



**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	<b>Individual quarter</b>		<b>Cumulative quarters</b>	
	<b>3 months ended</b>		<b>12 months ended</b>	
	<b>31.12.14</b>	<b>31.12.13</b>	<b>31.12.14</b>	<b>31.12.13</b>
	RM'000	RM'000	RM'000	RM'000
		(Restated)		(Restated)
<b>Continuing operations</b>				
Revenue	11,926	11,592	42,411	41,654
Operating costs	(56,167)	(55,594)	(93,271)	(86,385)
Other income	2,628	247,575	7,745	250,140
	<hr/>	<hr/>	<hr/>	<hr/>
<b>(Loss)/Profit from operations</b>	<b>(41,613)</b>	<b>203,573</b>	<b>(43,115)</b>	<b>205,409</b>
Finance costs	(166)	(347)	(805)	(1,432)
Share of results of				
Associates	(1,000)	(855)	(1,284)	(1,524)
Jointly controlled entity	(2,136)	(2,634)	(8,138)	(11,345)
	<hr/>	<hr/>	<hr/>	<hr/>
<b>(Loss)/Profit before tax</b>	<b>(44,915)</b>	<b>199,737</b>	<b>(53,342)</b>	<b>191,108</b>
Tax expense	(292)	(534)	(543)	(817)
	<hr/>	<hr/>	<hr/>	<hr/>
<b>(Loss)/Profit from continuing operations</b>	<b>(45,207)</b>	<b>199,203</b>	<b>(53,885)</b>	<b>190,291</b>
<b>Discontinued operations</b>				
(Loss)/Profit from discontinued operations, net of tax	-	(301)	-	2,456
	<hr/>	<hr/>	<hr/>	<hr/>
<b>(Loss)/Profit for the financial period/year</b>	<b><u>(45,207)</u></b>	<b><u>198,902</u></b>	<b><u>(53,885)</u></b>	<b><u>192,747</u></b>
<b>Attributable to:</b>				
Owners of the parent				
- From continuing operations	(32,683)	137,191	(41,128)	128,013
- From discontinued operations	-	(387)	-	1,719
	<hr/>	<hr/>	<hr/>	<hr/>
	(32,683)	136,804	(41,128)	129,732
Non-controlling interests	(12,524)	62,098	(12,757)	63,015
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<b>(Loss)/Profit for the financial period/year</b>	<b><u>(45,207)</u></b>	<b><u>198,902</u></b>	<b><u>(53,885)</u></b>	<b><u>192,747</u></b>

The Condensed Consolidated Income Statement should be read in conjunction with the Annual Audited Financial Statements of the Group for the financial year ended 31 December 2013.



**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	<b>Individual quarter</b>		<b>Cumulative quarters</b>	
	<b>3 months ended</b>		<b>12 months ended</b>	
	<b>31.12.14</b>	<b>31.12.13</b>	<b>31.12.14</b>	<b>31.12.13</b>
	RM'000	RM'000	RM'000	RM'000
<b>(Loss)/Profit for the financial period/year</b>	<b>(45,207)</b>	<b>198,902</b>	<b>(53,885)</b>	<b>192,747</b>
<b>Other comprehensive income, net of tax</b>				
Foreign currency translation differences	20,146	4,865	18,948	37,961
Fair value adjustment of available-for-sale financial assets	(212)	199	(437)	231
Reclassification of foreign currency translation reserve to profit or loss upon disposal of subsidiaries	-	15,890	-	15,890
<b>Other comprehensive income for the financial period/year, net of tax</b>	<b>19,934</b>	<b>20,954</b>	<b>18,511</b>	<b>54,082</b>
<b>Total comprehensive income for the financial period/year</b>	<b><u>(25,273)</u></b>	<b><u>219,856</u></b>	<b><u>(35,374)</u></b>	<b><u>246,829</u></b>
<b>Total comprehensive income attributable to:</b>				
Owners of the parent	(16,592)	154,096	(25,915)	172,925
Non-controlling interests	(8,681)	65,760	(9,459)	73,904
<b>Total comprehensive income for the financial period/year</b>	<b><u>(25,273)</u></b>	<b><u>219,856</u></b>	<b><u>(35,374)</u></b>	<b><u>246,829</u></b>
<b>Basic (loss)/earnings per share attributable to owners of the parent (sen)</b>				
- From continuing operations	(18.5)	83.3	(23.3)	77.6
- From discontinued operations	-	(0.2)	-	1.0
	<b><u>(18.5)</u></b>	<b><u>83.1</u></b>	<b><u>(23.3)</u></b>	<b><u>78.6</u></b>

