



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

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE FIRST QUARTER ENDED 30 JUNE 2016**

**25 August 2016**

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

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

<b>RM'000</b>	<b>Note</b>	<b>As at 30.06.2016 Unaudited</b>	<b>As at 31.03.2016 Audited</b>
<b>Assets</b>			
Property, plant and equipment		104,941	96,528
<b>Non-current assets</b>		<b>104,941</b>	<b>96,528</b>
Inventories		1,651	854
Trade and other receivables		36,046	33,070
Tax recoverable		1,232	1,564
Cash and cash equivalents		20,185	21,738
<b>Current assets</b>		<b>59,114</b>	<b>57,226</b>
<b>Total assets</b>		<b>164,055</b>	<b>153,754</b>
<b>Equity and liabilities</b>			
Share capital		61,219	61,219
Treasury shares		(131)	(131)
Other reserves		5,683	5,631
Retained earnings	19	54,868	51,529
Equity attributable to owners of the Company		121,639	118,248
Non-controlling interests		581	535
<b>Total equity</b>		<b>122,220</b>	<b>118,783</b>
Borrowings (secured)	21	14,609	10,997
Deferred tax liabilities		4,862	4,788
<b>Non-current liabilities</b>		<b>19,471</b>	<b>15,785</b>
Trade and other payables		12,458	9,662
Borrowings (secured)	21	9,906	9,524
<b>Current liabilities</b>		<b>22,364</b>	<b>19,186</b>
<b>Total liabilities</b>		<b>41,835</b>	<b>34,971</b>
<b>Total equity and liabilities</b>		<b>164,055</b>	<b>153,754</b>
<b>Net assets per share attributable to owners of the Company (RM)</b>		<b>1.00</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 FIRST QUARTER ENDED 30 JUNE 2016**  
(These figures have not been audited)

RM'000	Note	Current quarter 3 months ended		Cumulative quarter 3 months ended	
		30.06.2016	30.06.2015	30.06.2016	30.06.2015
Revenue		29,739	32,097	29,739	32,097
Cost of sales		(23,675)	(25,287)	(23,675)	(25,287)
Gross profit		6,064	6,810	6,064	6,810
Other income		639	267	639	267
Marketing and distribution costs		(176)	(161)	(176)	(161)
Administration expenses		(1,547)	(1,506)	(1,547)	(1,506)
Other expenses		(488)	(490)	(488)	(490)
Finance costs		(295)	(196)	(295)	(196)
Profit before tax		4,197	4,724	4,197	4,724
Tax expense	18	(811)	(940)	(811)	(940)
<b>Profit for the period</b>		<b>3,386</b>	<b>3,784</b>	<b>3,386</b>	<b>3,784</b>
Other comprehensive income		-	-	-	-
<b>Total comprehensive income</b>		<b>3,386</b>	<b>3,784</b>	<b>3,386</b>	<b>3,784</b>
<b>Profit attributable to:</b>					
Owners of the Company		3,340	3,766	3,340	3,766
Non-controlling interest		46	18	46	18
<b>Profit for the period</b>		<b>3,386</b>	<b>3,784</b>	<b>3,386</b>	<b>3,784</b>
<b>Total comprehensive income attributable to:</b>					
Owners of the Company		3,340	3,766	3,340	3,766
Non-controlling interest		46	18	46	18
		<b>3,386</b>	<b>3,784</b>	<b>3,386</b>	<b>3,784</b>
<b>Earnings per share attributable to owners of the Company:</b>					
Basic (sen)	24	2.7	3.1	2.7	3.1
Diluted (sen)	24	2.7	3.1	2.7	3.1

The above condensed consolidated income statement should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

**COMPLETE LOGISTIC SERVICES BERHAD (716241-X)**  
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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FIRST QUARTER ENDED 30 JUNE 2016**

(These figures have not been audited)

	Attributable to owners of the Company						Non-controlling interests	Total equity
	Non-Distributable			Distributable				
RM'000	Share capital	Treasury shares	Share premium	Share option reserve	Retained earnings	Total		
<b>At 1 April 2016</b>	61,219	(131)	5,147	484	51,528	118,247	535	118,782
Total comprehensive income for the period	-	-	-	-	3,340	3,340	46	3,386
Share option value	-	-	-	52	-	52	-	52
<b>At 30 June 2016</b>	61,219	(131)	5,147	536	54,868	121,639	581	122,220
<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	-	-	-	-	3,766	3,766	18	3,784
Issuance of shares	108	-	26	-	-	134	-	134
Share option value	-	-	-	85	-	85	-	85
<b>At 30 June 2015</b>	60,844	(131)	4,528	803	39,066	105,110	443	105,553

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 FIRST QUARTER ENDED 30 JUNE 2016**  
(These figures have not been audited)

