



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

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2013

27 February 2014

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2013

RM'000	Note	As at 31.12.2013 Unaudited	As at 31.03.2013 Audited
ASSETS			
Property, plant and equipment		91,291	80,649
Goodwill on consolidation		272	272
Non-current Assets		91,563	80,921
Inventories		469	702
Trade and other receivables		38,853	31,818
Tax recoverable		600	729
Cash and cash equivalents		9,145	11,623
Current Assets		49,067	44,872
TOTAL ASSETS		140,630	125,793
EQUITY AND LIABILITIES			
Share capital		60,000	60,000
Treasury shares		(131)	(131)
Other reserves		4,325	3,921
Retained earnings	19	36,736	23,927
Equity attributable to owners of the Company		100,930	87,717
Non-controlling interest		306	254
Total Equity		101,236	87,971
Borrowings (secured)	21	10,928	13,815
Deferred tax liabilities		6,789	4,196
Non-current Liabilities		17,717	18,011
Trade and other payables		14,981	14,830
Borrowings (secured)	21	6,036	4,918
Tax liabilities		660	63
Current Liabilities		21,677	19,811
Total Liabilities		39,394	37,822
TOTAL EQUITY AND LIABILITIES		140,630	125,793
Net assets per share attributable to owners of the Company (RM)		0.84	0.73

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 THIRD QUARTER ENDED 31 DECEMBER 2013**

(These figures have not been audited)

RM'000	Note	3 months ended		9 months ended	
		31.12.2013	31.12.2012	31.12.2013	31.12.2012
Revenue	7	30,714	27,178	92,725	80,472
Cost of sales		(22,869)	(20,385)	(69,224)	(59,527)
Gross profit		7,845	6,793	23,501	20,945
Other income		764	99	5,770	660
Marketing and distribution costs		(48)	(76)	(540)	(324)
Administration expenses		(2,028)	(2,318)	(6,496)	(6,609)
Other expenses		(1,767)	(1,484)	(5,320)	(4,299)
Finance costs		(228)	(275)	(753)	(840)
Profit before tax	26	4,538	2,739	16,162	9,533
Tax expense	18	(938)	(217)	(2,897)	(721)
Profit for the period		3,600	2,522	13,265	8,812
Foreign currency translation		-	(28)	(404)	(26)
Total comprehensive income		3,600	2,494	12,861	8,786
Profit attributable to:					
Owners of the Company		3,581	2,487	13,213	8,735
Non-controlling interest		19	35	52	77
Profit for the period		3,600	2,522	13,265	8,812
Total comprehensive income attributable to:					
Owners of the Company		3,581	2,459	12,809	8,709
Non-controlling interest		19	35	52	77
		3,600	2,494	12,861	8,786
Earnings per share attributable to owners of the Company:					
Basic (sen)	24	2.99	2.08	11.04	7.30

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 THIRD QUARTER ENDED 31 DECEMBER 2013
(These figures have not been audited)

<u>RM'000</u>	Attributable to owners of the Company						Non- controlling interest	Total equity
	Non-Distributable			Distributable				
	Share capital	Treasury shares	Share premium	Exchange fluctuation reserve	Retained earnings	Total		
At 1 April 2013	60,000	(131)	4,325	(404)	23,927	87,717	254	87,971
Total comprehensive income for the period	-	-	-	404	12,809	13,213	52	13,265
At 31 December 2013	60,000	(131)	4,325	-	36,736	100,930	306	101,236
At 1 April 2012	60,000	(131)	4,325	(364)	11,932	75,762	168	75,930
Total comprehensive income for the period	-	-	-	(26)	8,735	8,709	77	8,786
At 31 December 2012	60,000	(131)	4,325	(390)	20,667	84,471	245	84,716

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)
(Incorporated in Malaysia)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2013
(These figures have not been audited)