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Audited Financial Statements of the Group for the financial year ended 31 December 2013.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	As at 31.12.14 RM'000	As at 31.12.13 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	59,876	56,634
Land use rights	15,783	15,175
Interest in associates	42,929	82,757
Interest in jointly controlled entities	28,262	34,100
Available-for-sale financial assets	1,447	1,816
Amount owing by a jointly controlled entity	52,355	37,902
	<b>200,652</b>	<b>228,384</b>
<b>Current assets</b>		
Trade receivables	9,586	11,340
Other receivables, deposits and prepayments	8,142	6,199
Amount owing by a jointly controlled entity	17,134	11,593
Tax assets	599	344
Cash & cash equivalents	156,603	183,377
	<b>192,064</b>	<b>212,853</b>
<b>TOTAL ASSETS</b>	<b>392,716</b>	<b>441,237</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	178,026	178,026
Reserves	119,395	157,334
Treasury shares	(1,253)	(13,145)
<b>Total equity attributable to owners of the parent</b>	<b>296,168</b>	<b>322,215</b>
<b>Non-controlling interests</b>	<b>50,501</b>	<b>59,375</b>
<b>Total equity</b>	<b>346,669</b>	<b>381,590</b>
<b>Non-current liabilities</b>		
Long term borrowings	27,674	38,603
Deferred tax liabilities	498	46
	<b>28,172</b>	<b>38,649</b>
<b>Current liabilities</b>		
Trade payables	3,070	2,451
Other payables, deposits and accruals	14,151	13,385
Short term borrowings	151	4,910
Tax payables	503	252
	<b>17,875</b>	<b>20,998</b>
<b>Total Liabilities</b>	<b>46,047</b>	<b>59,647</b>
	<b>392,716</b>	<b>441,237</b>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Audited Financial Statements of the Group for the financial year ended 31 December 2013.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	12 months ended	
	31.12.14	31.12.13
	RM'000	RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
(Loss)/Profit before tax from continuing operations	(53,342)	191,108
Profit before tax from discontinued operation	-	5,324
(Loss)/Profit before tax, total	<u>(53,342)</u>	<u>196,432</u>
Adjustments for :-		
Depreciation of property, plant and equipment	1,884	8,631
Amortisation of land use rights	345	1,201
Gain on disposal of property, plant and equipment	(100)	(56)
Gain on disposal of investments in subsidiaries	-	(245,914)
Impairment loss on investment in associate	41,830	-
Bad debts written off	-	308
Deposit written off	11	-
Share of results of associates	1,284	1,524
Share of results of jointly controlled entities	8,138	11,345
Unrealised gain on foreign exchange	(27)	(6)
Provision for employee benefits	4	4
Government grant income	-	(110)
Interest income	(5,288)	(2,358)
Interest expense	805	2,761
Operating Loss Before Working Capital Changes	<u>(4,456)</u>	<u>(26,238)</u>
(Increase)/Decrease in trade and other receivables	(200)	7,599
Increase in trade and other payables	1,381	186,094
Cash (Used In)/Generated From Operations	<u>(3,275)</u>	<u>167,455</u>
Interest paid	(913)	(2,827)
Tax paid	(474)	(6,373)
Tax refunded	-	33
<b>Net Cash (Used In)/From Operating Activities</b>	<b>(4,662)</b>	<b>158,288</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Capital work-in-progress incurred	-	(5,424)
Purchase of property, plant and equipment	(197)	(1,303)
Proceeds from disposal of property, plant and equipment	102	135
Effect of disposal of subsidiaries, net of cash disposed	-	341,177
Advances to a jointly controlled entity	(15,887)	(16,815)
Interest received	5,288	2,358
<b>Net Cash (Used In)/From Investing Activities</b>	<b>(10,694)</b>	<b>320,128</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from term loans	-	7,965
Repayments of term loans	(4,983)	(63,694)
Repayments of unsecured loan to a non-controlling shareholder	(13,524)	(15,207)
Treasury shares repurchased	(621)	(1,732)
Dividends paid to non-controlling interests	-	(91,872)
Dividend paid	-	(181,174)
<b>Net Cash Used In Financing Activities</b>	<b>(19,128)</b>	<b>(345,714)</b>
	<u>(34,484)</u>	<u>132,702</u>
Effects of exchange rate changes on cash and cash equivalents	7,710	3,464
<b>Net change in cash and cash equivalents</b>	<b>(26,774)</b>	<b>136,166</b>
<b>Cash and cash equivalents at beginning of financial period/year</b>	<b>183,377</b>	<b>47,211</b>
