TASCO Berhad
(Company No: 20218-T)

Condensed Consolidated Financial Statements For The Quarter And Year-To-Date Ended
30 September 2017

TASCO Berhad
Company No:20218-T
Incorporated In Malaysia

Condensed Consolidated Statement of Comprehensive Income
For The Quarter And Year-To-Date Ended 30-September-2017

	3 months ended		Cumulative 6 months ended	
	30.09.2017	30.09.2016	30.09.2017	30.09.2016
	RM'000 Unaudited	RM'000 Unaudited	RM'000 Unaudited	RM'000 Unaudited
Revenue	192,089	148,126	349,048	277,816
Cost of sales	(145,669)	(110,542)	(265,061)	(207,959)
Gross profit	**46,420**	**37,584**	**83,987**	**69,857**
Other operating income	687	580	1,439	1,024
General and administrative expenses	(32,411)	(27,161)	(60,575)	(51,120)
Profit from operations	**14,696**	**11,003**	**24,851**	**19,761**
Share of profits of associated companies	(64)	102	(57)	206
Finance costs	(2,727)	(209)	(3,387)	(923)
Profit before taxation	**11,905**	**10,896**	**21,407**	**19,044**
Tax expense	(2,708)	(2,730)	(5,099)	(4,798)
Profit for the period	**9,197**	**8,166**	**16,308**	**14,246**
Profit Attributable to:				
Owners of the Company	9,142	8,125	16,186	14,134
Non-Controlling Interest	55	41	122	112
	9,197	**8,166**	**16,308**	**14,246**
Earnings per share (sen) - basic	4.57	4.06	8.09	7.07

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 March 2017 and the accompanying explanatory notes attached to the interim financial statements.

TASCO Berhad
Company No:20218-T
Incorporated In Malaysia

Condensed Consolidated Statement of Comprehensive Income
For The Quarter And Year-To-Date Ended 30-September-2017

	3 months ended		Cumulative 6 months ended	
	30.09.2017	30.09.2016	30.09.2017	30.09.2016
	RM'000 Unaudited	RM'000 Unaudited	RM'000 Unaudited	RM'000 Unaudited
Profit for the period	**9,197**	**8,166**	**16,308**	**14,246**
Other Comprehensive Income:				
Exchange differences on translation foreign operation	16	(161)	131	(349)
Fair Value adjustment on cash flow hedge	77	147	566	(63)
Other comprehensive income/(Loss) for the period, net of tax	93	(14)	697	(412)
Total Comprehensive Income	**9,290**	**8,152**	**17,005**	**13,834**
Total Comprehensive Income attributable to:				
Owners of the Company	9,235	8,111	16,883	13,722
Non-Controlling Interest	55	41	122	112
	9,290	**8,152**	**17,005**	**13,834**

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the year 31 March 2017 and the accompanying explanatory notes attached to the interim financial statements.

Condensed Consolidated Statement of Financial Position as at 30-September-2017

	As at 30.09.2017 RM'000 Unaudited	As at 31.03.2017 RM'000 Audited
ASSETS		
Non-current assets		
Property, plant and equipment	387,078	236,014
Goodwill	81,864	-
Investment in associated company	3,665	3,722
Other investments	1,008	1,008
Total non-current assets	**473,615**	**240,744**
Current assets		
Inventories	126	125
Trade receivables	123,312	87,854
Other receivables, deposits and prepayments	38,918	82,605
Amount owing by immediate holding company	5,706	5,706
Amounts owing by related companies	8,436	9,505
Current tax asset	5,952	5,952
Fixed deposits with a licensed bank	48,143	34,517
Cash and bank balances	34,326	47,182
Total current assets	**264,919**	**273,446**
TOTAL ASSETS	**738,534**	**514,190**

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the year ended 31 March 2017 and the accompanying explanatory notes attached to the interim financial statements.

TASCO Berhad
Company No:20218-T
Incorporated In Malaysia

Condensed Consolidated Statement of Financial Position as at 30-September-2017

	As at 30.09.2017 RM'000 Unaudited	As at 31.03.2017 RM'000 Audited
EQUITY AND LIABILITIES		
Equity attributable to owners of the Parent:		
Share capital	100,000	100,000
Share premium	801	801
Revaluation reserve	1,400	1,400
Hedge reserve	(281)	(847)
Exchange translation reserve	(635)	(766)
Retained profits	251,263	240,077
Equity attributable to owners of the Company	352,548	340,665
Non-controlling interest	1,181	1,059
Total equity	**353,729**	**341,724**
Non-current liabilities		
Hire purchase and finance lease liabilities	2,055	-
Long term bank loan	240,046	33,208
Deferred tax liabilities	21,095	10,401
Total non-current liabilities	**263,196**	**43,609**
Current liabilities		
Trade payables	44,989	34,911
Other payables, deposits and accruals	29,223	70,909
Amount owing to immediate holding company	1,022	1,129
Amounts owing to related companies	6,520	4,659
Amounts owing to associated company	65	165
Hire purchase and finance lease liabilities	1,631	-
Bank term loan	24,884	15,199
Revolving credit	10,000	-
Current tax liabilities	3,275	1,885
Total current liabilities	**121,609**	**128,857**
Total liabilities	**384,805**	**172,466**
TOTAL EQUITY AND LIABILITIES	**738,534**	**514,190**
Net Assets per share (RM)	**1.76**	**1.70**

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the year ended 31 March 2017 and the accompanying explanatory notes attached to the interim financial statements.

