



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

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2014

16 February 2015

Complete Logistic Services Berhad
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COMPLETE LOGISTIC SERVICES BERHAD (716241-X)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2014

RM'000	Note	As at 31.12.2014 Unaudited	As at 31.03.2014 Audited
Assets			
Property, plant and equipment		93,811	92,014
Goodwill on consolidation		272	272
Non-current assets		94,083	92,286
Inventories		374	376
Trade and other receivables		37,438	35,769
Tax recoverable		-	238
Cash and cash equivalents		12,794	11,588
Current assets		50,606	47,971
Total assets		144,689	140,257
Equity and liabilities			
Share capital		60,456	60,000
Treasury shares		(131)	(131)
Other reserves		5,099	4,536
Retained earnings	19	44,264	37,975
Equity attributable to owners of the Company		109,688	102,380
Non-controlling interest		415	339
Total equity		110,103	102,719
Borrowings (secured)	21	9,041	10,312
Deferred tax liabilities		6,183	6,046
Non-current liabilities		15,224	16,358
Trade and other payables		11,358	14,082
Borrowings (secured)	21	7,958	6,439
Tax liabilities		46	659
Current liabilities		19,362	21,180
Total liabilities		34,586	37,538
Total equity and liabilities		144,689	140,257
Net assets per share attributable to owners of the Company (RM)		0.91	0.86

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 2014**
(These figures have not been audited)

RM'000	Note	3 months ended		9 months ended	
		31.12.2014	31.12.2013	31.12.2014	31.12.2013
Revenue	7	32,739	30,714	98,025	92,725
Cost of sales		(25,540)	(22,869)	(78,295)	(69,224)
Gross profit		7,199	7,845	19,730	23,501
Other income		589	374	1,563	5,380
Marketing and distribution costs		(214)	(48)	(558)	(540)
Administration expenses		(1,668)	(2,028)	(5,188)	(6,496)
Other expenses		(585)	(1,781)	(2,281)	(5,334)
Finance costs		(247)	(228)	(726)	(753)
Profit before tax	26	5,074	4,134	12,540	15,758
Tax expense	18	(961)	(938)	(2,525)	(2,897)
Profit for the period		4,113	3,196	10,015	12,861
Foreign currency translation		-	808	-	404
Total comprehensive income		4,113	4,004	10,015	13,265
Profit attributable to:					
Owners of the Company		4,082	3,177	9,939	12,809
Non-controlling interest		31	19	76	52
Profit for the period		4,113	3,196	10,015	12,861
Total comprehensive income attributable to:					
Owners of the Company		4,082	3,985	9,939	13,213
Non-controlling interest		31	19	76	52
		4,113	4,004	10,015	13,265
Earnings per share attributable to owners of the Company:					
Basic (sen)	24	3.4	2.7	8.3	10.7
Diluted (sen)	24	3.4	2.7	8.3	10.7

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 2014

(These figures have not been audited)

RM'000	Attributable to owners of the Company								Total equity
	Non-Distributable				Distributable			Non-controlling interest	
	Share capital	Treasury shares	Share premium	Share issuance scheme reserve	Exchange fluctuation reserve	Retained earnings	Total		
At 1 April 2014	60,000	(131)	4,325	211	-	37,975	102,380	339	102,719
Total comprehensive income for the period	-	-	-	-	-	9,939	9,939	76	10,015
Issuance of shares	456	-	245	-	-	-	701	-	701
Dividends	-	-	-	-	-	(3,650)	(3,650)	-	(3,650)
Share option value	-	-	-	318	-	-	318	-	318
At 31 December 2014	60,456	(131)	4,570	529	-	44,264	109,688	415	110,103
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

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 2014
(These figures have not been audited)