<b>Cash and cash equivalents at end of financial period/year</b>	<b><u>156,603</u></b>	<b><u>183,377</u></b>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Audited Financial Statements of the Group for the financial year ended 31 December 2013.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Non-Distributable									Distributable			
	Share capital RM'000	Treasury shares RM'000	Share premium RM'000	Capital redemption reserve RM'000	Asset revaluation reserve RM'000	Foreign exchange translation reserve RM'000	Fair value reserve RM'000	Statutory reserve fund RM'000	Other reserve RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
<b>12 months ended 31 December 2014</b>													
<b>At 01.01.14</b>	178,026	(13,145)	27,609	19,000	2,028	11,685	396	7,433	4,430	84,753	322,215	59,375	381,590
Prior year adjustments	-	-	-	-	-	15,890	-	-	-	(15,890)	-	-	-
<b>At 01.01.14, restated</b>	178,026	(13,145)	27,609	19,000	2,028	27,575	396	7,433	4,430	68,863	322,215	59,375	381,590
<b>Comprehensive income</b>													
Loss for the financial year	-	-	-	-	-	-	-	-	-	(41,128)	(41,128)	(12,757)	(53,885)
<b>Other comprehensive income</b>													
Foreign currency translation differences	-	-	-	-	-	14,760	-	506	298	-	15,564	3,384	18,948
Fair value adjustment of available-for-sale financial assets	-	-	-	-	-	-	(351)	-	-	-	(351)	(86)	(437)
<b>Total other comprehensive income for the financial year</b>	-	-	-	-	-	14,760	(351)	506	298	-	15,213	3,298	18,511
<b>Total comprehensive income for the financial year</b>	-	-	-	-	-	14,760	(351)	506	298	(41,128)	(25,915)	(9,459)	(35,374)
<b>Transactions with owners</b>													
Transfer to statutory reserve fund	-	-	-	-	-	-	-	192	-	(192)	-	-	-
Purchase of treasury shares	-	(621)	-	-	-	-	-	-	-	-	(621)	-	(621)
Surplus on revaluation of buildings	-	-	-	-	489	-	-	-	-	-	489	585	1,074
Special share dividend of eight (8) treasury shares for every one hundred (100) existing ordinary shares of RM1.00 each held in respect of the financial year ended 31.12.2013	-	12,513	(12,513)	-	-	-	-	-	-	-	-	-	-
<b>Total transactions with owners</b>	-	11,892	(12,513)	-	489	-	-	192	-	(192)	(132)	585	453
<b>At 31.12.14</b>	<b>178,026</b>	<b>(1,253)</b>	<b>15,096</b>	<b>19,000</b>	<b>2,517</b>	<b>42,335</b>	<b>45</b>	<b>8,131</b>	<b>4,728</b>	<b>27,543</b>	<b>296,168</b>	<b>50,501</b>	<b>346,669</b>
<b>12 months ended 31 December 2013</b>													
<b>At 01.01.13</b>	178,026	(11,413)	27,609	19,000	52,474	(433)	234	15,375	-	73,554	354,426	77,197	431,623
<b>Comprehensive income</b>													
Profit for the financial year	-	-	-	-	-	-	-	-	-	129,732	129,732	63,015	192,747
<b>Other comprehensive income</b>													
Foreign currency translation differences	-	-	-	-	(1,657)	28,008	-	790	-	-	27,141	10,820	37,961
Fair value adjustment of available-for-sale financial assets	-	-	-	-	-	-	162	-	-	-	162	69	231
<b>Total other comprehensive income for the financial year</b>	-	-	-	-	(1,657)	28,008	162	790	-	-	27,303	10,889	38,192
<b>Total comprehensive income for the financial year</b>	-	-	-	-	(1,657)	28,008	162	790	-	129,732	157,035	73,904	230,939
<b>Transactions with owners</b>													
Transfer to statutory reserve fund	-	-	-	-	-	-	-	27	-	(27)	-	-	-
Transfer on disposal of subsidiaries	-	-	-	-	(48,699)	(15,890)	-	(8,759)	-	62,668	(10,680)	(1,645)	(12,325)
Realisation of revaluation on disposal of subsidiaries	-	-	-	-	(90)	-	-	-	-	-	(90)	(108)	(198)
Purchase of treasury shares	-	(1,732)	-	-	-	-	-	-	-	-	(1,732)	-	(1,732)
Surplus on admission of non-controlling interests in associates	-	-	-	-	-	-	-	-	4,430	-	4,430	1,899	6,329
A special dividend comprising of a franked dividend of 35.72% less 25% income tax and a single-tier dividend of 83.21% in respect for the financial year ended 31.12.2013	-	-	-	-	-	-	-	-	-	(181,174)	(181,174)	-	(181,174)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(91,872)	(91,872)
<b>Total transactions with owners</b>	-	(1,732)	-	-	(48,789)	(15,890)	-	(8,732)	4,430	(118,533)	(189,246)	(91,726)	(280,972)
<b>At 31.12.13</b>	<b>178,026</b>	<b>(13,145)</b>	<b>27,609</b>	<b>19,000</b>	<b>2,028</b>	<b>11,685</b>	<b>396</b>	<b>7,433</b>	<b>4,430</b>	<b>84,753</b>	<b>322,215</b>	<b>59,375</b>	<b>381,590</b>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Audited Financial Statements of the Group for the financial year ended 31 December 2013.