TASCO Berhad
Company No:20218-T
Incorporated In Malaysia

Condensed Consolidated Statement of Changes in Equity For Year-To-Date Ended 30-September-2017

	Attributable to Owners of the Company								
	Non-distributable					Distributable			
	Share capital RM'000	Share premium RM'000	Revaluation reserve RM'000	Hedge reserve RM'000	Exchange translation reserve RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interest RM'000	Total equity RM'000
Balance at 1 April 2016	100,000	801	1,400	(613)	(112)	218,408	319,884	872	320,756
Total comprehensive income for the period	-	-	-	(63)	(349)	14,134	13,722	112	13,834
Dividend paid on 23 March 2016	-	-	-	-	-	(5,000)	(5,000)	-	(5,000)
Balance at 30 Sep 2016	**100,000**	**801**	**1,400**	**(676)**	**(461)**	**227,542**	**328,606**	**984**	**329,590**
Balance at 1 April 2017	100,000	801	1,400	(847)	(766)	240,077	340,665	1,059	341,724
Total comprehensive income for the period	-	-	-	566	131	16,186	16,883	122	17,005
Dividend paid on 07 July 2017	-	-	-	-	-	(5,000)	(5,000)	-	(5,000)
Balance at 30 Sep 2017	**100,000**	**801**	**1,400**	**(281)**	**(635)**	**251,263**	**352,548**	**1,181**	**353,729**

The condensed consolidated statement of change in equity should be read in conjunction with the audited financial statements for the year ended 31 March 2017 and the accompanying explanatory notes attached to the interim financial statements.

Condensed Consolidated Statement of Cash Flows For The Year-To-Date Ended 30-September-2017

	Year-To-Date Ended	
	30.09.2017	**30.09.2016**
	RM'000	**RM'000**
	Unaudited	**Unaudited**
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	21,407	19,044
Adjustments for:		
Allowance for doubtful debts	(50)	-
Depreciation	11,063	8,590
Gain/(Loss) on disposal of property, plant and equipment	(84)	573
Property, plant and equipment written off	-	3
Share of profits of associated company, net of tax	57	(206)
Interest income	(618)	(728)
Interest expense	3,387	923
Operating profit before working capital changes	**35,162**	**28,199**
Net Changes in current assets	32,902	(15,070)
Net Changes in current liabilities	(46,851)	(2,734)
Cash generated from operations	21,213	10,395
Tax paid	(4,863)	(8,628)
Net Cash generated from operating activities	**16,350**	**1,767**
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(13,738)	(5,501)
Proceeds from disposal of property, plant and equipment	157	153
Acquisition of subsidiary company	(176,153)	-
Purchase of other investment	-	(70)
Interest received	618	728
Net cash used in investing activities	**(189,116)**	**(4,690)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of term loan	190,000	-
Repayment of term loan	(7,318)	(7,201)
Payment of hire purchase and finance lease liabilities	(750)	-
Interest paid	(3,387)	(923)
Dividend paid	(5,000)	-
Net cash generated from / (used in) financing activities	**173,545**	**(8,124)**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**779**	**(11,047)**
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	81,700	92,586
EFFECT OF EXCHANGE RATE CHANGES	(10)	34
CASH AND CASH EQUIVALENTS CARRIED FORWARD	**82,469**	**81,573**
Represented by:		
Fixed deposits with a licensed bank	48,143	52,162
Cash and bank balances	34,326	29,411
	82,469	**81,573**

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 March 2017 and the accompanying explanatory notes attach to the interim financial statements.

Notes to the Interim Financial Report

Explanatory Notes In Compliance With Malaysian Financial Reporting Standards 134 ("MFRS 134") Interim Financial Reporting

A1. Basis of Preparation

The interim financial statements have been prepared under the historical cost convention except for financial derivative which are stated at fair value.

These interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards 134 ("MFRS 134"), Interim Financial Reporting, International Financial Reporting Standard 134 ("IFRS 134"), Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the Company's audited financial statements for the financial year ended 31 March 2017. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 March 2017.

A2. Adoption of Standards, Amendments and Annual Improvements to Standards

(a) Application of new or revised standards

In the current period, the Group and the Company applied a number of new standards, amendments and interpretations that become effective mandatorily for the financial periods beginning on or after 1 April 2017.

The adoption of these new and revised standards, amendments and/or interpretations does not have significant impact on the financial statements of the Group and of the Company.