RM'000	9 months ended	
	31.12.2014	31.12.2013
Cash flows from operating activities		
Profit before tax	12,540	15,758
Adjustments for:		
Non-cash items	(4)	6,314
Non-operating items	529	69
Interest income	(171)	(160)
Interest expense	726	753
Operating profit before working capital changes	13,620	22,734
Changes in working capital:		
Inventories	2	233
Receivables	4,465	1,643
Payables	(2,725)	(8,699)
Cash generated from operations	15,362	15,911
Net tax paid	(2,763)	(1,582)
Net cash from operating activities	12,599	14,329
Cash flows from investing activities		
Interest received	172	160
Net cash outflow from the acquisition of a subsidiary	-	(10,346)
Purchase of property, plant and equipment	(5,284)	(3,115)
Proceeds from disposal of property, plant and equipment	3,254	2,332
Proceeds from issuance of shares	566	-
Net cash used in investing activities	(1,292)	(10,969)
Cash flows from financing activities		
Additional fixed deposits pledged to licensed bank	(3)	-
Dividend paid	(3,650)	-
Interest paid	(726)	(753)
Net repayment of borrowings	(5,725)	(4,363)
Repayment to the directors	-	(722)
Net cash used in financing activities	(10,104)	(5,838)
Net changes in cash and cash equivalents	1,203	(2,478)
Effects of exchange rate changes	-	-
Cash and cash equivalents at the beginning of financial year	11,321	11,359
Cash and cash equivalents at the end of financial year	12,524	8,881
Analysis of cash and cash equivalents		
Fixed deposits	7,378	1,275
Cash and bank balances	5,416	7,870
	12,794	9,145
Fixed deposits pledged to licensed bank	(270)	(264)
	12,524	8,881

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 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 2014.

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 2014 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 2014:

- Amendments to MFRS 10, MFRS 12 and MFRS 127: Investment Entities
- Amendments to MFRS 132: Offsetting Financial Assets and Financial Liabilities
- Amendments to MFRS 136: Recoverable Amount Disclosures for Non-financial Assets
- Amendments to MFRS 139: Novation of Derivatives and Continuation of Hedge Accounting
- IC Interpretation 21 Levies

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:

- MFRS 9: Financial Instruments (IFRS 9 issued by International Accounting Standards Board (IASB) in November 2009 and in October 2010)
- MFRS 9: Financial Instruments (Hedge Accounting and Amendments to MFRS 7, MFRS 9 and MFRS 139)
- Amendments to MFRS 9 and MFRS 7: Mandatory Effective Date of MFRS 9 and Transition Disclosures
- MFRS 14: Regulatory Deferral Accounts
- MFRS 15: Revenue from Contracts with Customers
- Amendments to MFRS 10 and 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- Amendments to MFRS 11: Accounting for Acquisitions of Interests in Joint Operation
- Amendments to MFRS 116 and 138: Clarification of Acceptable Method of Depreciation and Amortisation
- Amendments to MFRS 116 and 141: Agriculture: Bearer Plants
- Amendments to MFRS 119: Defined Benefit Plans – Employee Contributions
- Annual Improvements to MFRSs 2010 – 2012 Cycle
- Annual Improvements to MFRSs 2011 – 2013 Cycle
- Annual Improvements to MFRSs 2012 – 2014 Cycle

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 2014.

4 Significant Estimates And Changes In Estimates

With effect from 1 April 2014, the Board reviewed the estimated useful lives of certain property, plant and equipment of the Group and had accounted for the revised depreciation charges prospectively. The changes in depreciation rates do not have any significant financial impact to the Group for current quarter under review.

Save as disclosed above, there were no other changes in estimates that had any material effects on the third quarter ended 31 December 2014.

5 Debt And Equity Securities

During the current quarter, the Company had increased its issued and paid-up share capital from RM60,408,115 to RM60,456,115 through the issuance of 96,000 new ordinary shares of RM0.50 each at RM0.62 per share from the exercise of options under the Share Issuance Scheme. The new ordinary shares issued rank pari passu in all respects with the existing ordinary shares of the Company.

Save as disclosed above, there were no other issuances, repurchases or repayments of debt and equity securities during the quarter ended 31 December 2014.

6 Dividends Paid

During the current quarter, an interim tax-exempt dividend of 3 sen per share in respect of the financial year ending 31 March 2015 declared on 26 August 2014, was paid on 3 October 2014 to the shareholders registered in the Records of Depositors at the close of business on 15 September 2014.