## NOTES TO THE INTERIM FINANCIAL STATEMENTS

### A. Explanatory Notes Pursuant To Malaysian Financial Reporting Standards (MFRS) 134

#### A.1 Accounting Policies

This condensed consolidated interim financial statements (Condensed Report) is unaudited and 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. This Condensed Report should be read in conjunction with the Annual Audited Financial Statements of the Group for the financial year ended 31 December 2013.

The accounting policies and methods of computation adopted in this Condensed Report are consistent with those adopted in the Group's annual audited financial statements for the financial year ended 31 December 2013 except for the adoption of the following new MFRSs, Amendments to MFRSs and Issues Committee ("IC") Interpretations that are effective from 1 January 2014:

Amendments to MFRS 10	Consolidated Financial Statements
Amendments to MFRS 12	Disclosure of Interests in Other Entities
Amendments to MFRS 127	Separate Financial Statements
Amendments to MFRS 132	Financial Instruments : Presentation
Amendments to MFRS 136	Impairment of Assets
Amendments to MFRS 139	Financial Instruments : Recognition and Measurement
IC Interpretation 21	Levies

The following new MFRS and Amendments to MFRS were issued but not yet effective and have not been applied by the Group:

		Effective for annual periods beginning on or after
MFRS 9	Financial Instruments	1 January 2018
MFRS 15	Revenue from Contracts with Customers	1 January 2017
Amendments to MFRS 2	Share-based Payment	1 July 2014
Amendments to MFRS 3	Business Combinations	1 July 2014
Amendments to MFRS 5	Non-current Asset Held for Sale and Discontinued Operations	1 January 2016
Amendments to MFRS 7	Financial Instruments : Disclosures	1 January 2016
Amendments to MFRS 8	Operating Segments	1 July 2014
Amendments to MFRS 10	Consolidated Financial Statements	1 January 2016
Amendments to MFRS 11	Joint Arrangements	1 January 2016
Amendments to MFRS 13	Fair Value Measurement	1 July 2014
Amendments to MFRS 116	Property, Plant and Equipment	1 July 2014 / 1 January 2016
Amendments to MFRS 119	Employee Benefits	1 July 2014 / 1 January 2016
Amendments to MFRS 124	Related Party Disclosures	1 July 2014
Amendments to MFRS 127	Separate Financial Statements	1 January 2016
Amendments to MFRS 128	Investments in Associate and Joint Ventures	1 January 2016
Amendments to MFRS 138	Intangible Assets	1 July 2014 / 1 January 2016
Amendments to MFRS 139	Financial Instruments : Recognition and Measurement	Applies when MFRS 9 is applied
Amendments to MFRS 140	Investment Property	1 July 2014
Amendments to MFRS 141	Agriculture	1 January 2016

The directors expect that the adoption of the new MFRSs, Amendments to MFRSs and IC Interpretation above will not have any impact on the interim financial report in the year of initial application.

#### A.2 Qualification of Preceding Annual Financial Statements

The audit report of the Company's most recent annual financial statements was reported without qualification.

### A.3 Seasonal or Cyclical Factors

The business operations of the Group were not materially affected by any seasonal or cyclical factors.

### A.4 Unusual Material Event

There were no material unusual events affecting assets, liabilities, equity, net income or cash flows during the current financial quarter under review, except for the effect on the impairment loss of RM41,829,610 on investment in associate, in accordance with MFRS 136, "Impairment of Assets".

### A.5 Material Changes in Estimates

There were no significant changes in estimates of amounts reported which would have a material effect in the current financial quarter under review.

### A.6 Debts and Equity Securities

During the current financial quarter, the Company had not repurchased any ordinary shares of RM1.00 each of its issued share capital from the open market. As at 31 December 2014, a total of 1,309,375 treasury shares were held by the Company. The repurchased shares are held as treasury shares in accordance with the requirements of Section 67A of the Companies Act, 1965.

On 3 March 2014, a total of 13,089,325 treasury shares were distributed pursuant to the share dividend for the financial year ended 31 December 2013.

Apart from the above, there were no other issuance or repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale/repurchase of treasury shares during the current financial year-to-date.

### A.7 Dividend Paid

A special share dividend on the basis of eight (8) treasury shares for every one hundred (100) existing ordinary shares of RM1.00 each held in the Company totaling to 13,089,325 treasury shares, of which fraction of treasury share was to be disregarded, in respect of the financial year ended 31 December 2013 were distributed on 3 March 2014.

### A.8 Operating Segments

The Group has three reportable segments as shown below, which are the Group's strategic business units in three principal geographical areas. Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment.

