



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

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 MARCH 2017

30 May 2017

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2017

RM'000	Note	As at 31.03.2017 Unaudited	As at 31.03.2016 Audited
Assets			
Property, plant and equipment		122,522	96,528
Non-current assets		122,522	96,528
Inventories		1,075	854
Trade and other receivables		32,681	33,070
Tax recoverable		1,499	1,564
Cash and cash equivalents		9,062	21,738
Current assets		44,317	57,226
Total assets		166,839	153,754
Equity and liabilities			
Share capital		62,317	61,219
Treasury shares		(131)	(131)
Other reserves		5,598	5,631
Retained earnings	19	61,073	51,529
Equity attributable to owners of the Company		128,857	118,248
Non-controlling interest		688	535
Total equity		129,545	118,783
Borrowings (secured)	21	11,330	10,997
Deferred tax liabilities		5,480	4,788
Non-current liabilities		16,810	15,785
Trade and other payables		15,545	9,662
Borrowings (secured)	21	4,939	9,524
Current liabilities		20,484	19,186
Total liabilities		37,294	34,971
Total equity and liabilities		166,839	153,754
Net assets per share attributable to owners of the Company (RM)		1.05	0.97

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 FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 MARCH 2017**
(These figures have not been audited)

RM'000	Note	Current quarter 3 months ended 31.03.2017	31.03.2016	Cumulative quarter 12 months ended 31.03.2017	31.03.2016
Revenue		27,065	31,754	117,424	125,696
Cost of sales		(24,091)	(24,521)	(96,402)	(98,898)
Gross profit		2,974	7,233	21,022	26,798
Other income		333	376	1,624	2,097
Marketing and distribution costs		(180)	(251)	(690)	(820)
Administration expenses		(1,460)	(1,657)	(5,752)	(6,134)
Other expenses		(1,526)	(1,812)	(2,997)	(4,040)
Finance costs		(222)	(323)	(1,007)	(1,113)
(Loss)/Profit before tax		(81)	3,566	12,200	16,788
Tax expense	18	(617)	(227)	(2,503)	(449)
(Loss)/Profit for the period		(698)	3,339	9,697	16,339
Other comprehensive income		-	-	-	-
Total comprehensive (expense)/income		(698)	3,339	9,697	16,339
(Loss)/Profit attributable to:					
Owners of the Company		(735)	3,300	9,544	16,229
Non-controlling interest		37	39	153	110
(Loss)/Profit for the period		(698)	3,339	9,697	16,339
Total comprehensive (expense)/ income attributable to:					
Owners of the Company		(735)	3,300	9,544	16,229
Non-controlling interest		37	39	153	110
		(698)	3,339	9,697	16,339
(Loss)/Earnings per share attributable to owners of the Company:					
Basic (sen)	24	(0.6)	2.7	7.8	13.3
Diluted (sen)	24	(0.6)	2.6	7.7	13.2

The above condensed consolidated statement of profit or loss and other comprehensive income 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 FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 MARCH 2017
(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 option reserve	Retained earnings			
At 1 April 2016	61,219	(131)	5,147	484	51,529	118,248	535	118,783
Total comprehensive income for the period	-	-	-	-	9,544	9,544	153	9,697
Issuance of shares	1,098	-	-	(262)	-	836	-	836
Share option value	-	-	-	229	-	229	-	229
At 31 March 2017	62,317	(131)	5,147	451	61,073	128,857	688	129,545
At 1 April 2015	60,736	(131)	4,502	718	35,300	101,125	425	101,550
Total comprehensive income for the period	-	-	-	-	16,229	16,229	110	16,339
Issuance of shares	483	-	645	(529)	-	599	-	599
Share option value	-	-	-	295	-	295	-	295
At 31 March 2016	61,219	(131)	5,147	484	51,529	118,248	535	118,783

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 FLOWS
FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 MARCH 2017

(These figures have not been audited)