(b) Standards issued that are not yet effective

The Group and the Company have not applied the following standards and amendments that have been issued by the MASB but are not yet effective:

MFRSs, Amendments to MFRSs and IC Interpretation		**Effective Date**
Amendments to MFRS 1 and MFRS 128	Annual Improvements to MFRS Standards 2014-2016 Cycle	1 January 2018
MFRS 9	Financial Instruments	1 January 2018
MFRS 15	Revenue from Contracts with Customers	1 January 2018
Amendments to MFRS 15	Clarifications to MFRS 15	1 January 2018
Amendments to MFRS 2	Classification and Measurement of Share-based Payment Transactions	1 January 2018
Amendments to MFRS 4	Applying MFRS 9, Financial Instrucments with MFRS 4, Insurance Contracts	1 January 2018
Amendments to MFRS 140	Transfer of Investment Property	1 January 2018
IC Interpretation 22	Foreign Currency Transactions and Advance Consideration	1 January 2018
MFRS 16	Leases	1 January 2019
IC Interpretation 23	Uncertainty over Income Tax Treatments	1 January 2019
MFRS 17	Insurance Contracts	1 January 2021
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be announced by the MASB

Except as otherwise indicated below, the adoption of the above new standards, amendments and interpretation are not expect to have significant impact on the financial statements of the Group and of the Company.

MFRS 9, Financial Instruments

MFRS 9 addresses the classification, recognition, derecognition, measurement and impairment of financial assets and financial liabilities, as well as general hedge accounting. It replaces MFRS 139. MFRS 9 requires financial assets to be classified into two measurement categories, i.e. at fair value and at amortised cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the MFRS 139 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to changes in an entity's own credit risk is recorded in other comprehensive income, unless this creates an accounting mismatch. MFRS 9 contains a new impairment model based on expected losses (as opposed to the 'incurred loss' model under MFRS 139), i.e. a loss event need not occur before an impairment loss is recognised, which will result in earlier recognition of losses.

The Group and Company are currently assessing the impact to the financial statements upon adopting MFRS 9, and intend to adopt MFRS 9 on the mandatory effective date.

Explanatory Notes In Compliance With Malaysian Financial Reporting Standards 134 ("MFRS 134") Interim Financial Reporting

A2. Adoption of Standards, Amendments and Annual Improvements to Standards (Continue)

MFRS 15 Revenue from Contracts with Customers

MFRS 15 introduces a new model for revenue recognition arising from contracts with customers. MFRS 15 will replace MFRS 111 Construction Contracts, MFRS 118 Revenue, IC Interpretation 13 Customer Loyalty Programmes, IC Interpretation 15 Agreements for the Construction of Real Estate, IC Interpretation 18 Transfers of Assets from Customers and IC Interpretation 31 Revenue - Barter Transactions Involving Advertising Services. The application of MFRS 15 may result in difference in timing of revenue recognition as compared with current accounting policies.

The Group and Company are currently assessing the impact to the financial statements upon adopting MFRS 15, and will adopt MFRS 15 on the mandatory effective date.

MFRS 16 Leases

Currently under MFRS 117, leases are classified either as finance leases or operating leases. A lessee recognises on its statement of financial position assets and liabilities arising from finance leases but not operating leases. MFRS 16 eliminates the distinction between finance and operating leases for lessees. All leases will be brought onto its statement of financial position, and recording of certain leases as off-balance sheet leases will no longer be allowed except for some limited exemptions. For a lessee that has material operating leases, the application of MFRS 16 may result in significant increase in assets and liabilities reported on its statement of financial position as compared with MFRS 117.

MFRS 16 will replace MFRS 117 Leases, IC Interpretation 4, Determining whether an Arrangement contains a Lease, IC Interpretation 115, Operating Leases – Incentives and IC Interpretation 127, Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

The Group and Company are currently assessing the impact to the financial statements upon adopting MFRS 16, and will adopt MFRS 16 on the mandatory effective date.

A3. Audit Report

The Audit Report of the Group's annual financial statements for the financial year ended 31 March 2017 was not subjected to any qualification.

A4. Seasonal or Cyclical Factors

The Group's operations are generally affected by festive seasons.

A5. Unusual Items due to their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows in the current quarter under review except for the effect arising from the consolidation of Gold Cold Transport Sdn. Bhd. ("GCT").

A6. Changes In Estimates

There were no changes in estimates that have had a material effect in the current quarter under review.

A7. Issuances, Cancellation, Repurchases, Resale and Repayments of Debt and Equity Securities

There were no issuances, cancellation, repurchases, resale and repayments of debt and equity securities in the current quarter under review.

A8. Dividends paid

During the financial period, a dividend of 2.50 sen per ordinary share amounting to RM5,000,000 in respect of financial year ended 31 March 2017 was paid on 7 July 2017.

Explanatory Notes In Compliance With Malaysian Financial Reporting Standards 134 ("MFRS 134") Interim Financial Reporting

A9. Segmental Reporting

	Segmental Revenue		Segmental Result (PBT)	
	6 months ended		6 months ended	
	30.09.2017 RM'000	30.09.2016 RM'000	30.09.2017 RM'000	30.09.2016 RM'000
International Business Solutions				
Air Freight Forwarding Division	85,872	71,927	2,417	1,262
Ocean Freight Forwarding Division	60,026	44,676	6,030	4,358
	145,898	**116,603**	**8,447**	**5,620**
Domestic Business Solutions				
Contract Logistics Division	139,294	118,869	16,087	13,216
Cold Supply Chain Division	18,341	-	1,349	-
Trucking Division	45,515	42,344	(1,600)	(873)
	203,150	**161,213**	**15,836**	**12,343**
Others	-	-	(2,876)	1,081
Total	**349,048**	**277,816**	**21,407**	**19,044**

A10. Valuation of Property, Plant and Equipment

The Group did not carry out any valuation on its property, plant and equipment.