#### a. By Activity

	Warehousing & related value added services RM'000	Transportation & distribution RM'000	Freight forwarding RM'000	Consolidated RM'000
<b>3 months ended 31.12.2014</b>				
External revenue				
- From continuing operations	9,426	2,403	97	11,926
- From discontinued operations	-	-	-	-
	<u>9,426</u>	<u>2,403</u>	<u>97</u>	<u>11,926</u>
Segment (loss)/profit				
- From continuing operations	(34,586)	(6,140)	35	(40,691)
- From discontinued operations	-	-	-	-
	<u>(34,586)</u>	<u>(6,140)</u>	<u>35</u>	<u>(40,691)</u>
<b>3 months ended 31.12.2013</b>				
External revenue				
- From continuing operations	8,346	3,130	116	11,592
- From discontinued operations	7,361	666	(28)	7,999
	<u>15,707</u>	<u>3,796</u>	<u>88</u>	<u>19,591</u>
Segment (loss)/profit				
- From continuing operations	(41,951)	(5,727)	(21)	(47,699)
- From discontinued operations	58	9	-	67
	<u>(41,893)</u>	<u>(5,718)</u>	<u>(21)</u>	<u>(47,632)</u>

## A.8 Operating Segments (cont'd)

### a. By Activity (cont'd)

	<b>Warehousing &amp; related value added services RM'000</b>	<b>Transportation &amp; distribution RM'000</b>	<b>Freight forwarding RM'000</b>	<b>Consolidated RM'000</b>
<b>12 months ended 31.12.2014</b>				
External revenue				
- From continuing operations	31,912	10,071	428	42,411
- From discontinued operations	-	-	-	-
	<u>31,912</u>	<u>10,071</u>	<u>428</u>	<u>42,411</u>
Segment (loss)/profit				
- From continuing operations	(34,160)	(5,916)	91	(39,985)
- From discontinued operations	-	-	-	-
	<u>(34,160)</u>	<u>(5,916)</u>	<u>91</u>	<u>(39,985)</u>
<b>12 months ended 31.12.2013</b>				
External revenue				
- From continuing operations	29,294	12,038	322	41,654
- From discontinued operations	75,240	4,691	159	80,090
	<u>104,534</u>	<u>16,729</u>	<u>481</u>	<u>121,744</u>
Segment (loss)/profit				
- From continuing operations	(39,891)	(4,258)	-	(44,149)
- From discontinued operations	5,445	(121)	-	5,324
	<u>(34,446)</u>	<u>(4,379)</u>	<u>-</u>	<u>(38,825)</u>
<b>Reconciliation of reportable segment (loss)/profit</b>				
	<b>Individual quarter</b>		<b>Cumulative quarters</b>	
	<b>3 months ended</b>		<b>12 months ended</b>	
	<b>31.12.2014</b>	<b>31.12.2013</b>	<b>31.12.2014</b>	<b>31.12.2013</b>
	RM'000	RM'000	RM'000	RM'000
Total (loss)/profit from reportable segments				
- From continuing operations	(40,691)	(47,699)	(39,985)	(44,149)
- From discontinued operations	-	67	-	5,324
Other non-reportable segments	(1,088)	250,925	(3,935)	248,126
Share of results of associates	(1,000)	(855)	(1,284)	(1,524)
Share of results of jointly controlled entities	(2,136)	(2,634)	(8,138)	(11,345)
Consolidated (loss)/profit before tax	<u>(44,915)</u>	<u>199,804</u>	<u>(53,342)</u>	<u>196,432</u>

### b. By Geographical Location

External revenue	<b>Individual quarter</b>		<b>Cumulative quarters</b>	
	<b>3 months ended</b>		<b>12 months ended</b>	
	<b>31.12.2014</b>	<b>31.12.2013</b>	<b>31.12.2014</b>	<b>31.12.2013</b>
	RM'000	RM'000	RM'000	RM'000
The People's Republic of China (incl. Hong Kong)				
- From continuing operations	11,926	11,592	42,411	41,654
- From discontinued operations	-	7,999	-	80,090
	<u>11,926</u>	<u>19,591</u>	<u>42,411</u>	<u>121,744</u>
<b>(Loss)/Profit before tax</b>				
	<b>Individual quarter</b>		<b>Cumulative quarters</b>	
	<b>3 months ended</b>		<b>12 months ended</b>	
	<b>31.12.2014</b>	<b>31.12.2013</b>	<b>31.12.2014</b>	<b>31.12.2013</b>
	RM'000	RM'000	RM'000	RM'000
Malaysia	(1,045)	(17)	(3,898)	(2,781)
The People's Republic of China (incl. Hong Kong)				
- From continuing operations	(41,734)	202,388	(41,306)	205,234
- From discontinued operations	-	67	-	5,324
United Arab Emirates	(2,136)	(2,634)	(8,138)	(11,345)
	<u>(44,915)</u>	<u>199,804</u>	<u>(53,342)</u>	<u>196,432</u>



## A.9 Discontinued Operations

On 30 October 2013, Integrated Logistics (H.K.) Limited, in which ILB has 70% effective equity interest had completed the share sale in relation to the Deed of Sale and Purchase dated 28 June 2013 entered into with Winfair International Holdings Limited for the disposal of 100% equity interest in ISH Logistics (Shenzhen II) Limited ("IL Shenzhen") and Integrated Logistics Henan (H.K.) Limited ("IL Henan") for a total cash consideration of RMB998.0 million.

