    | 4,425     | 656      | 627    | <b>5,708</b>   | (90)        | <b>5,618</b>   |
| Depreciation                      | (1,440)   | (56)     | (132)  | <b>(1,628)</b> | (205)       | <b>(1,833)</b> |
| Interest income                   | 12        | -        | 105    | <b>117</b>     | -           | <b>117</b>     |
| Finance costs                     | (103)     | -        | (156)  | <b>(259)</b>   | -           | <b>(259)</b>   |
| Profit before tax                 | 2,894     | 600      | 444    | <b>3,938</b>   | (295)       | <b>3,643</b>   |
| Tax expense                       | (541)     | -        | (83)   | <b>(624)</b>   | 33          | <b>(591)</b>   |
| Profit after tax                  | 2,353     | 600      | 361    | <b>3,314</b>   | (262)       | <b>3,052</b>   |
| <b>30 September 2015</b>          |           |          |        |                |             |                |
| External revenue                  | 24,366    | 4,131    | 2,334  | <b>30,831</b>  | -           | <b>30,831</b>  |
| Intersegment revenue              | 1,727     | -        | 3,305  | <b>5,032</b>   | (5,032)     | -              |
| Total revenue                     | 26,093    | 4,131    | 5,639  | <b>35,863</b>  | (5,032)     | <b>30,831</b>  |
| Segment profit                    | 5,017     | 1,248    | 1,470  | <b>7,735</b>   | (1,150)     | <b>6,585</b>   |
| Depreciation                      | (1,450)   | (94)     | (102)  | <b>(1,646)</b> | (196)       | <b>(1,842)</b> |
| Interest income                   | 25        | 1        | 95     | <b>121</b>     | -           | <b>121</b>     |
| Finance costs                     | (207)     | -        | (45)   | <b>(252)</b>   | -           | <b>(252)</b>   |
| Profit before tax                 | 3,385     | 1,155    | 1,418  | <b>5,958</b>   | (1,346)     | <b>4,612</b>   |
| Tax expense                       | (652)     | (175)    | 4      | <b>(823)</b>   | 39          | <b>(784)</b>   |
| Profit after tax                  | 2,733     | 980      | 1,422  | <b>5,135</b>   | (1,307)     | <b>3,828</b>   |

## 7 Segmental Information (continued)

| RM'000                              | Logistics     | Shipping     | Others        | Total          | Elimination     | Group          |
|-------------------------------------|---------------|--------------|---------------|----------------|-----------------|----------------|
| <b>Results For 6 Months Ended</b>   |               |              |               |                |                 |                |
| <b>30 September 2016</b>            |               |              |               |                |                 |                |
| External revenue                    | 51,112        | 6,852        | 2,819         | <b>60,783</b>  | -               | <b>60,783</b>  |
| Intersegment revenue                | 5,047         | 629          | 5,193         | <b>10,869</b>  | (10,869)        | -              |
| <b>Total revenue</b>                | <b>56,159</b> | <b>7,481</b> | <b>8,012</b>  | <b>71,652</b>  | <b>(10,869)</b> | <b>60,783</b>  |
| Segment profit                      | 9,552         | 1,410        | 811           | <b>11,773</b>  | 58              | <b>11,831</b>  |
| Depreciation                        | (2,872)       | (112)        | (283)         | <b>(3,267)</b> | (412)           | <b>(3,679)</b> |
| Interest income                     | 25            | -            | 217           | <b>242</b>     | -               | <b>242</b>     |
| Finance costs                       | (257)         | -            | (297)         | <b>(554)</b>   | -               | <b>(554)</b>   |
| Profit before tax                   | 6,448         | 1,298        | 448           | <b>8,194</b>   | (354)           | <b>7,840</b>   |
| Tax expense                         | (1,288)       | (1)          | (168)         | <b>(1,457)</b> | 55              | <b>(1,402)</b> |
| <b>Profit after tax</b>             | <b>5,160</b>  | <b>1,297</b> | <b>280</b>    | <b>6,737</b>   | <b>(299)</b>    | <b>6,438</b>   |
| <b>30 September 2015</b>            |               |              |               |                |                 |                |
| External revenue                    | 50,912        | 8,052        | 3,964         | <b>62,928</b>  | -               | <b>62,928</b>  |
| Intersegment revenue                | 3,396         | 158          | 6,211         | <b>9,765</b>   | (9,765)         | -              |
| <b>Total revenue</b>                | <b>54,308</b> | <b>8,210</b> | <b>10,175</b> | <b>72,693</b>  | <b>(9,765)</b>  | <b>62,928</b>  |
| Segment profit                      | 10,363        | 2,101        | 2,350         | <b>14,814</b>  | (1,650)         | <b>13,164</b>  |
| Depreciation                        | (2,885)       | (127)        | (186)         | <b>(3,198)</b> | (409)           | <b>(3,607)</b> |
| Interest income                     | 38            | 2            | 187           | <b>227</b>     | -               | <b>227</b>     |
| Finance costs                       | (403)         | -            | (45)          | <b>(448)</b>   | -               | <b>(448)</b>   |
| Profit before tax                   | 7,113         | 1,976        | 2,306         | <b>11,395</b>  | (2,059)         | <b>9,336</b>   |
| Tax income/(expense)                | (1,377)       | (276)        | (150)         | <b>(1,803)</b> | 79              | <b>(1,724)</b> |
| <b>Profit after tax</b>             | <b>5,736</b>  | <b>1,700</b> | <b>2,156</b>  | <b>9,592</b>   | <b>(1,980)</b>  | <b>7,612</b>   |
| <b>Assets and Liabilities As At</b> |               |              |               |                |                 |                |
| <b>30 September 2016</b>            |               |              |               |                |                 |                |
| Segment/Total assets                | 97,012        | 25,221       | 141,039       | <b>263,272</b> | (97,449)        | <b>165,823</b> |
| Segment/Total liabilities           | 39,318        | 4,775        | 44,941        | <b>89,034</b>  | (48,536)        | <b>40,498</b>  |
| <b>30 September 2015</b>            |               |              |               |                |                 |                |
| Segment/Total assets                | 95,465        | 21,097       | 117,230       | <b>233,792</b> | (83,413)        | <b>150,379</b> |
| Segment/Total liabilities           | 46,788        | 5,851        | 23,642        | <b>76,281</b>  | (35,504)        | <b>40,777</b>  |