Save as disclosed above, there were no other 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

RM'000	Logistics	Shipping	Others	Total	Elimination	Group
Results For 3 Months Ended						
31 December 2014						
External revenue	28,286	3,847	606	32,739	-	32,739
Intersegment revenue	1,153	326	2,914	4,393	(4,393)	-
Total revenue	29,439	4,173	3,520	37,132	(4,393)	32,739
Segment profit	7,226	624	15	7,865	(665)	7,200
Depreciation	(1,410)	(156)	(91)	(1,657)	(273)	(1,930)
Interest income	17	-	34	51	-	51
Finance costs	(247)	-	-	(247)	-	(247)
Profit before tax	5,586	468	(42)	6,012	(938)	5,074
Tax expense	(881)	(72)	(66)	(1,019)	58	(961)
Profit after tax	4,705	396	(108)	4,993	(880)	4,113

7 Segmental Information (continued)

RM'000	Logistics	Shipping	Others	Total	Elimination	Group
Results For 3 Months Ended						
31 December 2013						
External revenue	24,056	5,646	1,012	30,714	-	30,714
Intersegment revenue	1,396	433	3,835	5,664	(5,664)	-
Total revenue	25,452	6,079	4,847	36,378	(5,664)	30,714
Segment profit	5,769	1,139	855	7,763	(1,304)	6,459
Depreciation	(1,507)	(206)	(83)	(1,796)	(362)	(2,158)
Interest income	13	1	47	61	-	61
Finance costs	(227)	-	(1)	(228)	-	(228)
Profit before tax	4,048	934	818	5,800	(1,666)	4,134
Tax expense	(781)	(126)	(31)	(938)	-	(938)
Profit after tax	3,267	808	787	4,862	(1,666)	3,196
Results For 9 Months Ended						
31 December 2014						
External revenue	80,852	14,606	2,567	98,025	-	98,025
Intersegment revenue	4,293	594	10,763	15,650	(15,650)	-
Total revenue	85,145	15,200	13,330	113,675	(15,650)	98,025
Segment profit	17,372	2,730	1,870	21,972	(3,199)	18,773
Depreciation	(4,061)	(515)	(263)	(4,839)	(839)	(5,678)
Interest income	43	2	126	171	-	171
Finance costs	(726)	-	-	(726)	-	(726)
Profit before tax	12,628	2,217	1,733	16,578	(4,038)	12,540
Tax expense	(2,200)	(282)	(289)	(2,771)	246	(2,525)
Profit after tax	10,428	1,935	1,444	13,807	(3,792)	10,015
31 December 2013						
External revenue	70,308	19,355	3,062	92,725	-	92,725
Intersegment revenue	3,942	2,007	24,790	30,739	(30,739)	-
Total revenue	74,250	21,362	27,852	123,464	(30,739)	92,725
Segment profit	14,416	4,719	16,685	35,820	(13,131)	22,689
Depreciation	(4,364)	(636)	(245)	(5,245)	(1,093)	(6,338)
Interest income	77	7	76	160	-	160
Finance costs	(751)	-	(2)	(753)	-	(753)
Profit before tax	9,378	4,090	16,514	29,982	(14,224)	15,758
Tax expense	(1,813)	(584)	(169)	(2,566)	(331)	(2,897)
Profit after tax	7,565	3,506	16,345	27,416	(14,555)	12,861
Assets and Liabilities As At						
31 December 2014						
Segment/Total assets	97,200	34,630	92,684	224,514	(79,825)	144,689
Segment/Total liabilities	36,059	40,135	10,513	86,707	(52,121)	34,586
31 December 2013						
Segment/Total assets	87,017	37,504	103,711	228,232	(87,602)	140,630
Segment/Total liabilities	34,502	38,971	12,866	86,339	(46,945)	39,394

8 Related Party Disclosures

Significant recurrent related party transactions are as follows:

RM'000	3 months ended		9 months ended	
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
Companies in which certain Directors have interests:				
Revenue from services rendered	1,781	1,565	4,653	4,598
Container haulage/transportation/logistics service charges payable	-	26	-	616
Forwarding service charges payable	555	398	1,546	979
Fuel payable	569	-	569	-
Spare parts payable	26	21	79	57
Rental expense payable	-	8	6	24
Rental income receivable	6	3	16	9
Warehouse expense payable	10	26	50	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 RM7.79 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

Complete International Pte Ltd has ceased to be a wholly-owned subsidiary of the Company as its name has been struck-off from the register pursuant to Section 151(4) of the Labuan Companies Act 1990 on 23 November 2014.

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

On 5 February 2015, the Company had increased its issued and paid-up capital from RM60,456,115 to RM60,611,000 through the issuance of 309,770 new ordinary shares of RM0.50 each at RM0.62 per share from the exercise of options under the Share Issuance Scheme. The new ordinary shares issued rank pari passu in all respects with the existing ordinary shares of the Company.

