

NOTES TO THE QUARTERLY REPORT ON CONSOLIDATED RESULT FOR THE THIRD QUARTER ENDED 31 DECEMBER 2008

Part A – Notes In Compliance with FRS 134

1. Basis of Preparation

The unaudited interim financial statements have been prepared in accordance with the requirements outlined in the Financial Reporting Standards (“FRS”) 134: Interim Financial Reporting and Chapter 9 Appendix 9B of the 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 2008.

- (a) The accounting policies and methods of computation used in the preparation of the interim financial report are consistent with those adopted in the latest audited financial statements for the financial year ended 31st March 2008, except for the adoption of the following new/revised FRSs (effective for accounting periods beginning on or after 1 July 2007) during the financial year.

The new and revised FRSs which are mandatory are as follows:

FRS 107	Cash Flow Statements
FRS 111	Construction Contracts
FRS 112	Income Taxes
FRS 118	Revenue
FRS 120	Accounting for Government Grants and Disclosure of Government Assistance
Amendment to FRS 121	The Effects to Changes in Foreign Exchange Rates – Net Investment in a Foreign Operation
FRS 134	Interim Financial Reporting
FRS 137	Provisions, Contingent Liabilities and Contingent Assets
IC Interpretation 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
IC Interpretation 2	Members' Shares in Co-operative Entities and Similar Instruments
IC Interpretation 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
IC Interpretation 6	Liabilities arising from Participating in a Specific Market – Waste Electrical and Electronic Equipment
IC Interpretation 7	Applying the Restatement Approach under FRS 129 ₂₀₀₄ 2004 - Financial Reporting in Hyperinflationary Economies
IC Interpretation 8	Scope of FRS 2

The Group and the Company will apply these FRSs from financial years beginning on 1 April 2008. The IC Interpretations are not relevant to the Group’s and the Company’s operations.

The adoption of the abovementioned new and revised FRSs has no material effect on the result of the Group for the current quarter under review.

1. (b) Framework for the Preparation and Presentation of Financial Statements (“Framework”) which is effective for annual periods beginning on or after 1 July 2007

The Framework sets out the concepts that underlie the preparation and presentation of financial statements for external users. It is not an MASB approved accounting standard and hence does not define standards for any particular measurement or disclosure issue. The Group and the Company will apply this Framework for its annual period beginning 1 April 2008.

2. **Auditors’ Report on Preceding Annual Financial Statements**

The auditors’ report on the Group’s financial statements for the financial year ended 31 March 2008 was not subject to any qualification.

3. **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.

4. **Nature and Amount of Unusual Items**

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence for the current quarter.

5. **Changes in Estimates**

There were no changes in the estimates of amounts which give a material effect in the current quarter under review.

6. **Segmental Information**

The Group’s operations comprise the following business segments:

Marine	:	Provision of marine transportation services
Trading	:	Trading of goods
Logistics	:	Total logistic services provider
Others	:	Lorry and trucking services, trading of freights and investment holding

6. Segmental Information (Continued)

The results of the Group for the Third Quarter Ended 31.12.2008

	Marine	Trading	Logistics	Others	Elimination	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue						
External segment revenue	3,602	10,751	5,024	1,416	-	20,793
Inter-segment revenue	5,138	-	-	270	(5,408)	-
Total Revenue	<u>8,740</u>	<u>10,751</u>	<u>5,024</u>	<u>1,686</u>	<u>(5,408)</u>	<u>20,793</u>
Results						
Segment results	2,318	331	545	270	-	3,464
Finance costs						(191)
Interest income						<u>158</u>
Profit before tax						3,431
Tax expense						<u>(347)</u>
Profit after tax						<u>3,084</u>

7. Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and other repayments of debt and equity securities during the current quarter.

8. Dividend Paid

There was no dividend paid in the current quarter under review.

9. Valuation of Property, Plant and Equipment

There were no valuations on property, plant and equipment in the current quarter under review.

10. Changes in Composition of the Group

There were no changes in the composition of the Group during the current quarter under review except for the following :

- (1) On 16 December 2008 the Company acquired 1 ordinary share of USD1.00 in Complete International Pte Ltd ("CIPL"), a company incorporated in Malaysia under the Offshore Companies Act 1990, representing 100% of the issued and paid-up share capital of CIPL for a total cash consideration of USD1.00 only

On the same day, the Company has subscribed for an additional 9,999 new ordinary shares of USD1.00 each for a cash consideration of USD9,999.