A11. Subsequent Events

Except for below event, there was no material event subsequent to the end of the current quarter:

On 3 Nov 2017, the company entered into a Share Sale agreement with NYK Line Holdings (Malaysia) Sdn. Bhd, a wholly-owned subsidiary of Nippon Yusen Kabushiki Kaisha for the acquisition of 100% equity interest, representing 2,5000,000 ordinary shares in Meriah Selalu Sdn. Bhd. for an indicative cash consideration of RM15,712,398, subject to a maximum purchase consideration of RM16,000,000.

A12. Changes in Composition of the Group

On 12 July 2017, the Group completed the acquisition of 100% equity interest, representing 2,000,000 ordinary shares in Gold Cold Transport Sdn Bhd ("GCT") for a cash consideration RM185,616,671. It is categorised under Cold Supply Chain Logistics ("CSC"), a new business division under Domestics Business Solutions ("DBS") segment of the Group.

A13. Contingent Assets and Liabilities

There was no material contingent assets and liabilities since the last annual balance sheet date to the date of this report.

A14. Capital Commitment

	As at 30.09.2017 RM'000	As at 30.09.2016 RM'000
Authorised and contracted for		
- acquisition of property, plant and equipment	102,828	7,699
- acquisition in unquoted shares	44,932	-

Explanatory Notes In Compliance With Malaysian Financial Reporting Standards 134 ("MFRS 134") Interim Financial Reporting

A15. Related Party Disclosures

	6 months ended	
	30.09.2017	**30.09.2016**
	RM'000	**RM'000**
Transaction with subsidiary companies		
Rental of trucks paid and payable to subsidiary company	225	249
Labour charges paid and payble to subsidiary companies	16,703	12,376
Maintenance charges paid and payable to a subsidiary company	3,320	3,433
Handling fees paid and payable to a subsidiary company	867	872
Handling fees received and receivable from a subsidiary company	107	137
Related logistic services received and receivable from a subsidiary company	1,678	1,146
Rental of premises paid and payable to a subsidiary company	2,267	2,267
Rental of trucks received and receivable from subsidiary company	1,980	1,980
	========	=======
Transaction with immediate holding company		
Related logistic services received and receivable	25,931	19,685
Related logistic services paid and payable	8,063	7,134
Transaction with related companies		
Related logistic services received and receivable	29,803	20,276
Related logistic services paid and payable	36,547	25,667
Management fee paid and payable	1,488	1,269
IT fees paid and payable	576	293
Rental received	150	150
Repair and maintenance services	235	216
	========	=======
Transaction with associated company		
Rental of premises paid	94	564
Accounting fee paid to an associated company	10	10
	========	=======

Disclosure Requirements Pursuant to Part A, Appendix 9B of Bursa Malaysia Securities Berhad Listing Requirements

B1. Performance Review : Year-to-date April 2017-September 2017 vs Year-to-date April 2016-September 2016

	6 months ended			
	30.09.2017	30.09.2016	Changes	
	RM'000	RM'000	RM'000	%
Revenue	349,048	277,816	71,232	25.6%
Profit from operations	24,851	19,761	5,090	25.8%
Profit before Interest and tax	24,794	19,967	4,827	24.2%
Profit before taxation	21,407	19,044	2,363	12.4%
Profit after taxation	16,308	14,246	2,062	14.5%
Profit Attributable to Ordinary Equity Holders of the Parent	16,186	14,134	2,052	14.5%

The Group achieved revenue of RM349.0 million for the financial period ended ("FPE") 30 September 2017 as against RM277.8 million a year earlier, an increase of RM71.2 million (25.6 per cent) year-on-year ("y-o-y"). Revenue from International Business Solutions ("IBS") was up by RM29.2 million (25.1 per cent) from RM116.6 million to RM145.9 million y-o-y. Domestics Business Solutions ("DBS") segment also recorded an increase in revenue of RM41.9 million (26.0 per cent) from RM161.2 million to RM203.1 million y-o-y.

In the IBS segment, Air Freight Forwarding ("AFF") division posted an increase of RM13.9 million (19.4 per cent). Contribution of export shipments from printed circuit boards, aerospace, electronic & electrical ("E&E"), capacitors as well as semiconductors customers boosted higher revenue of AFF business. As for Ocean Freight Forwarding ("OFF") division, strong export shipments contribution by solar panel, aerospace customer and newly-secured accounts involving in industrial and consumer goods coupled with increased import shipments handled for office equipment and lighting customers as well as musical instrument manufacturer significantly uplifted OFF revenue performance. New customers of furniture manufactures of Buyer Consolidation business also contributed to higher revenue for OFF division, which posted an increase of RM15.3 million (34.4 per cent) y-o-y.