## 8 Related Party Disclosures

Significant recurrent related party transactions are as follows:

| RM'000   | 3 months ended |            | 6 months ended |            |
|--|----------------|------------|----------------|------------|
|  | 30.09.2016     | 30.09.2015 | 30.09.2016     | 30.09.2015 |
| Companies in which certain Directors have interests: |                |            |                |            |
| Revenue from services rendered                       | 1,942          | 1,249      | 3,893          | 3,195      |
| Forwarding service charges payable                   | 395            | 329        | 735            | 657        |
| Fuel payable   | 844            | 987        | 1,669          | 1,939      |
| Spare parts payable                                  | 51             | 25         | 73             | 79         |
| Rental income receivable                             | 6              | 6          | 12             | 12         |
| Warehouse expense payable                            | 60             | 22         | 103            | 29         |

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 RM6.13 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 9 August 2016 entered into a Sale and Purchase Agreement ("SPA") for the disposal of the entire equity interest in Complete Tug & Barge Sdn Bhd ("CTB") consisting of 10,000 ordinary shares of RM1.00 each for a cash consideration of RM50,000. Following the completion of the disposal on the same day, CTB has ceased to be a wholly-owned subsidiary of the Company.

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

There were no material events subsequent to the end of the current quarter.

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

**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 slight increase in revenue of RM0.21 million compared to the preceding year corresponding quarter (“corresponding quarter”). However, the Group reported a decrease in pre-tax profit of RM0.97 million compared to the corresponding quarter.

(a) Logistics

Revenue of the logistic segment has increased by RM1.56 million as compared to the corresponding quarter. However, this segment recorded a lower pre-tax profit by RM0.49 million as compared to the corresponding quarter mainly due to slowdown in the land transportation business during festive season.

(b) Shipping

Revenue of the shipping segment has decreased by RM0.22 million as compared to the corresponding quarter. With the decrease in revenue, its pre-tax profit decreased by RM0.56 million as compared to the corresponding quarter.

**15 Comparison With Immediate Preceding Quarter**

| RM'000            | 3 months ended |            | Changes |
|-------------------|----------------|------------|---------|
|                   | 30.09.2016     | 30.06.2016 |         |
| Revenue           | 31,044         | 29,739     | 1,305   |
| Profit before tax | 3,643          | 4,197      | (554)   |

Revenue of the Group in the current quarter has increased by RM1.31 million. The Group's pre-tax profit was lower by RM0.56 million mainly due to higher operating costs as compared to the preceding quarter.

**16 Commentary On Prospects**

The current uncertainty in the domestic and regional economy has close impact on the Group's performance, thus the Board anticipates the Group's business to remain challenging for the remaining financial year. The Group will continue to focus on the logistic segment through its investment in additional warehousing facilities. Warehouses under construction currently and expected to be completed towards the end of the financial year 2017 will contribute positively to the results of the Group.

Barring unforeseen circumstances, the Board is optimistic that the financial performance of the Group for the remaining financial year will remain positive.