RM'000	12 months ended	
	31.03.2017	31.03.2016
Cash flows from operating activities		
Profit before tax	12,200	16,788
Adjustments for:		
Non-cash items	8,146	8,231
Non-operating items	(8)	897
Interest income	(363)	(507)
Interest expense	1,007	1,113
Operating profit before working capital changes	20,982	26,522
Changes in working capital:		
Inventories	(221)	(540)
Receivables	525	5,337
Payables	3,822	(3,282)
Cash generated from operations	25,108	28,037
Net tax paid	(1,794)	(2,975)
Net cash from operating activities	23,314	25,062
Cash flows from investing activities		
Interest received	363	507
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	(24,649)	(22,305)
Proceeds from disposal of property, plant and equipment	72	422
Proceeds from issuance of shares	836	599
Net cash used in investing activities	(23,688)	(20,777)
Cash flows from financing activities		
Withdrawal/(Additional) of fixed deposits pledged to licensed bank	124	(18)
Drawdown of term loan	530	12,835
Interest paid	(1,007)	(1,113)
Net repayment of borrowings	(11,307)	(9,688)
Repayment to a director	(1,155)	-
Net cash (used in)/from financing activities	(12,815)	2,016
Net changes in cash and cash equivalents	(13,189)	6,301
Cash and cash equivalents at the beginning of financial year	21,396	15,095
Cash and cash equivalents at the end of financial year	8,207	21,396
Analysis of cash and cash equivalents		
Fixed deposits	3,192	11,940
Cash and bank balances	5,870	9,798
	9,062	21,738
Bank overdraft	(690)	(53)
Fixed deposits pledged to licensed bank	(165)	(289)
	8,207	21,396

The above condensed consolidated statement of cash flows 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 statements 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 March 2016.

The accounting policies adopted by the Group in this interim financial statements 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 - 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 statements upon their initial application.

The Group has not adopted the following MFRS, Amendments to MFRS and IC Interpretations 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 - Classification and Measurement of Share-based Payment transactions
- Amendments to MFRS4 - Applying MFRS9 Financial Instruments with MFRS4
- 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
- Amendments to MFRS140 - Transfers of Investment Property
- Annual Improvements to MFRS 2014 - 2016 Cycle
- IC Interpretations 22 Foreign Currency Transactions and Advance Consideration

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 March 2017.

4 Significant Estimates And Changes In Estimates

There were no changes in estimates that had any material effects during the quarter ended 31 March 2017.

5 Debt And Equity Securities

During the current quarter, the Company had increased its paid-up share capital from RM61,219,000 to RM62,055,040 through the issuance of 1,060,000 new ordinary shares at RM0.62 per share and 263,000 new ordinary shares at RM0.68 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 31 March 2017.

6 Dividends Paid

There were no dividends paid during the current and previous corresponding quarter.

7 Segmental Information

The Group's operations comprise the following business segments:

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

Shipping : Provision of marine transportation services

Others : Trading of goods, insurance agency and investment holding

RM'000	Logistics	Shipping	Others	Total	Elimination	Group
Results For 3 Months Ended						
31 March 2017						
External revenue	23,318	2,736	1,011	27,065	-	27,065
Intersegment revenue	1,053	-	2,478	3,531	(3,531)	-
Total revenue	24,371	2,736	3,489	30,596	(3,531)	27,065
Segment profit/(loss)	2,405	(652)	343	2,096	-	2,096
Depreciation	(1,610)	(61)	(142)	(1,813)	(194)	(2,007)
Interest income	9	-	43	52	-	52
Finance costs	(81)	-	(141)	(222)	-	(222)
Profit/(Loss) before tax	723	(713)	103	113	(194)	(81)
Tax (expense)/income	(605)	1	(46)	(650)	33	(617)
Profit/(Loss) after tax	118	(712)	57	(537)	(161)	(698)
31 March 2016						
External revenue	24,620	4,712	2,422	31,754	-	31,754
Intersegment revenue	730	111	2,351	3,192	(3,192)	-
Total revenue	25,350	4,823	4,773	34,946	(3,192)	31,754
Segment profit/(loss)	4,090	1,591	(62)	5,619	-	5,619
Depreciation	(1,494)	(59)	(123)	(1,676)	(200)	(1,876)
Interest income	25	1	120	146	-	146
Finance costs	(222)	-	(101)	(323)	-	(323)
Profit/(Loss) before tax	2,399	1,533	(166)	3,766	(200)	3,566
Tax (expense)/income	(285)	80	(72)	(277)	50	(227)
Profit/(Loss) after tax	2,114	1,613	(238)	3,489	(150)	3,339