RM'000	9 months ended	
	31.12.2013	31.12.2012
Cash flows from operating activities		
Profit before tax	16,162	9,533
Adjustments for:		
Non-cash items	6,314	4,536
Non-operating items	(335)	(239)
Interest income	(160)	(158)
Interest expense	753	839
Operating profit before working capital changes	22,734	14,511
Changes in working capital:		
Inventories	233	(498)
Receivables	1,643	(2,169)
Payables	(8,699)	1,009
Cash generated from operations	15,911	12,853
Net tax paid	(1,582)	(1,559)
Net cash from/(used in) operating activities	14,329	11,294
Cash flows from investing activities		
Deposit paid for the proposed acquisition of a company	-	(1,000)
Interest received	160	158
Net cash outflow from the acquisition of a subsidiary	(10,346)	-
Purchase of property, plant and equipment	(3,115)	(1,584)
Proceeds from disposal of property, plant and equipment	2,332	1,018
Net cash used in investing activities	(10,969)	(1,408)
Cash flows from financing activities		
Additional fixed deposits pledged to licensed bank	-	1,943
Interest paid	(753)	(840)
Net repayment of borrowings	(4,363)	(4,876)
Advances from the directors	(722)	76
Net cash used in financing activities	(5,838)	(3,697)
Net changes in cash and cash equivalents	(2,478)	6,189
Cash and cash equivalents at the beginning of financial period	11,517	6,594
Cash and cash equivalents at the end of financial period	9,039	12,783
Analysis of cash and cash equivalents		
Fixed deposit	1,275	6,883
Cash and bank balances	7,870	7,439
	9,145	14,322
Bank overdraft	-	(1,539)
Fixed deposits pledged to licensed bank	(106)	-
	9,039	12,783

The above condensed consolidated statement of cash flow 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 report has been prepared in accordance with MFRS 134: 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 2013.

The accounting policies and methods of computation 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 2013 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 2013:

MFRS 3	<i>Business Combinations</i>
MFRS 10	<i>Consolidated Financial Statements</i>
MFRS 11	<i>Joint Arrangements</i>
MFRS 12	<i>Disclosure of Interests in Other Entities</i>
MFRS 13	<i>Fair Value Measurement</i>
MFRS 119	<i>Employee Benefits (revised)</i>
MFRS 127	<i>Consolidated and Separate Financial Statements (revised)</i>
MFRS 128	<i>Investments in Associates and Joint Ventures (revised)</i>
Amendments to MFRS 1	<i>First-time Adoption of MFRS - Government Loans</i>
Amendments to MFRS 7	<i>Financial Instruments: Disclosures - Offsetting Financial Assets and Financial Liabilities</i>
Amendments to MFRS 10	<i>Consolidated Financial Statements: Transition Guidance</i>
Amendments to MFRS 11	<i>Joint Arrangements: Transition Guidance</i>
Amendments to MFRS 12	<i>Disclosure of Interests in Other Entities: Transition Guidance</i>
Amendments to MFRS 101	<i>Presentation of Items of Other Comprehensive Income</i>
Annual Improvements to IC Interpretations and MFRSs 2009 - 2011 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 issued which have yet effective:

Amendments to MFRS 9	<i>Mandatory Effective Date of MFRS 9 and Transition Disclosures</i>
Amendments to MFRS 10	<i>Consolidated Financial Statements: Investment Entities</i>
Amendments to MFRS 12	<i>Disclosure of Interests in Other Entities: Investment Entities</i>
Amendments to MFRS 127	<i>Consolidated and Separate Financial Statements: Investment Entities</i>
Amendments to MFRS 132	<i>Financial Instruments: Presentation - Offsetting Financial Assets and Financial Liabilities</i>
Amendments to MFRS 136	<i>Impairment of Assets - Recoverable Amount disclosures for Non-Financial Assets</i>
Amendments to MFRS 139	<i>Novation of Derivatives and Continuation of Hedge Accounting</i>
IC Interpretation 21	<i>Levies</i>

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 December 2013.

4 Significant Estimates And Changes In Estimates

There were no changes in estimates that had any material effects on the third quarter ended 31 December 2013.

5 Debt And Equity Securities

There were no issuances, repurchases or repayments of debt and equity securities during the quarter ended 31 December 2013.

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:

Shipping : 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 : Insurance agency and investment holding

RM'000	Shipping	Trading	Logistics	Others	Total	Elimination	Group
Results For 3 Months Ended							
31 December 2013							
External revenue	5,646	972	24,056	40	30,714	-	30,714
Intersegment revenue	433	2,406	1,396	1,429	5,664	(5,664)	-
Total revenue	6,079	3,378	25,452	1,469	36,378	(5,664)	30,714
Segment profit/(loss)	1,139	(5)	5,769	860	7,763	(900)	6,863
Depreciation	(206)	(63)	(1,507)	(20)	(1,796)	(362)	(2,158)
Interest income	1	1	13	46	61	-	61
Finance costs	-	(1)	(227)	-	(228)	-	(228)
Profit/(Loss) before tax	934	(68)	4,048	886	5,800	(1,262)	4,538
Tax expense	(126)	(23)	(781)	(8)	(938)	-	(938)
Profit/(Loss) after tax	808	(91)	3,267	878	4,862	(1,262)	3,600