**17 Profit Forecast**

Not applicable.

## 18 Tax Expense

| RM'000                   | 3 months ended |            | 6 months ended |              |
|--------------------------|----------------|------------|----------------|--------------|
|                          | 30.09.2016     | 30.09.2015 | 30.09.2016     | 30.09.2015   |
| Income tax               | 545            | 714        | 1,282          | 1,609        |
| Deferred tax             | 46             | 70         | 120            | 115          |
| <b>Total tax expense</b> | <b>591</b>     | <b>784</b> | <b>1,402</b>   | <b>1,724</b> |

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 tax incentives available.

## 19 Retained Earnings

| RM'000                         | As at         | As at         |
|--------------------------------|---------------|---------------|
|                                | 30.09.2016    | 31.03.2016    |
| Realised                       | 101,114       | 94,767        |
| Unrealised                     | (4,851)       | (4,788)       |
|                                | 96,263        | 89,979        |
| Consolidation adjustments      | (38,382)      | (38,450)      |
| <b>Total retained earnings</b> | <b>57,881</b> | <b>51,529</b> |

## 20 Corporate Proposals

Guper Integrated Logistics Sdn Bhd, a wholly-owned subsidiary of the Company had on 12 July 2016 accepted an Islamic Financing Package of Structured Commodity Financing-i of RM18.0 million from Al Rajhi Bank which is secured by a corporate guarantee of the Company in order to repay the term loan and to redeem the properties charged from Hong Leong Bank as well as to part finance the construction cost of a new warehouse in Port Klang Free Zone.

Pengangkutan Sekata Sdn Bhd, a wholly-owned subsidiary of the Company had on 17 August 2016 accepted an Islamic Financing Package of Structured Commodity Financing-i of RM4.064 million from Al Rajhi Bank which is secured by a corporate guarantee of the Company in order to part finance the acquisition of a piece of land at Kawasan Perindustrian Pasir Gudang together with a factory building erected thereon.

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         |
|-------------------------|---------------|---------------|
|                         | 30.09.2016    | 31.03.2016    |
| Short term borrowings:  |               |               |
| Bank overdraft          | 595           | 53            |
| Hire purchase           | 2,622         | 3,307         |
| Term loans              | 5,792         | 6,164         |
|                         | 9,009         | 9,524         |
| Long term borrowings:   |               |               |
| Hire purchase           | 331           | 1,383         |
| Term loans              | 12,965        | 9,614         |
|                         | 13,296        | 10,997        |
| <b>Total borrowings</b> | <b>22,305</b> | <b>20,521</b> |

## 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 |            |
|---|----------------|------------|----------------|------------|
|   | 30.09.2016     | 30.09.2015 | 30.09.2016     | 30.09.2015 |
| Profit attributable to Owners of the Company (RM'000)               | 3,012          | 3,812      | 6,352          | 7,578      |
| Weighted average number of ordinary shares in issue ('000)          | 122,119        | 121,508    | 122,119        | 121,508    |
| Effect of dilution ('000)   | -              | 938        | -              | 938        |
| Adjusted weighted average number of ordinary shares in issue ('000) | 122,119        | 122,446    | 122,119        | 122,446    |
| <b>Basic EPS (sen)</b>  | <b>2.5</b>     | <b>3.1</b> | <b>5.2</b>     | <b>6.2</b> |
| <b>Diluted EPS (sen)</b>  | <b>2.5</b>     | <b>3.1</b> | <b>5.2</b>     | <b>6.2</b> |

## 25 Auditors' Report On Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 31 March 2016 was unqualified.

## 26 Profit Before Tax

| RM'000   | 6 months ended |            | 6 months ended |            |
|--|----------------|------------|----------------|------------|
|  | 30.09.2016     | 30.09.2015 | 30.09.2016     | 30.09.2015 |
| <b>Profit before tax is arrived at after crediting/(charging):</b> |                |            |                |            |
| Interest income  | 117            | 121        | 242            | 227        |
| Other income including investment income                           | 170            | 828        | 684            | 989        |
| Interest expense   | (259)          | (252)      | (554)          | (448)      |
| Depreciation   | (1,833)        | (1,842)    | (3,679)        | (3,607)    |
| Gain on disposal of a subsidiary                                   | 1              | -          | 1              | -          |
| Realised gain in foreign exchange                                  | 46             | 168        | 129            | 320        |
| Unrealised gain in foreign exchange                                | 14             | 70         | 57             | 38         |
| Gain on bargain purchase   | -              | -          | 148            | -          |

Save as disclosed above, there were no other material provision for and write off of receivables, provision for and write off of inventories, gain or loss on disposal of quoted investment or properties, impairment of assets, gain or loss on derivatives or exceptional items 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 23 November 2016.