In accordance with MFRS 5: Non-Current Assets Held For Sale and Discontinued Operations, IL Shenzhen and IL Henan are classified as disposal group held for sale/discontinued operations. The results and cash flow of the disposal group were classified as "Discontinued Operations" in the Condensed Consolidated Statement of Comprehensive Income.

Profits attributable to the discontinued operations were as follows:-

	<b>Individual quarter</b>	<b>Cumulative quarters</b>
	<b>1 month ended</b>	<b>10 months ended</b>
	<b>31.10.2013</b>	<b>31.10.2013</b>
	RM'000	RM'000
Revenue	7,999	80,090
Operating costs	(8,535)	(76,233)
Other income	614	2,796
<b>Profit from operations</b>	<b>78</b>	<b>6,653</b>
Finance costs	(11)	(1,329)
<b>Profit before tax</b>	<b>67</b>	<b>5,324</b>
Tax expense	(368)	(2,868)
<b>(Loss)/Profit for the financial period/year</b>	<b>(301)</b>	<b>2,456</b>

The cash flows attributable to the discontinued operations are as follows:

	<b>Cumulative quarters</b>
	<b>10 months ended</b>
	<b>31.10.2013</b>
	RM'000
Operating cash flows	84,067
Investing cash flows	(281)
Financing cash flows	(83,202)
	<u>584</u>

## A.10 Valuations of Property, Plant and Equipment

The property, plant and equipment were valued based on valuations performed by an independent registered valuer as at 31 December 2014. The increase arising from the valuations amounting to RM1.4 million has been incorporated into the financial statements during the quarter under review.

## A.11 Material Subsequent Events

There is no material event subsequent to the end of the period under review.

## A.12 Changes in The Composition of the Group

Integrated Leasing Corporation Sdn Bhd, a wholly-owned subsidiary of ILB which was under Members' Voluntary Winding-up, has been dissolved in January 2014.

Integrated Haulage Sdn Bhd, a wholly-owned subsidiary of ILB which was under Members' Voluntary Winding-up, has been dissolved in December 2014.

## A.13 Contingent Liabilities and Contingent Assets

As at the end of the reporting quarter, corporate guarantees given by the Company to financial institutions for banking facilities granted to a jointly controlled entity amounted to RM49.5 million.

Apart from the above, there were no other contingent liabilities and contingent assets since the last annual reporting date.

## A.14 Capital Commitment

As at the end of the reporting quarter, the Group has a capital commitment of RM5.4 million in respect of the enhancement of logistics warehouse facilities by a jointly controlled entity.

## B. Explanatory Notes As Per Bursa Malaysia - Listing Requirements Chapter 9.22 of Part K

### B.1 Review of Performance

#### a. Comparison Between Current Financial Year And Preceding Financial Year's Results

##### Continuing operations

For the current financial year ended 31 December 2014, the Group posted a revenue of RM42.4 million which was 1.7% higher than the revenue of RM41.7 million for the corresponding period in the preceding year. The higher revenue was mainly due to revenue increase from the warehousing & related value added services segment of the Group's operations in the People's Republic of China.

The Group posted a pre-tax loss of RM53.3 million for the current financial year as compared to the pre-tax profit for the corresponding period in the preceding year of RM191.1 million. The increase in pre-tax loss of RM244.4 million for the current financial year was mainly due to the following:

	RM million
i) <u>The People's Republic of China</u>	
Gain on disposal of subsidiaries, ISH Logistics (Shenzhen II) Limited and Integrated Logistics Henan (H.K.) Ltd. in prior year	(245.9)
Increase in operating costs	(3.0)
Increase in other income	1.5
Decrease in finance costs	0.6
Decrease in losses from Associate	0.3
ii) <u>Malaysia</u>	
Increase in operating costs	(3.0)
Increase in other income	2.0
Decrease in profit from Associate	(0.1)
iii) <u>United Arab Emirates</u>	
Decrease in losses from Jointly Controlled Entity	3.2
	<u>(244.4)</u>

##### Discontinued Operations

There was no revenue and profit or loss arising from discontinued operations for the current financial period because the sale of the People's Republic of China operations of which the exercise was completed on 30 October 2013 (note A9).