7 Segmental Information (continued)

RM'000	Shipping	Trading	Logistics	Others	Total	Elimination	Group
Results For 3 Months Ended							
31 December 2012							
External revenue	7,118	1,829	18,210	21	27,178	-	27,178
Intersegment revenue	-	909	222	31	1,162	(1,162)	-
Total revenue	7,118	2,738	18,432	52	28,340	(1,162)	27,178
Segment profit	965	134	3,379	18	4,496	32	4,528
Depreciation	(199)	(58)	(996)	(26)	(1,279)	(300)	(1,579)
Interest income	20	10	31	4	65	-	65
Finance costs	(8)	-	(267)	-	(275)	-	(275)
Profit/(Loss) before tax	778	86	2,147	(4)	3,007	(268)	2,739
Tax expense	(39)	(8)	(148)	(22)	(217)	-	(217)
Profit/(Loss) after tax	739	78	1,999	(26)	2,790	(268)	2,522
Results For 9 Months Ended							
31 December 2013							
External revenue	19,355	2,856	70,308	206	92,725	-	92,725
Intersegment revenue	2,007	6,588	3,942	18,202	30,739	(30,739)	-
Total revenue	21,362	9,444	74,250	18,408	123,464	(30,739)	92,725
Segment profit	4,719	363	14,416	16,322	35,820	(12,727)	23,093
Depreciation	(636)	(185)	(4,364)	(60)	(5,245)	(1,093)	(6,338)
Interest income	7	2	77	74	160	-	160
Finance costs	-	(2)	(751)	-	(753)	-	(753)
Profit before tax	4,090	178	9,378	16,336	29,982	(13,820)	16,162
Tax expense	(584)	(61)	(1,813)	(108)	(2,566)	(331)	(2,897)
Profit after tax	3,506	117	7,565	16,228	27,416	(14,151)	13,265
31 December 2012							
External revenue	21,534	5,223	53,660	55	80,472	-	80,472
Intersegment revenue	-	2,447	1,253	600	4,300	(4,300)	-
Total revenue	21,534	7,670	54,913	655	84,772	(4,300)	80,472
Segment profit	3,941	578	10,593	238	15,350	(533)	14,817
Depreciation	(643)	(238)	(2,779)	(28)	(3,688)	(914)	(4,602)
Interest income	36	34	75	13	158	-	158
Finance costs	(50)	(3)	(787)	-	(840)	-	(840)
Profit before tax	3,284	371	7,102	223	10,980	(1,447)	9,533
Tax income/(expense)	30	(67)	(634)	(50)	(721)	-	(721)
Profit after tax	3,314	304	6,468	173	10,259	(1,447)	8,812

7 Segmental Information (continued)

RM'000	Shipping	Trading	Logistics	Others	Total	Elimination	Group
Assets and Liabilities As At							
31 December 2013							
Segment assets/ Total assets	37,504	7,108	87,017	96,603	228,232	(87,602)	140,630
Segment liabilities/ Total liabilities	38,971	6,530	34,502	6,336	86,339	(46,945)	39,394
31 December 2012							
Segment assets/ Total assets	42,269	7,593	69,547	79,964	199,373	(68,592)	130,781
Segment liabilities/ Total liabilities	39,652	7,073	31,664	6,711	85,100	(39,035)	46,065

8 Related Party Disclosures

Significant recurrent related party transactions are as follows:

RM'000	3 months ended		9 months ended	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
Companies in which certain Directors have interests:				
Revenue from services rendered	1,565	2,748	4,598	7,668
Container haulage/transportation/logistics service charges payable	26	942	616	3,028
Forwarding service charges payable	398	48	979	239
Spare parts payable	21	30	57	51
Rental expense payable	8	8	24	24
Rental income receivable	3	3	9	9
Warehouse expense payable	26	-	53	-

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 RM5.90 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 3 December 2013 entered into a Sale and Purchase Agreement for the acquisition of the entire equity interest in Guper Resources Sdn Bhd (“GR”), comprising 1,000,000 ordinary shares of RM1.00 each for a total cash consideration of RM1,300,000. The acquisition was completed on 31 December 2013. In consequent thereof, GR becomes a direct wholly owned subsidiary of CLSB.