7 Segmental Information (continued)

RM'000	Logistics	Shipping	Others	Total	Elimination	Group
Results For 12 Months Ended						
31 March 2017						
External revenue	98,802	13,553	5,069	117,424	-	117,424
Intersegment revenue	8,102	629	9,754	18,485	(18,485)	-
Total revenue	106,904	14,182	14,823	135,909	(18,485)	117,424
Segment profit	17,015	1,700	1,632	20,347	58	20,405
Depreciation	(5,946)	(237)	(557)	(6,740)	(821)	(7,561)
Interest income	44	-	319	363	-	363
Finance costs	(420)	-	(587)	(1,007)	-	(1,007)
Profit before tax	10,693	1,463	807	12,963	(763)	12,200
Tax expense	(2,362)	-	(262)	(2,624)	121	(2,503)
Profit after tax	8,331	1,463	545	10,339	(642)	9,697
31 March 2016						
External revenue	99,943	17,363	8,390	125,696	-	125,696
Intersegment revenue	5,794	269	11,900	17,963	(17,963)	-
Total revenue	105,737	17,632	20,290	143,659	(17,963)	125,696
Segment profit	18,972	4,737	3,685	27,394	(2,722)	24,672
Depreciation	(5,805)	(244)	(427)	(6,476)	(802)	(7,278)
Interest income	95	3	409	507	-	507
Finance costs	(863)	-	(250)	(1,113)	-	(1,113)
Profit before tax	12,399	4,496	3,417	20,312	(3,524)	16,788
Tax (expense)/income	(2,004)	1,236	(258)	(1,026)	577	(449)
Profit after tax	10,395	5,732	3,159	19,286	(2,947)	16,339
Assets and Liabilities As At						
31 March 2017						
Segment/Total assets	103,475	26,538	146,971	276,984	(110,145)	166,839
Segment/Total liabilities	42,612	5,926	49,645	98,183	(60,889)	37,294
31 March 2016						
Segment/Total assets	92,009	24,209	121,712	237,930	(84,176)	153,754
Segment/Total liabilities	39,474	4,931	26,665	71,070	(36,099)	34,971

8 Related Party Disclosures

Significant recurrent related party transactions are as follows:

RM'000	3 months ended		12 months ended	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
Companies in which certain Directors have interests:				
Revenue from services rendered	1,765	1,525	7,566	6,550
Forwarding service charges payable	503	(53)	1,694	891
Fuel payable	710	484	3,327	3,847
Spare parts payable	37	(7)	156	109
Rental income receivable	6	6	24	24
Warehouse expense payable	67	19	194	68

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 RM16.0 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 28 April 2017, the Company granted share options to employees of the Group under the Share Issuance Scheme to subscribe for a total of 1,100,000 ordinary shares at an exercise price of RM0.88 per share. The vesting period of the options offered is from 1 June 2017 to 18 November 2018 subject to fulfilment of certain vesting conditions.

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 RM4.69 million compared to the preceding year corresponding quarter (“corresponding quarter”) and as a result, the Group reported a pre-tax loss of RM0.08 million during the quarter.

(a) *Logistics*

Revenue and pre-tax profit of the logistic segment has declined by RM0.98 million and RM1.68 million respectively as compared to the corresponding quarter. The decline in pre-tax profit is mainly contributed by the decline in revenue, impairment loss on property, plant and equipment of RM0.64 million and the decline in volume of the lorry transportation business arising from the slowdown in the business of our customers during the quarter.