#### b. Comparison Between Current Quarter And Corresponding Period In The Preceding Year's Results

##### Continuing operations

For the current quarter ended 31 December 2014, the Group posted a revenue of RM11.9 million which was 2.6% higher than the revenue of RM11.6 million for the corresponding quarter in the preceding year. The higher revenue was mainly due to revenue increase from the warehousing & related value added services segment of the Group's operations in the People's Republic of China.

The Group posted a pre-tax loss of RM44.9 million for the current quarter as compared to the pre-tax profit for the corresponding quarter in the preceding year of RM199.7 million. The increase in pre-tax loss of RM244.6 million for the current quarter was mainly due to the following:

	RM million
i) <u>The People's Republic of China</u>	
Gain on disposal of subsidiaries, ISH Logistics (Shenzhen II) Limited and Integrated Logistics Henan (H.K.) Ltd. in prior year	(245.9)
Decrease in operating costs	1.8
Decrease in finance costs	0.1
Increase in losses from Associate	(0.1)
ii) <u>Malaysia</u>	
Increase in operating costs	(1.9)
Increase in other income	0.9
iii) <u>United Arab Emirates</u>	
Decrease in losses from Jointly Controlled Entity	0.5
	<u>(244.6)</u>

##### Discontinued Operations

There was no revenue and profit or loss arising from discontinued operations for the current quarter because the sale of the People's Republic of China operations of which the exercise was completed on 30 October 2013 (note A9).

## B.2 Comparison With Immediate Preceding Quarter's Results

Compared to the immediate preceding quarter, the Group's revenue recorded an increase of 15.5% from RM10.3 million to RM11.9 million. The higher revenue was mainly due to revenue increase from the warehousing & related value added services and the transportation & distribution segments of the Group's operations in the People's Republic of China.

The Group recorded a pre-tax loss of RM44.9 million for the current quarter as compared to the immediate preceding quarter's pre-tax loss of RM2.1 million. The increase in pre-tax loss of RM42.8 million for the current quarter was mainly due to the following:

	RM million
i) <u>The People's Republic of China</u>	
Increase in operating costs	(41.7)
Increase in losses from Associate	(0.9)
Increase in other income	0.3
ii) <u>Malaysia</u>	
Increase in operating costs	(0.4)
Decrease in other income	(0.2)
Increase in profit from Associate	0.1
	<u>(42.8)</u>

## B.3 Prospects

In view of the current global economic conditions, the Board foresees the market conditions will continue to remain challenging for the rest of the year. While measures continue to be taken to ensure the sustainability of the Group's revenue & operations, the challenging environment is expected to have an impact on the Group's performance for the current financial quarter.

## B.4 Variance of Actual Profit from Forecast Profit

Not applicable as there was no profit forecast issued.

## B.5 Tax Expense

	Current financial quarter ended 31.12.2014 RM'000	Current financial year-to-date ended 31.12.2014 RM'000
Tax expense comprises :-	RM'000	RM'000
Current income tax	204	455
Deferred tax	88	88
Tax expense for the financial period/year	<u>292</u>	<u>543</u>

### Reconciliation between tax expense and accounting profit

The reconciliation between tax expense and the product of accounting loss multiplied by the applicable corporate tax rate for the financial period ended 31 December 2014 are as follows:-

	Current financial quarter ended 31.12.2014 RM'000	Current financial year-to-date ended 31.12.2014 RM'000
Loss before tax	<u>44,915</u>	<u>53,342</u>
Tax at Malaysian statutory tax rate of 25%	(11,229)	(13,336)
Effect of changes in tax rates on opening balance of deferred tax	1	1
Effect of different tax rates in other jurisdictions	6,035	6,259
Adjustments:		
Share of results of associates	(15)	(13)
Share of results of jointly controlled entities	533	2,034
Tax effect on non-taxable revenue	(275)	(821)
Tax effect on non-deductible expenses	5,328	6,620
Tax effect of withholding tax in foreign subsidiaries	92	102
Deferred tax assets not recognised during the financial year	82	107
Utilisation of deferred tax assets not recognised in prior financial years	(260)	(409)
Over provision in prior year		
- income tax	-	(1)
Total income tax expense recognised in profit or loss	<u>292</u>	<u>543</u>

## B.6 Status of Corporate Proposals

There was no corporate proposal announced but not completed during the current quarter and financial year-to-date.