<b>RM'000</b>	<b>3 months ended</b>	
	<b>30.06.2016</b>	<b>30.06.2015</b>
<b>Cash flows from operating activities</b>		
Profit before tax	4,196	4,724
Adjustments for:		
Non-cash items	1,684	1,850
Non-operating items	(1)	(9)
Interest income	(125)	(106)
Interest expense	295	196
Operating profit before working capital changes	6,049	6,655
Changes in working capital:		
Inventories	(797)	(168)
Receivables	(2,910)	(5,638)
Payables	378	3,589
Cash generated from operations	2,720	4,438
Net tax paid	(405)	(854)
<b>Net cash from operating activities</b>	<b>2,315</b>	<b>3,584</b>
<b>Cash flows from investing activities</b>		
Interest received	125	106
Net cash outflow from the acquisition of a subsidiary	(357)	-
Purchase of property, plant and equipment	(654)	(3,535)
Proceeds from disposal of property, plant and equipment	7	271
Proceeds from issuance of shares	-	134
<b>Net cash used in investing activities</b>	<b>(879)</b>	<b>(3,024)</b>
<b>Cash flows from financing activities</b>		
Withdrawal of fixed deposits pledged to licensed bank	116	-
Drawdown of term loan	530	2,915
Interest paid	(295)	(196)
Net repayment of borrowings	(2,587)	(2,360)
Repayment to a director	(800)	308
<b>Net cash (used in)/from financing activities</b>	<b>(3,036)</b>	<b>667</b>
<b>Net changes in cash and cash equivalents</b>	<b>(1,600)</b>	<b>1,227</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>19,796</b>	<b>16,322</b>
<b>Analysis of cash and cash equivalents</b>		
Fixed deposits	10,772	11,072
Cash and bank balances	9,413	6,319
	20,185	17,391
Bank overdraft	(216)	(799)
Fixed deposits pledged to licensed bank	(173)	(270)
	19,796	16,322

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 March 2016.

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 Amortisation

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 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 first quarter ended 30 June 2016.

#### 4 Significant Estimates And Changes In Estimates

There were no changes in estimates that had any material effects on the first quarter ended 30 June 2016.

#### 5 Debt And Equity Securities

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

<b>RM'000</b>	<b>Logistics</b>	<b>Shipping</b>	<b>Others</b>	<b>Total</b>	<b>Elimination</b>	<b>Group</b>
<b>Results For 3 Months Ended</b>						
<b>30 June 2016</b>						
External revenue	25,347	3,234	1,158	<b>29,739</b>	-	<b>29,739</b>
Intersegment revenue	3,155	334	2,640	<b>6,129</b>	(6,129)	-
Total revenue	28,502	3,568	3,798	<b>35,868</b>	(6,129)	<b>29,739</b>
Segment profit	5,127	754	184	<b>6,065</b>	148	<b>6,213</b>
Depreciation	(1,432)	(56)	(151)	<b>(1,639)</b>	(207)	<b>(1,846)</b>
Interest income	13	-	112	<b>125</b>	-	<b>125</b>
Finance costs	(154)	-	(141)	<b>(295)</b>	-	<b>(295)</b>
Profit before tax	3,554	698	4	<b>4,256</b>	(59)	<b>4,197</b>
Tax expense	(747)	(1)	(85)	<b>(833)</b>	22	<b>(811)</b>
Profit after tax	2,807	697	(81)	<b>3,423</b>	(37)	<b>3,386</b>

## 7 Segmental Information (continued)

<b>RM'000</b>	<b>Logistics</b>	<b>Shipping</b>	<b>Others</b>	<b>Total</b>	<b>Elimination</b>	<b>Group</b>
<b>Results For 3 Months Ended</b>						
<b>30 June 2015</b>						
External revenue	26,546	3,921	1,630	<b>32,097</b>	-	<b>32,097</b>
Intersegment revenue	1,669	158	2,906	<b>4,733</b>	(4,733)	-
Total revenue	28,215	4,079	4,536	<b>36,830</b>	(4,733)	<b>32,097</b>
Segment profit	5,346	853	880	<b>7,079</b>	(500)	<b>6,579</b>
Depreciation	(1,435)	(33)	(84)	<b>(1,552)</b>	(213)	<b>(1,765)</b>
Interest income	13	1	92	<b>106</b>	-	<b>106</b>
Finance costs	(196)	-	-	<b>(196)</b>	-	<b>(196)</b>
Profit before tax	3,728	821	888	<b>5,437</b>	(713)	<b>4,724</b>
Tax expense	(725)	(101)	(154)	<b>(980)</b>	40	<b>(940)</b>
Profit after tax	3,003	720	734	<b>4,457</b>	(673)	<b>3,784</b>
<b>Assets and Liabilities As At</b>						
<b>30 June 2016</b>						
Segment/Total assets	91,665	24,270	133,987	<b>249,922</b>	(85,867)	<b>164,055</b>
Segment/Total liabilities	36,324	4,423	38,213	<b>78,960</b>	(37,125)	<b>41,835</b>
<b>30 June 2015</b>						
Segment/Total assets	96,852	21,129	106,749	<b>224,730</b>	(79,149)	<b>145,581</b>
Segment/Total liabilities	50,405	6,514	14,505	<b>71,424</b>	(31,396)	<b>40,028</b>