(b) *Shipping*

Revenue of the shipping segment has decreased significantly by RM2.09 million as compared to the corresponding quarter. The decrease in revenue has resulted in pre-tax loss of RM0.71 million during the current quarter. The drop in revenue was mainly due to the docking of a vessel of the Group which underwent a special survey during the quarter.

15 Comparison With Immediate Preceding Quarter

RM'000	3 months ended		Changes
	31.03.2017	31.12.2016	
Revenue	27,065	29,576	(2,511)
(Loss)/Profit before tax	(81)	4,441	(4,522)

Revenue in the current quarter has decreased by RM2.51 million. Apart from the drop in revenue leading to the Group's pre-tax loss of RM0.08 million, the loss was also caused by an impairment loss on property, plant and equipment of RM0.64 million.

16 Commentary On Prospects

The Group will continue to focus on the logistics business particularly in developing its warehousing facilities. The warehouse in Pulau Indah completed after the financial year end is expected to contribute positively to the Group's results in the next financial year whereas the warehouse in Port Klang Free Zone is expected to be completed in the next financial year. The Board expects the lorry transportation for cement business, a major contributor to the lorry transport revenue, to be slow in the next financial year in view of the current business slowdown in the cement industry.

Recently the Government has announced the abolishment of the Cabotage Policy for East Malaysia, this may adversely affect our shipping segment.

In view of the ongoing development in the market and changes in policies, the Board foresees the financial performance of the Group for the next financial year to be challenging and will take the appropriate measures to mitigate the adverse impacts.

17 Profit Forecast

Not applicable.

18 Tax Expense

RM'000	3 months ended		12 months ended	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
Income tax	132	327	1,811	1,239
Deferred tax	485	(100)	692	(790)
Total tax expense	617	227	2,503	449

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
	31.03.2017	31.03.2016
Realised	105,287	94,767
Unrealised	(5,423)	(4,788)
	99,864	89,979
Consolidation adjustments	(38,791)	(38,450)
Total retained earnings	61,073	51,529

20 Corporate Proposals

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

21 Borrowings (secured)

RM'000	As at	As at
	31.03.2017	31.03.2016
Short term borrowings:		
Bank overdraft	690	53
Hire purchase	324	3,307
Term loans	3,925	6,164
	4,939	9,524
Long term borrowings:		
Hire purchase	76	1,383
Term loans	11,254	9,614
	11,330	10,997
Total borrowings	16,269	20,521

22 Changes In Material Litigation

There was no material litigation against the Group as at the reporting date.

23 Proposed Dividend

No dividend has been proposed during the current quarter.

24 Earnings Per Share ("EPS")

	3 months ended		12 months ended	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
Profit attributable to owners of the Company (RM'000)	(735)	3,300	9,544	16,229
Weighted average number of ordinary shares in issue ('000)	122,201	121,598	122,201	121,598
Effect of dilution ('000)	1,415	1,052	1,415	1,052
Adjusted weighted average number of ordinary shares in issue ('000)	123,616	122,650	123,616	122,650
Basic EPS (sen)	(0.6)	2.7	7.8	13.3
Diluted EPS (sen)	(0.6)	2.6	7.7	13.2

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	3 months ended		12 months ended	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
Profit before tax is arrived at after crediting/(charging):				
Interest income	52	146	363	507
Other income including investment income	281	230	1,261	1,590
Interest expense	(222)	(323)	(1,007)	(1,113)
Depreciation	(2,007)	(1,876)	(7,561)	(7,278)
Provision for and write off of receivables	-	(425)	-	(425)
Impairment of property, plant and equipment	(640)	(356)	(640)	(356)
Gain on disposal of a subsidiary	-	-	1	-
Realised (loss)/gain in foreign exchange	(7)	(171)	316	133
Unrealised (loss)/gain in foreign exchange	(37)	(76)	57	(68)

Save as disclosed above, there were no other material provision for and write off of inventories, gain or loss on disposal of quoted investment or properties, gain or loss on derivatives or exceptional items for current quarter under review.