The completion of the acquisition of 100% share equity of Gold Cold Transport Sdn Bhd ("GCT") on 12 July 2017 contributed a post-acquisition revenue of RM18.3 million to the new business segment, Cold Supply Chain Logistics ("CSC") of DBS segment of the Group. On the other hand, existing Contract Logistics ("CL") division and Trucking division of DBS also posted an increase of RM20.4 million (17.2 per cent) and RM3.2 million (7.5 per cent) respectively. Within CL business, warehouse division was a large contributor to CL business, with an increase in revenue of RM15.6 million (32.9 per cent). A new global repair parts business of an E&E customer and a newly-secured electrical appliance customer as well as new Regional Distribution Centre ("RDC") business of a semiconductor customer boosted revenue hike to warehouse business. Increase export shipments from existing E&E and musical instruments customers coupled with increase import shipments of paper related product, automotive and newly-secured tobacco customer in July as well as project cargo resulted in custom clearance division to record higher revenue of RM2.4 million (5.7 per cent). Container deliveries especially for export shipment of existing E&E customers remained strong and with the additional export container volume contributed from a newly-secured E&E customer in central region contributed to increase of RM1.5 million (8.0 per cent) to haulage division. Revenue of in-plant business rose by RM0.9 million (9.4 per cent) as a result of increased production lines of existing E&E customer and newly-secured customer in central region. Increase revenue in trucking division was mainly contributed from new business secured in FMCG and electronic appliance customers and on the back of increase distribution activities in automotive parts.

Profit before taxation ("PBT") for the year-to-date ended 30 September 2017 increased to RM21.4 million from RM19.0 million, an increase of RM2.4 million (12.4 per cent), and profit after tax ("PAT") for the period to-date went up from RM14.2 million to RM16.3 million (14.5 per cent) y-o-y.

With an increase in revenue in IBS business, it resulted IBS business posted an increase in PBT of RM2.8 million (50.3 per cent) from RM5.6 million to RM8.4 million. PBT generated from AFF business increased from RM1.2 million to RM2.4 million, an increase of RM1.2 million (91.6 per cent) whereas OFF business posted an increase in PBT of RM1.7 million (38.3 per cent) from RM4.3 million to RM6.0 million. As for DBS segment, it posted an increase in PAT of RM3.5 million (28.3 per cent) from RM12.3 million to RM15.8 million y-o-y. CL business reported an increase in PBT of RM2.9 million (21.7 per cent) with an additional PBT of RM1.3 million of newly-acquired CSC business contributed to DBS segment of the Group. However, the increase in PAT generated from CL & CSC businesses was partially offset by the increased loss before tax (LBT) of Trucking business by RM0.7 million (-83.2 per cent). Within CL business, warehouse & in-plant businesses contributed to an increase in PBT totaling RM3.4 million (37.2 per cent) for CL segment. Escalating operating costs and fuel price increase coupled with imbalance trips impacted bottom line deterioration of Trucking business.

Apart from the operating business segment, PBT was reduced by RM3.9 million due to additional costs from support segment. This was largely resulted from increased professional and compliance expenses for corporate merger & acquisition exercises as well as finance costs of funding for newly-acquired CSC business.

B2. Comparison with Previous Year Corresponding Quarter's Results : July 2017 to September 2017 vs July 2016 to September 2016

	3 months ended			
	30.09.2017	30.09.2016	Changes	
	RM'000	RM'000	RM'000	%
Revenue	192,089	148,126	43,963	29.7%
Profit from operations	14,696	11,003	3,693	33.6%
Profit before Interest and tax	14,632	11,105	3,527	31.8%
Profit before taxation	11,905	10,896	1,009	9.3%
Profit after taxation	9,197	8,166	1,031	12.6%
Profit Attributable to Ordinary Equity Holders of the Parent	9,142	8,125	1,017	12.5%

The Group's revenue for the second financial quarter ended 30 September 2017 ("Q2FY2018") was posted at RM192.1 million, as against revenue of RM148.1 million for the second financial quarter ended 30 September 2016 ("Q2FY2017"). This represents an increase of 29.7 per cent (RM44.0 million). The increase in revenue was contributed from both IBS and DBS segments.

Revenue of IBS increased by RM11.6 million (18.3 per cent), from RM63.3 million to RM74.9 million whereas DBS segment recorded an increase in revenue from RM84.8 million to RM117.2 million, an increase of RM32.4 million (38.2 per cent) which included a contribution of RM18.3 million from newly-acquired company GCT, under the CSC business of the DBS segment of the Group effective from 12 July 2017.

Within IBS segment, revenue of AFF and OFF businesses were up by RM4.6 million (11.9 per cent) and RM7.0 million (27.9 per cent) respectively. The revenue hike in OFF business was mainly contributed from container volume of its solar panel customers, aerospace customer and newly-secured accounts involving in industrial and consumer goods coupled with increased import shipments handled for office equipment and lighting customers as well as musical instrument manufacturer. A new aerospace customer and increase export shipments of capacitor customers uplifted AFF's revenue. Within DBS segment, besides revenue contribution of RM18.3 million from new CC business, revenue from CL business rose by RM13.9 million (22.3 per cent) while revenue from Trucking business was slightly up by RM0.2 million (0.8 per cent). Within CL business, new secured E&E customers in central region and RDC of a semiconductor customer boosted revenue of warehouse business from RM24.1 million to RM35.6 million, an increase of 47.7 per cent. Revenue from custom clearance and haulage businesses rose by RM1.7 million (7.5 per cent) and RM0.3 million, resulting from increased export shipments of existing customers. Although in-plant lost a customer in East coast Malaysia in third quarter last year, the loss accounts was replaced with a new secured E&E customer in central region. Revenue of in-plant business rose by RM0.4 million (7.3 per cent).