## B.7 Group Borrowings and Debt Securities

	As at 31.12.2014 RM'000	As at 31.12.2013 RM'000
<b>a. Short term borrowings</b>		
<b>Secured :-</b>		
Portion of term loans repayable within 12 months	-	4,668
<b>Unsecured :-</b>		
Loan from a non-controlling shareholder repayable within 12 months	151	242
	<u>151</u>	<u>4,910</u>
<b>b. Long term borrowings</b>		
<b>Secured :-</b>		
Portion of term loans repayable after 12 months	-	-
<b>Unsecured :-</b>		
Loan from a non-controlling shareholder repayable after 12 months	27,674	38,603
	<u>27,674</u>	<u>38,603</u>
<b>c. All the above borrowings are denominated in Ringgit Malaysia except for the following loans which are denominated in foreign currencies:-</b>		
	<b>As at 31.12.2014</b>	<b>As at 31.12.2013</b>
(i) In US Dollars		
Portion of term loans repayable within 12 months	-	4,668
Portion of term loans repayable after 12 months	-	-
	<u>-</u>	<u>4,668</u>
(ii) In Hong Kong Dollars		
Loan from a non-controlling shareholder repayable within 12 months	151	242
Loan from a non-controlling shareholder repayable after 12 months	27,674	38,603
	<u>27,825</u>	<u>38,845</u>

## B.8 Financial Instruments

### a. Derivatives

There were no outstanding derivatives (including instruments designated as hedging instruments) in the current financial quarter under review.

### b. Gains/(losses) arising from fair value changes in financial liabilities

There were no gain/(loss) arising from the fair value changes in financial liabilities in the current financial quarter under review.

## B.9 Material Litigation

As at the date of this announcement, there were no material changes in litigations since the last annual reporting date.

## B.10 Dividend Payable

On the 25 February 2015, the Board declared an interim single tier dividend of 3.5 sen per share in respect of the financial year ended 31 December 2014. The interim dividend will be paid on the 27 March 2015 to shareholders whose names appear in the Records of Depositors on the 12 March 2015.

**B.11 (Loss)/Earnings Per Share ("EPS")**

	Individual Quarter 3 months ended		Cumulative Quarters 12 months ended	
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
(Loss)/Profit attributable to owners of the Parent (RM'000)				
- From continuing operations	(32,683)	137,191	(41,128)	128,013
- From discontinued operations	-	(387)	-	1,719
	<u>(32,683)</u>	<u>136,804</u>	<u>(41,128)</u>	<u>129,732</u>
Weighted average number of ordinary shares for basic EPS ('000)	176,716	164,622	176,767	165,037
<b>Basic EPS (sen)</b>				
- From continuing operations	(18.5)	83.3	(23.3)	77.6
- From discontinued operations	-	(0.2)	-	1.0
	<u>(18.5)</u>	<u>83.1</u>	<u>(23.3)</u>	<u>78.6</u>

**B.12 Realised and Unrealised Profits/(Losses) Disclosure**

	As at 31.12.2014 RM'000	As at 31.12.2013 RM'000 (Restated)
Total retained earnings of the Company and its subsidiaries		
- Realised	59,005	80,743
- Unrealised	27	6
	<u>59,032</u>	<u>80,749</u>
Total share of retained earnings from associates		
- Realised	11,031	12,078
- Unrealised	(3,472)	(3,235)
	<u>7,559</u>	<u>8,843</u>
Total share of accumulated losses from jointly controlled entities		
- Realised	(26,531)	(18,393)
- Unrealised	-	-
	<u>(26,531)</u>	<u>(18,393)</u>
Less : Consolidation adjustments	<u>(12,517)</u>	<u>(2,336)</u>
Total retained earnings of the Group	<u><b>27,543</b></u>	<u><b>68,863</b></u>

**B.13 Loss Before Tax**

The following items have been included in arriving at loss before tax:-

	Current financial quarter ended 31.12.2014 RM'000	Current financial year-to-date ended 31.12.2014 RM'000
Depreciation of property, plant and equipment	503	1,884
Amortisation of land use rights	94	345
Auditors' remuneration	178	280
Directors' remuneration		
- fees	149	388
- other emoluments	856	2,376
Gain on disposal of property, plant and equipment	(39)	(100)
Impairment loss on investment in associate	41,830	41,830
Deposit written off	-	11
Provision for employee benefits	4	4
Rental of premises, land and buildings	2,622	10,390
Rental of equipment	3	11
Staff costs		
- Contribution to defined contribution plan	20	70
- Salaries and others	3,559	9,658
Government subsidies	(562)	(562)
Loss on realised foreign exchange	(15)	1,338
Gain on unrealised foreign exchange	(27)	(27)
Interest expense	166	805
Interest income	(1,534)	(5,288)

**B.14 Prior Year Adjustments**

Prior year adjustments relate to the reclassification of foreign currency translation reserve to profit or loss upon disposal of subsidiaries in previous financial year. The adjustments have been accounted for retrospectively in a subsidiary's book.

**By Order of the Board****Amarjit Singh A/L Banta Singh**  
**Company Secretary****Selangor**  
**25 February 2015**