11. Changes in Contingent Liabilities and Contingent Assets

There were no material contingent liabilities or contingent assets which, upon being enforceable, might have a material impact on the financial position or business of the Group as at 31 December 2008.

12. Subsequent Events

There were no material events subsequent to the end of the current quarter up to the date of this report.

Part B – Additional Information Required by the Listing Requirements of Bursa Malaysia Securities Berhad

13. Review of Performance

For the current quarter ended 31 December 2008, the Group reported a lower revenue of RM20.79 million, a decrease of RM11.97 million or 37%, compared to RM32.76 million in the same quarter of the previous year. The lower revenue was mainly attributable to the overall reduction of business in all segments, as a result of global economic downturn.

Accordingly, the Group reported a lower profit after taxation of RM3.08 million, a drop of RM1.42 million or 32%, as compared to RM4.50 million in the same quarter of the previous year.

14. Comparison With Immediate Preceding Quarter

The total revenue of the Group decreased by RM11.55 million or 36%, from RM32.34 million to RM20.79 million. The decrease in the revenue was mainly attributable to the decrease in the total logistics and marine transportation segments.

In line with the decrease in revenue, the profit after taxation of the Group decreased from RM3.53 million (last quarter), by RM0.45 million or 13%, to RM3.08 million (this quarter).

15. Prospects

In view of the prevailing world economic uncertainties, the Board of Directors foresees a continuing difficult business environment for the remaining quarter. The group will continue to focus on the existing core businesses to attain profitability.

16. Variance on Profit Forecast/Guarantee

The Group did not issue any profit forecast for the year and there is no profit guarantee issued by the Group.

17. Income Tax Expense

	Current Quarter		Cumulative Quarters	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
	RM'000	RM'000	RM'000	RM'000
Current tax	(347)	(490)	(1,061)	(1,279)

The effective tax rate of the Group for the quarter under review is lower than the statutory tax rate mainly due to the exemption from tax on income from the operations of sea going Malaysian registered vessels pursuant to Section 54A of the Income Tax Act, 1967.

The current tax is in respect of the income derived mainly from total logistic services and trading of freight.

18. Sales of Unquoted Investments and Properties

There were no sales of unquoted investments and properties for the current quarter ended 31 December 2008.

19. Quoted Securities

There was no purchase or disposal of quoted securities for the current quarter ended 31 December 2008. The Group did not hold any investments in quoted securities as at 31 December 2008.

20. Status of Corporate Proposals

There are no corporate proposals announced during the current quarter under review.

21. Group Borrowings

	Group
	31.12.2008
	RM'000
Current	
Term loans, secured	4,799
Non-Current	
Term loan, secured	8,331
	<u>13,130</u>

22. Off Balance Sheet Financial Instruments

There were no off balance sheet financial instruments at the date of issue of this quarterly report.

23. Material Litigation

There was no pending material litigation as at the date of issue of this quarterly report, which in the opinion of the directors would have a material adverse effect on the financial results of the Group.

24. Dividend

The Board of Directors is pleased to declare an interim tax-exempt dividend of 3 sen per share in respect of the financial year ending 31 March 2009 and shall be paid on 8 April 2009 to shareholders registered in the Records of Depositors at the close of business on 16 March 2009.

25. Earnings Per Share

The basic earnings per share for the current quarter and cumulative quarters have been calculated based on the Group's profit after taxation divided by the weighted average number of ordinary shares outstanding (based on ordinary shares of RM0.50 each) after taking into consideration the effect of the bonus issue.

	Current Quarter		Cumulative Quarters	
	31.12.08	31.12.07	31.12.08	31.12.07
Net profit for the period (RM'000)	3,084	4,503	11,395	14,675
Weighted average number of ordinary shares in issue ('000)	120,000	120,000	120,000	113,367
Basic earnings per share (sen)	2.57	3.75	9.50	12.94

Diluted earnings per share was not computed as the Company did not have any convertible financial instruments as at 31 December 2008.

26. Net Assets Per Share

Net assets per share as at 31 December 2008 is arrived at based on the Group's Net Assets of RM100.016 million over the number of ordinary share of 120,000,000 shares of RM0.50 each. Net assets per share as at 31 March 2008 was arrived at based on the Group's Net Assets of RM92.218 million over the number of ordinary shares of 120,000,000 shares of RM0.50 each.

27. Authorization for Issue

These unaudited interim financial statements were authorized for release by the Company in accordance with a resolution of the Directors dated 24 February 2009.