PBT of the Group for Q2FY2018 increased by 9.3 per cent from RM10.9 million to RM11.9 million. PBT of IBS showed an increase by RM0.9 million (25.7 percent). Within IBS segment, OFF show an increase in PBT of RM0.6 million from RM3.0 million to RM3.6 million quarter-on-quarter. As for DBS segment side, PBT recorded an increase of RM3.0 million (45.9 per cent) from RM6.6 million to RM9.6 million. PBT contribution of RM1.3 million from new CC business to DBS segment. PBT of CL business rose by RM2.6 million (39.7 per cent). However, the increases in PBT of CL and CC businesses were partially offset by RM0.9 million (5535.8 per cent) reduction in PBT of trucking business. The biggest increases of CL's PBT were largely derived from warehouse business. With an additional handling volume of new warehouse businesses, PBT of warehouse was significantly uplifted by RM2.0 million (119.2 per cent). Custom clearance, haulage and in-plant also reported increases in PBT by RM0.08 million (6.1 per cent), RM0.3 million (12.9 per cent) and RM0.3 million (20.0 per cent) respectively. Fuel price hike and increased operating costs resulted in dip for Trucking business.

Increases of PBT from IBS & DBS segments of the group were further offset by RM3.0 million decline in PBT from support segment which mainly resulted from increase in professional and compliance expenses for corporate merger & acquisition exercises as well as additional finance costs of funding for new acquired CSC business.

B3. Comparison with Preceding Quarter's Results: July 2017 to September 2017 vs April 2017 to June 2017

	3 months ended			
	30.09.2017	30.06.2017	Changes	
	RM'000	RM'000	RM'000	%
Revenue	192,089	156,959	35,130	22.4%
Profit from operations	14,696	10,155	4,541	44.7%
Profit before Interest and tax	14,632	10,162	4,470	44.0%
Profit before taxation	11,905	9,502	2,403	25.3%
Profit after taxation	9,197	7,111	2,086	29.3%
Profit Attributable to Ordinary Equity Holders of the Parent	9,142	7,044	2,098	29.8%

B3. Comparison with Preceding Quarter's Results: July 2017 to September 2017 vs April 2017 to June 2017 (continue)

The Group's revenue of the second quarter ended 30 September 2017 ("Q2FY2018") was registered at RM192.1 million, as against revenue of RM156.9 million of the preceding quarter ended 30 June 2017. This represents an increase of RM35.1million (22.4 per cent). IBS segment posted an increase of RM3.9 million (5.5 per cent) while DBS segment recorded better sales result by RM31.2 million (36.3 per cent) as against preceding quarter.

Within the IBS segment, AFF division posted lower revenue from RM43.0 million to RM42.9 million, a slight decrease of RM0.1 million (0.2 per cent). Drop in export shipments to Japan largely accounted for the revenue drop but it was partially offset by new aerospace business secured in Q2FY2018. On the other hand, increase in sea shipments from solar panel manufacturer, newly-secured customers in racking, aluminium and lighting industry as well as new nomination shipments of a furniture customer to South America contributed to revenue hikes to OFF business. OFF Sales rose from RM28.0 million to RM32.0 million, an increase of RM4.0 million (14.3 per cent).

The completion of the acquisition of 100% share equity of GCT on 12 July 2017 added new CSC segment to the Group and DBS segment effective from Q2FY2018. New CSC business contributed a post acquisition revenue of RM18.3 million to DBS segment of the Group. On the other hand, existing Contract Logistics ("CL") division posted an increase of RM20.4 million (17.2 per cent) while revenue of Trucking business remained unchanged at RM22.8 million as last comparative quarter. Within DBS, increase warehouse handling volume of newly- secured E&E customers in central region greatly uplifted revenue of warehouse business with an increase of RM8.2 million (30.2 per cent). Seasonal increase in export and import shipments drove custom clearance, haulage and in-plant businesses to record higher revenue of RM3.5 million (17.0 per cent), RM0.5 million (5.2 per cent) and RM0.6 million (11.5 per cent) respectively.

PBT for Q2FY2018 increase from RM9.5 million to RM11.9 million as against preceding quarter, an increase of RM2.4 million (25.3 per cent). IBS segment record an increase of RM0.8 million (20.6 per cent) from RM3.8 million to RM4.6 million. DBS segment recorded an increase of RM3.4 million (55.0 per cent) from RM6.2 million to RM9.6 million. However, increase of PBT from operating segments of IBS and DBS were offset by increase of expenses of RM1.8 million from support segment, largely resulted from incurrence of additional finance costs of funding for new CSC business.

