
NOTES TO THE QUARTERLY REPORT ON CONSOLIDATED RESULT FOR THE FOURTH QUARTER ENDED 31 MARCH 2010

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 2010.

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 Fourth Quarter Ended 31.03.2010

	Marine	Trading	Logistics	Others	Elimination	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue						
External segment revenue	5,363	4,474	13,776	285	-	23,898
Inter-segment revenue	2,024	-	499	-	(2,523)	-
Total Revenue	<u>7,387</u>	<u>4,474</u>	<u>14,275</u>	<u>285</u>	<u>(2,523)</u>	<u>23,898</u>
Results						
Operating Segment results	790	(853)	663	78		678
Loss on disposal of vessel	(6,136)	-	-	-		(6,136)
Segment results	<u>(5,346)</u>	<u>(853)</u>	<u>663</u>	<u>78</u>	<u>-</u>	<u>(5,458)</u>
Finance costs						(321)
Interest income						<u>38</u>
Loss before tax						(5,741)
Tax expense						<u>(695)</u>
Loss after tax						<u><u>(6,436)</u></u>
Attributable to:						
Equity holders of the Company						(6,518)
Minority interest						<u>82</u>
						<u><u>(6,436)</u></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.

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 March 2010.

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

During the quarter under review, the Group reported a total revenue of RM23.9 million as compared to RM17.7 million in the same quarter of the previous year. The higher revenue was mainly attributable to the increase from the total logistic services segment arising from the acquisition of a subsidiary during the third quarter of the current financial year under review.

Despite the increase in revenue, the Group reported a loss before taxation of RM5.7 million in the current quarter as compared to a profit before taxation of RM1.3 million in previous year corresponding quarter. The loss in the current quarter were attributable to the disposal of a vessel which resulted in a loss of RM6.1 million and a loss of RM0.8 million in the trading division.

14. Comparison With Immediate Preceding Quarter

The total revenue of the Group decreased from RM27.1 million in the immediate preceding quarter to RM23.9 million in the current quarter, a drop of RM3.2 million, mainly attributable to the drop in volume in the total logistic services and trading segments.

The profit before taxation of the Group dropped from RM1.9 million in the immediate preceding quarter to a loss of RM5.7 million in the current quarter as a result of a loss of RM6.1 million on disposal of a vessel during the quarter coupled with the deterioration in the results of the trading and total logistics services segments.

15. Prospects

With the projection of the Malaysian economy showing positive growth for year 2010 coupled with the moderation of crude oil price and currency factor, the Board is optimistic that the Group will continue to achieve profitability in the next 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 Quarter <u>31.03.10</u> RM'000	Preceding Year Corresponding Quarter <u>31.03.09</u> RM'000	Current Year <u>31.03.10</u> RM'000	Preceding Year <u>31.03.09</u> RM'000
Tax expense	(109)	10	681	1,008
Deferred tax	804	(27)	804	37
Total	<u>695</u>	<u>(17)</u>	<u>1,485</u>	<u>1,045</u>

The effective tax rate of the Group 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 of certain subsidiaries of the Company;
- the Investment Tax Allowance granted to a subsidiary of the Company

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 March 2010. The Group did not hold any investments in quoted securities as at 31 March 2010

20. Status of Corporate Proposals

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

21. Group Borrowings

	Group 31.03.10 RM'000
Current	
Bank overdraft	1,789
Bankers' acceptances	959
Hire purchase	364
Term loans, secured	5,977
	<u>9,089</u>
Non-Current	
Hire purchase	117
Term loan, secured	18,176
	<u>18,293</u>
	<u>27,382</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 propose a final tax exempt dividend of 3 sen per share amounting to RM3,600,000 in respect of the financial year ended 31 March 2010, subject to the approval of members at the forthcoming Annual General Meeting.

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 31.03.10	Preceding Year Corresponding Quarter 31.03.09	Current Year To Date 31.03.10	Preceding Year Corresponding Period 31.03.09
Profit attributable to ordinary equity holders of the Company (RM'000)	(6,518)	1,287	(2,227)	12,682
Weighted average number of ordinary shares in issue ('000)	120,000	120,000	120,000	120,000
Basic earnings per share (sen)	(5.43)	1.07	(1.86)	10.57

Diluted earnings per share was not computed as the Company did not have any convertible financial instruments as at 31 March 2010.

26. Net Assets Per Share

Net assets per share as at 31 March 2010 is arrived at based on the Group's Net Assets of RM91.7 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 RM97.7 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 May 2010.