## 8 Related Party Disclosures

Significant recurrent related party transactions are as follows:

<b>RM'000</b>	<b>3 months ended</b>	
	<b>30.06.2016</b>	<b>30.06.2015</b>
Companies in which certain Directors have interests:		
Revenue from services rendered	1,951	1,946
Forwarding service charges payable	340	328
Fuel payable	825	952
Spare parts payable	22	54
Rental income receivable	6	6
Warehouse expense payable	43	7

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 RM11.03 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 12 April 2016 acquired the entire equity interest in Ultra Trinity Sdn Bhd ("UT"), comprising 1,000,000 ordinary shares of RM1.00 each for a cash consideration of RM480,000. The acquisition was a related party transaction and it was completed on 27 April 2016. In consequent thereof, UT became 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**

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.

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.

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 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 decrease in revenue of RM2.36 million compared to the preceding year corresponding quarter (“corresponding quarter”) and accordingly, the Group reported a decrease in pre-tax profit by RM0.53 million compared to the corresponding quarter.

(a) *Logistics*

Revenue of the logistic segment has increased slightly by RM0.29 million as compared to the corresponding quarter. However, this segment recorded a lower pre-tax profit by RM0.17 million as compared to the corresponding quarter.

(b) *Shipping*

Revenue of the shipping segment has decreased by RM0.51 million as compared to the corresponding quarter. In line with the decrease in revenue, this segment recorded a decrease in pre-tax profit by RM0.12 million as compared to the corresponding quarter.

**15 Comparison With Immediate Preceding Quarter**

RM'000	3 months ended		Variance
	30.06.2016	31.03.2016	
Revenue	29,739	31,754	(2,015)
Profit before tax	4,197	3,566	631

Revenue of the Group in the current quarter has decreased by RM2.02 million mainly caused by slow demand within the shipping industry. However, the Group recorded a higher pre-tax profit of RM0.63 million in the current quarter, mainly because the preceding quarter was impacted by the impairment losses on property, plant and equipment of RM0.35 million and trade receivables of RM0.42 million.

**16 Commentary On Prospects**

Weak demand within the shipping industry is expected and the Board will focus its resources to target the logistic businesses by further expanding its operating equipment and warehousing facilities in order to achieve favourable financial results for the current financial year.

**17 Profit Forecast**

Not applicable.

## 18 Tax Expense

<b>RM'000</b>	<b>3 months ended</b>	
	<b>30.06.2016</b>	<b>30.06.2015</b>
Income tax	737	895
Deferred tax	74	45
<b>Total tax expense</b>	<b>811</b>	<b>940</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

<b>RM'000</b>	<b>As at</b>	<b>As at</b>
	<b>30.06.2016</b>	<b>31.03.2016</b>
Realised	97,848	94,767
Unrealised	(4,819)	(4,788)
	93,029	89,979
Consolidation adjustments	(38,161)	(38,450)
<b>Total retained earnings</b>	<b>54,868</b>	<b>51,529</b>

## 20 Corporate Proposals

On 27 June 2016, the Company granted share options to employees of the Group under the Share Issuance Scheme to subscribe for a total of 1,580,000 ordinary shares of RM0.50 each at an exercise price of RM0.68 per share. The vesting period of the options offered is from 1 August 2016 to 18 November 2018 subject to fulfilment of certain vesting conditions.

Save as disclosed above, there were no other corporate proposals announced but not completed as at the reporting date.

## 21 Borrowings (secured)

<b>RM'000</b>	<b>As at</b>	<b>As at</b>
	<b>30.06.2016</b>	<b>31.03.2016</b>
Short term borrowings:		
Bank overdraft	216	53
Hire purchase	2,987	3,307
Term loans	6,703	6,164
	9,906	9,524
Long term borrowings:		
Hire purchase	789	1,383
Term loans	13,820	9,614
	14,609	10,997
<b>Total borrowings</b>	<b>24,515</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	
	30.06.2016	30.06.2015
Profit attributable to Owners of the Company (RM'000)	3,340	3,766
Weighted average number of ordinary shares in issue ('000)	122,119	121,355
Effect of dilution ('000)	-	1,506
Adjusted weighted average number of ordinary shares in issue ('000)	122,119	122,861
<b>Basic EPS (sen)</b>	<b>2.7</b>	<b>3.1</b>
<b>Diluted EPS (sen)</b>	<b>2.7</b>	<b>3.1</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	3 months ended	
	30.06.2016	30.06.2015
<b>Profit before tax is arrived at after crediting/(charging):</b>		
Interest income	125	106
Other income including investment income	514	161
Interest expense	(295)	(196)
Depreciation	(1,846)	(1,765)
Realised gain in foreign exchange	83	152
Unrealised gain/(loss) in foreign exchange	43	(32)
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 or unquoted 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 25 August 2016.