Within IBS segment, AFF experienced drop in PBT from RM1.4 million to RM1.0 million as a result of thin profit margin due to higher market buying costs against bid price of customer contracts. PBT of OFF business rose by RM1.1 million (46.9 per cent) from RM2.4 million to RM3.6 million at back of increase revenue and volume.

PBT from DBS segment improved from RM6.2 million to RM9.6 million, an increase of RM3.4 million (55.0 per cent). In addition to PBT of RM1.3 million generated from newly-acquired CSC business, existing CL business also contributed significantly to the increase in DBS segment. PBT of CL business rose by RM2.3 million (33.2 per cent). CL's better performance was due to seasonal increase in shipment as well as from new warehouse businesses. However, the increases in PBT from CSC and CL businesses was partially offset by PBT reduction of RM0.2 million (32.0 per cent) in trucking business.

B4. Prospects for the Remaining Period to the End of the Financial Year

According to the latest World Economic Outlook report ("WEO") released by the International Monetary Fund ("IMF") in October 2017, global growth is projected to rise 3.6 percent in 2017 and 3.7 percent in 2018. These projections are an increase of 0.1 percent respectively from the previous IMF projections in July 2017, and are a reflection of the strengthening global economy. The higher growth is anticipated to come from advanced economies with the exception of the United States and United Kingdom, as well as from emerging Asia and emerging Europe economies. But the IMF cautioned that recovery is not complete and growth remains weak in many countries. Commodity exporters, in particular fuel, are hard hit as they continue to adjust to a sharp stepdown in foreign earnings. The IMF opines that while short-term risks are broadly balanced, medium-term risks continue to be skewed to the downside.
(Source: WEO dated October 2017)

Locally, the Malaysian Institute of Economic Research ("MIER") noted that the Malaysian economy performed better than expected in the first half of 2017 ("1H2017"). Real Gross Domestic Product grew by 5.6 percent y-o-y in the first quarter of 2017 and further expanded to 5.8 percent in the second quarter of 2017. The growth was supported by stronger domestic demand due to improvement in both investment and consumption. This was further reinforced by upbeat external sector demand, where for the first seven months of this year, gross export grew substantially by 22.6 percent y-o-y, while gross import grew at a stronger rate of 23.4 percent y-o-y. The better-than-expected growth in 1H2017 exerted positive sentiments about the economy, reflected by several indicators. Nevertheless, the MIER opines that consumer confidence remains weak as per the findings in the third quarter MIER Consumer Sentiment Index. Taking into consideration the current development in global economy as well as the domestic front, MIER projects the Malaysian economy to grow by 5.4 percent in 2017 (2016: 4.2%), an upward revision of 0.6 percent from MIER's July 2017 forecast.
(Source: MIER Malaysian Economic Outlook dated October 2017)

B4. Prospects for the Remaining Period to the End of the Financial Year (continue)

The prospects of the Group are closely tied to the performance of the global as well as the Malaysian economies, as our core businesses in logistics are directly affected by the health of the manufacturing sector and international trade. The better-than-expected domestic economy and the improving global economy are positive developments for the Group. Barring any surprises, we are cautiously optimistic that the Group will continue its growth trend in the current financial year. We have also started to consolidate the results of GCT into our group results with effect from the quarter under review. So far, the results of GCT are within expectation, but we would expect the sygnergistic financial impact to be felt only in the next financial year. Our other acquisition, MILS Cold Chain Sdn. Bhd., is still incomplete and pending approval from the relevant authorities. Operationally, the downside risks for the Group include rising operational costs, higher interest costs due to higher borrowings to fund the acquisitions, and keen competition for cargo in our traditional core businesses. We will continue to maintain our strategy to focus on servicing our customers with innovative logistics solutions and expand our logistics capacity when it is beneficial to our shareholders' value.

B5. Profit Forecast

Not applicable as there is no forecast / profit guarantee.

B6. Tax Expense

	3 months ended		Cumulative 6 months ended	
	30.09.2017	**30.09.2016**	**30.09.2017**	**30.09.2016**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Income tax				
- Current tax	(3,677)	(3,552)	(6,163)	(5,628)
- overprovision in prior years	-	-	-	-
Deferred tax				
- Current year	969	822	1,064	830
- underprovision in prior years	-	-	-	-
	(2,708)	(2,730)	(5,099)	(4,798)

The Group's effective tax rate for the cumulative 6 months ended 30 September 2017 was about the statutory rate of 24%.

B7. Corporate Proposals

The Company proposal for the acquisition of Pulah Indah land and building and 100% equity interest, representing 3,000,000 ordinary shares and 2,800,000 redeemable convertible preference shares in MILS Cold Chain Logistics Sdn. Bhd., is yet to be completed as it is pending approval from the relevant local authorities.