Save as disclosed above, there were no changes in the composition of the Group during the current quarter.

13 Events After The Reporting Period

There were no material events subsequent to the end of the current quarter.

COMPLETE LOGISTIC SERVICES BERHAD (716241-X)
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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 reported an increase in revenue of RM3.54 million as compared to the preceding year corresponding quarter (“corresponding quarter”). In terms of pre-tax profit, the Group recorded an increase of RM1.80 million when compared to the corresponding quarter.

(a) Shipping

The revenue of the shipping segment has decreased by RM1.04 million as compared to the corresponding quarter. This segment posted a pre-tax profit of RM0.93 million compared to a pre-tax profit of RM0.78 million in the corresponding quarter. The slight increase in pre-tax profit was mainly caused by lower repair and maintenance costs incurred for the vessels during the current quarter.

(b) Logistics

The logistics segment registered a revenue of RM25.45 million and a pre-tax profit of RM4.05 million, which represents an increase of RM7.02 million and of RM1.90 million in revenue and pre-tax profit respectively when compared to the corresponding quarter. The increase in both revenue and pre-tax profit were mainly contributed by the newly acquired subsidiary during the financial year.

(c) Trading

Revenue for the trading segment of RM3.34 million in the current quarter are mainly contributed by the local trading activities.

15 Comparison With Immediate Preceding Quarter

RM'000	3 months ended		Variance
	31.12.2013	30.09.2013	
Revenue	30,714	30,217	497
Profit before tax	4,538	3,292	1,246

Revenue of the Group in the current quarter increased by RM0.50 million when compared to the immediate preceding quarter. In terms of pre-tax profit, the current quarter results showed an increase of RM1.25 million as compared to the immediate preceding quarter and this was mainly due to the increase in business volume of logistics segment during the current quarter.

16 Commentary On Prospects

The Board will continue to focus on the logistics businesses by investing more operating equipment and warehousing facilities aim to enhance profitability of the Group while maintaining the other on-going businesses.

The Board foresees the Group to experience a business slowdown in the next quarter where festive holidays also abound.

17 Profit Forecast

Not applicable.

18 Tax Expense

RM'000	3 months ended		9 months ended	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
Income tax	817	217	2,243	721
Deferred tax	121	-	654	-
Total tax expense	938	217	2,897	721

Income tax is calculated at the statutory tax rate of 25% of the estimated assessable profit for the period.

Up to 9 months ended 31 December 2013, the overall effective tax rate of the Group is lower than the statutory tax rate, mainly due to the lower tax rate applied on the income derived from the Malaysian resident shipping subsidiaries of the Company.

19 Retained Earnings

RM'000	As at	As at
	31.12.2013	31.03.2013
Realised	60,778	41,210
Unrealised	6,764	4,214
	67,542	45,424
Consolidation adjustments	(30,806)	(21,497)
Total retained earnings	36,736	23,927

20 Corporate Proposals

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

21 Borrowings (secured)

RM'000	As at	As at
	31.12.2013	31.03.2013
Short term borrowings:		
Hire purchase	2,691	1,729
Term loans	3,345	3,189
	6,036	4,918
Long term borrowings:		
Hire purchase	2,315	2,639
Term loans	8,613	11,176
	10,928	13,815
Total borrowings	16,964	18,733

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		9 months ended	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
Profit attributable to Owners of the Company (RM'000)	3,581	2,487	13,213	8,734
Weighted average number of ordinary shares in issue ('000)	119,681	119,681	119,681	119,681
Basic EPS (sen)	2.99	2.00	11.04	7.30

Diluted EPS was not computed as the Company did not have any convertible financial instruments during the period.

25 Auditors' Report On Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 31 March 2013 was unqualified.

26 Profit Before Tax

RM'000	3 months ended		9 months ended	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
Profit before tax is arrived at after crediting/(charging):				
Interest income	61	65	160	158
Other income	645	45	1,666	463
Realised gain in foreign exchange	41	30	202	5
Unrealised gain/(loss) in foreign exchange	17	(6)	25	66
Gain on bargain purchase	-	-	3,672	-
Interest expense	(228)	(274)	(753)	(839)
Depreciation	(2,158)	(1,579)	(6,338)	(4,602)

Save as disclosed above, there were no other gain or loss on disposal of quoted or unquoted investment or real properties, gain or loss on derivatives or exceptional item 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 27 February 2014.