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**NOTES TO THE QUARTERLY REPORT ON CONSOLIDATED RESULT FOR THE THIRD QUARTER ENDED 31 DECEMBER 2009**

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**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 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 2009.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the financial statements for the financial year ended 31 March 2009.

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

The auditors’ report on the Group’s financial statements for the financial year ended 31 March 2009 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 including trading of freight, haulage, lorry and trucking, custom clearance and Inland Port operation.
Others	:	Leasing of passenger ferry and investment holding

### The results of the Group for the Third Quarter Ended 31.12.2009

	Marine	Trading	Logistics	Others	Elimination	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>						
External segment revenue	4,533	5,407	16,850	293	-	27,083
Inter-segment revenue	1,004	-	448	3,600	(5,052)	-
Total Revenue	<u>5,537</u>	<u>5,407</u>	<u>17,298</u>	<u>3,893</u>	<u>(5,052)</u>	<u>27,083</u>
<b>Results</b>						
Segment results	(871)	(47)	3,033	136	-	2,251
Finance costs						(340)
Interest income						20
Profit before tax						<u>1,931</u>
Tax expense						<u>(364)</u>
Profit after tax						<u>1,567</u>
Attributable to:						
Equity holders of the Company						975
Minority interest						<u>592</u>
						<u>1,567</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**

The final tax exempt dividend of 3 sen per share amounting to RM3,600,000 in respect of the financial year ended 31 March 2009 that was approved at the Fourth Annual General Meeting on 9 September 2009 was paid on 20 October 2009 to shareholders whose names appear in the register of members and record of depositors on 5 October 2009.

## **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 other than the acquisition of 60% equity interest in Guper Integrated Logistics Sdn Bhd (“Guper”), comprising 600,000 ordinary shares of RM1.00 each from Banjaran Unggul Sdn Bhd for a total cash consideration of RM13,577,000 (“Acquisition”). The acquisition was completed on 12 October 2009 and consequent to that Guper becomes a direct subsidiary of the Company.

## **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 2009.

## **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 2009, the Group reported a total revenue of RM27.1 million, an increase of RM6.3 million or 19%, as compared to RM20.8 million in the same quarter of the previous year. The higher revenue was mainly attributable to the increase from the total logistic services segments resulted from the acquisition of a subsidiary during the quarter under review.

However, the Group reported a lower profit before taxation of RM1.9 million, a drop of RM1.5 million, as compared to RM3.4 million in the same quarter of the previous year. This was mainly due to the deterioration in the results of the marine transportation segment which was partly offset by the improvement in the total logistic services segment.

#### 14. Comparison With Immediate Preceding Quarter

The total revenue of the Group dropped by RM3.6 million or 13%, from RM30.7 million to RM27.1 million. The drop in the revenue was mainly attributable to the drop in the trading segment which was partly offset by the increase in the total logistic segment.

The profit before taxation of the Group increased from RM0.6 million (last quarter), by RM1.3 million or 42%, to RM1.9 million (this quarter) resulted from the increase in the total logistic services segment.

#### 15. Prospects

The acquisition of Guper Integrated Logistics Sdn Bhd whose business is complementary to the Group's existing business, has contributed positively to the profitability of the Group.

Despite the sluggish global economy and the prevailing high fuel prices, the Group has managed to achieve a net profit of RM1.6 million for the third quarter ended 31 December 2009.

The Board is optimistic that the Group's performance will remain profitable for the rest of the financial year.

#### 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 Year	Preceding Year	Current Year	Preceding Year
	Quarter	Corresponding	To Date	Corresponding
	31.12.09	Quarter	31.12.09	Period
	RM'000	31.12.08	RM'000	31.12.08
		RM'000	RM'000	RM'000
Current tax	(364)	(347)	(790)	(1,061)

The effective tax rate of the Group for the current quarter is lower than the statutory tax rate mainly due to the Investment Tax Allowance granted to a subsidiary of the Group. 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 under review.

## 19. Quoted Securities

There was no purchase or disposal of quoted securities for the current quarter ended 31 December 2009. The Group did not hold any investments in quoted securities as at 31 December 2009.

## 20. Status of Corporate Proposals

There are no corporate proposals announced during the current quarter under review other than the acquisition of 60% equity interest in a subsidiary, Guper Integrated Logistics Sdn Bhd, which was completed on 12 October 2009.

## 21. Group Borrowings

	Group 31.12.09 RM'000
Current	
Bank overdraft	1,536
Bankers' acceptances	1,810
Hire purchase	380
Term loans, secured	5,716
	<u>9,442</u>
Non-Current	
Hire purchase	223
Term loan, secured	19,330
	<u>19,553</u>
	<u>28,995</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

No dividend has been declared or recommended in respect of the current financial quarter under review.

## 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 Year Quarter 31.12.09	Preceding Year Corresponding Quarter 31.12.08	Current Year To Date 31.12.09	Preceding Year Corresponding Period 31.12.08
Profit attributable to ordinary equity holders of the Company (RM'000)	975	3,084	4,290	11,395
Weighted average number of ordinary shares in issue ('000)	120,000	120,000	120,000	120,000
Basic earnings per share (sen)	0.81	2.57	3.58	9.50

Diluted earnings per share was not computed as the Company did not have any convertible financial instruments as at 31 December 2009.

## 26. Net Assets Per Share

Net assets per share as at 31 December 2009 is arrived at based on the Group's Net Assets of RM98.39. million over the number of ordinary share of 120,000,000 shares of RM0.50 each. Net assets per share as at 31 March 2009 was arrived at based on the Group's Net Assets of RM97.71 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 25 February 2010.