B8. Borrowing

	As at 2nd quarter ended 30.09.2017					
	Long term		Short term		Total borrowing	
	Denomination in		Denomination in		Denomination in	
	Foreign ('000)	RM ('000)	Foreign ('000)	RM ('000)	Foreign ('000)	RM ('000)
Hire purchase and finance lease liabilities	-	2,055	-	1,631	-	3,686
Bank loan (Synthetic Foreign currency and unsecured) - USD *	199,638	-	19,006	-	218,644	-
Bank loan (secured)	-	40,408	-	5,878	-	46,286
Revolving credit facilities	-	-	-	10,000	-	10,000
Total borrowings	199,638	42,463	19,006	17,509	218,644	59,972

B8. Borrowing (continue)

	As at 2nd quarter ended 30.09.2016					
	Long term		Short term		Total borrowing	
	Denomination in		Denomination in		Denomination in	
	Foreign ('000)	RM ('000)	Foreign ('000)	RM ('000)	Foreign ('000)	RM ('000)
Hire purchase and finance lease liabilities	-	-	-	-	-	-
Bank loan (Synthetic Foreign currency and unsecured) - USD **	25,420	-	14,422	-	39,842	-
Bank loan (secured)	-	-	-	-	-	-
Revolving credit facilities	-	-	-	-	-	-
Total borrowings	25,420	-	14,422	-	39,842	-

* USD denomination at average exchange rate of USD$1:RM4.28
** USD denomination at average exchange rate of of USD$1:RM4.15

The increase in hire purchase and finance lease liabilities and secured bank loan in RM denomination was effected into the Group from the completion of acquisition of Gold Cold Transport Sdn. Bhd. ("GCT") on 12 July 2017.

The increase in unsecured synthetic USD bank loan was a result of:

i) RM180,000,000 for acquisition of 100% equity interest in 2,000,000 ordinary shares in GCT; and

ii) RM14,000,000 for 10% deposit for proposal acquisition of Pulah Indah land and building and 100% equity interest 3,000,000 ordinary shares and 2,800,000 redeemable convertible preference shares in MILS Cold Chain Logistics Sdn. Bhd.

B9. Litigation

There was no material litigation pending since the last annual balance sheet date to the date of this report.

B10. Dividend Proposed

No interim dividend was proposed or declared in the current quarter under review.

B11. Earnings Per Share

	3 months ended		Cumulative 6 months ended	
	30.09.2017	30.09.2016	30.09.2017	30.09.2016
PAT after non-controlling interest (RM'000)	9,142	8,125	16,186	14,134
Weighted average number of ordinary shares in issue ('000)	200,000	200,000	200,000	200,000
Earnings per share (sen)	4.57	4.06	8.09	7.07

The Company does not have any dilutive potential ordinary shares outstanding as at 30 September 2017. Accordingly, no diluted earnings per share is presented.

B12. Derivative Financial Instruments

As at 30 September 2017, the Group has the following outstanding derivative financial instruments:

Derivatives	Contract or Notional amount as at 30.09.2017 RM'000	Contract or Notional amount as at 30.09.2016 RM'000	r value net gains or (los 30.09.2017 RM'000	r value net gains or (los 30.09.2016 RM'000	Purpose
1. Cross currency swap Contracts:					
- More than 3 years	218,644	39,842	4,860	6,768	For hedging currency risk in bank term loan
2. Forward currency contracts:					
- Less than 1 year	-	-	-	-	For hedging currency risk in payables

For the current quarter under review, there have been no significant changes to the Group's exposure to credit risk, market risk and liquidity risk from the previous financial year. Also, there have been no changes to the Group's risk management objective, policies and processes since the previous financial year end.

B13. Realised And Unrealised Profits/Losses Disclosure

	As at 30.09.2017 RM'000	As at 31.03.2017 RM'000
Total retained profits/(accumulated losses) of the Company and its subsidiaries:-		
- Realised	285,333	260,420
- Unrealised	(20,817)	(7,258)
	---------------	-------------
	264,516	253,162
Total shares of retained profits/(accumulated losses) from associated companies:-		
- Realised	665	722
- Unrealised	-	-
	---------------	-------------
	265,181	253,884
Less: Consolidation adjustments	(13,918)	(13,807)
	---------------	-------------
Total group retained profits as per consolidated accounts	**251,263**	**240,077**
	========	=======

The determination of realised and unrealised profits is based on the Guidance of Special Matter No.1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements*, issued by the Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised profits/losses above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Securities and should not be applied for any other purposes.

B14. Profit for the period

	3 months ended		Cumulative 6 months ended	
	30.09.2017	**30.09.2016**	**30.09.2017**	**30.09.2016**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Profit for the period is arrived at after crediting:				
Interest income	393	312	618	728
Other income	377	268	821	296
Gain on disposal of land and building	-	-	-	-
Foreign exchange gain	-	-	-	-
Unrealised foreign exchange gain	-	-	-	-
and after charging:				
Interest expenses	2,727	209	3,387	923
Depreciation	6,586	4,700	11,063	8,590
Provision for/write off receivables	50	-	50	-
Provision for/write off inventories	-	-	-	-
Foreign exchange loss	95	92	12	434
Unrealised foreign exchange loss	-	-	-	-
Impairment loss of other investment	-	-	-	-

There were no gain or loss on disposal of quoted or unquoted investment or real properties, impairment of assets, gain or loss on derivaties or exceptional item for current quarter and financial period ended 30 September 2017 (30 September 2016: Nil).