Save as disclosed above, there were no other material events subsequent to the end of the current quarter.

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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 recorded an increase in revenue of RM2.03 million compared to the preceding year corresponding quarter (“corresponding quarter”) and an increase in pre-tax profit of RM0.94 million compared to the corresponding quarter.

(a) Logistics

The logistics segment registered a revenue of RM29.44 million, representing an increase of RM3.99 million compared to the corresponding quarter. In line with the increase in revenue for the current quarter, this segment reported a pre-tax profit of RM5.59 million which is an increase of RM1.54 million compared to the corresponding quarter.

(b) Shipping

Revenue of the shipping segment has decreased by RM1.91 million compared to the corresponding quarter. As a result, the pre-tax profit has also decreased by RM0.47 million compared to the corresponding quarter.

15 Comparison With Immediate Preceding Quarter

RM'000	3 months ended		Variance
	31.12.2014	30.09.2014	
Revenue	32,739	31,154	1,585
Profit before tax	5,074	2,946	2,128

Revenue and pre-tax profit of the Group in the current quarter increased by RM1.59 million and RM2.13 million respectively as compared to the immediate preceding quarter, mainly attributed to the increase in business volume of the logistics segment.

16 Commentary On Prospects

The Board foresees the outlook of Group will be challenging in the next quarter due to festive season. However, the Board will remain focused in developing the logistics segment to maintain its performance for the current financial year.

17 Profit Forecast

Not applicable.

18 Tax Expense

RM'000	3 months ended		9 months ended	
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
Income tax	840	817	2,388	2,243
Deferred tax	121	121	137	654
Total tax expense	961	938	2,525	2,897

Income tax is calculated at the statutory tax rate of 25% on 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 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
	31.12.2014	31.03.2014
Realised	68,404	60,283
Unrealised	(6,183)	(6,055)
	62,221	54,228
Consolidation adjustments	(17,957)	(16,253)
Total retained earnings	44,264	37,975

20 Corporate Proposals

The Company had on 28 May 2014 entered into a Sale and Purchase Agreement ("SPA") for the disposal of the entire equity interest in Gems Logistics Sdn Bhd ("GL") consisting of 100,000 ordinary shares of RM1.00 each for a cash consideration of RM1,500,000 and had on 11 July 2014, 24 October 2014 and 6 January 2015 agreed to extend the completion date of the disposal. GL will cease to be a wholly-owned subsidiary of the Company upon completion of the disposal which is expected at a date not later than 31 March 2015.

Guper Resources Sdn Bhd, a wholly-owned subsidiary of the Company, had on 1 December 2014 entered into two (2) Sale and Purchase Agreements with Ecolex Sdn Bhd for the acquisition of two (2) parcels of vacant leasehold industrial lands for a total consideration of RM13,407,500.

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

21 Borrowings (secured)

RM'000	As at	As at
	31.12.2014	31.03.2014
Short term borrowings:		
Hire purchase	4,447	3,080
Term loans	3,511	3,359
	7,958	6,439
Long term borrowings:		
Hire purchase	3,884	2,505
Term loans	5,157	7,807
	9,041	10,312
Total borrowings	16,999	16,751

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	
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
Profit attributable to Owners of the Company (RM'000)	4,082	3,177	9,939	12,809
Weighted average number of ordinary shares in issue ('000)	120,229	119,681	120,229	119,681
Effect of dilution ('000)	174	-	174	-
Adjusted weighted average number of ordinary shares in issue ('000)	120,403	119,681	120,403	119,681
Basic EPS (sen)	3.4	2.7	8.3	10.7
Diluted EPS (sen)	3.4	2.7	8.3	10.7

25 Auditors' Report On Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 31 March 2014 was unqualified.

26 Profit Before Tax

RM'000	3 months ended		9 months ended	
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
Profit before tax is arrived at after crediting/(charging):				
Depreciation	(1,930)	(2,158)	(5,678)	(6,338)
Gain on bargain purchase	-	-	-	3,672
Interest expense	(247)	(228)	(726)	(753)
Interest income	51	61	171	160
Other income	538	645	1,392	1,666
Realised gain/(loss) in foreign exchange	(24)	41	(80)	202
Unrealised gain in foreign exchange	-	17	-	25

Save as disclosed above, there were no other material 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 16 February 2015.