

## Annual Report

### TASCO BERHAD

Annual Report for Financial Year Ended 31 Mar 2015  
Subject Annual Report - 2015

Please refer attachment below.

#### Attachments

Annual Report 2015\_Final.pdf  
2.3 MB

#### Announcement Info

Company Name	TASCO BERHAD
Stock Name	TASCO
Date Announced	24 Aug 2015
Category	Document Submission
Reference Number	DCS-17082015-00018

# ANNUAL REPORT 2015



***GO  
FORWARD***

**TASCO**  
NYK GROUP COMPANY

# CONTENTS

## OVERVIEW

Our Vision, Mission and Values	1
Our Company Profiles	2
Domestic Network	4
A Growing Presence Of NYK Across The World	6
Consolidated Financial Highlights	8

## CORPORATE SECTION

Chairman's Statement	10
From Our Managing Director	13
TASCO Basic Core Fundamentals	15
Business At A Glance	16
Corporate Information	18
Board Of Directors	19
Corporate Governance Statement	25
Audit Committee Report	33
Statement On Risk Management And Internal Control	35
Additional Compliance Information	37
Calendar Of Events	38
Corporate Social Responsibility	40

## FINANCIAL STATEMENTS

Financial Statements	42
----------------------	----

## OTHERS

List Of Properties	108
Analysis Of Shareholdings	110
Subsidiary And Associated Companies	112
Notice Of Annual General Meeting	113
Form Of Proxy	

### **Cautionary Statement With Regard To Forward - Looking Statements**

Certain of the statements made in the Annual Report are forward-looking statements, which involve certain risks and uncertainties that could cause actual results to differ materially from those projected. Readers are cautioned not to place undue reliance on these forward-looking statements, which are valid only as of the date thereof. TASCO Berhad undertakes no obligation to republish revised forward-looking statements to reflect events or circumstances after the date thereof or to reflect the occurrence of unanticipated events.

## OUR VISION

To be the leading logistics enterprise, distinguished by the quality of our services.

## OUR MISSION

To deliver measurable benefits to customers by providing worldclass logistics solutions built on:

- A dedication to customers and their businesses.
- An outstanding quality, operational excellence and advanced information management.
- A superior global network that integrates diverse assets and expertise.
- A flexible, agile and innovative organisation.
- A highly trained and professional workforce.

## OUR VALUES

A set of previously unwritten principles that have been a part of our culture for over 30 years - the corporate spirit that we have come to cherish over these decades - codifying strengths that have made us what we are today and will keep us a truly global company filled with talented individuals who remain dedicated to our customers. We call these principles Our Values:

### INTEGRITY

誠意

Be respectful and considerate to our customers and colleagues. Stay warm, cordial, courteous and caring.

### INNOVATION

創意

Continuously think of new ideas for improvement, even when conditions appear satisfactory. Remain open to betterment.

### INTENSITY

熱意

Carry through and accomplish our tasks. Never give up. Overcome challenges. Remain motivated.

# DOMESTIC LOGISTICS SOLUTIONS

# **TASCO**

## CONTRACT LOGISTICS DIVISION

Customs Clearance  
Haulage Transportation  
Warehousing Services  
Warehouse In-plant Services



## **HARIMAU EXPRESS**

## TRUCKING DIVISION

Domestic Trucking  
Cross Border Trucking

## ABOUT TASCO BERHAD ("TASCO")

TASCO was incorporated on 10 September 1974 and listed on the Main Market of Bursa Malaysia Securities Berhad on 28 December 2007. TASCO is a subsidiary of Yusen Logistics Co. Ltd., which in turn is a subsidiary of Nippon Yusen Kabushiki Kaisha.

TASCO has 23 logistics centres and 1,500 employees in Malaysia. It is also affiliated with more than 400 locations in 40 countries and 55,000 employees under the global network.

TASCO offers logistics solutions covering air, sea and land transportation. It serves as a one stop logistics centre to handle domestic and international shipments for the customers.

TASCO has categorised its services into International Logistics Solutions and Domestic Logistics Solutions.



# INTERNATIONAL LOGISTICS SOLUTIONS



## AIR FREIGHT FORWARDING DIVISION

Air Freight Services

## OCEAN FREIGHT FORWARDING DIVISION

Sea Freight Services

## ORIGIN CARGO ORDER & VENDOR MANAGEMENT DIVISION

Buyer Consolidation Services

### ABOUT NIPPON YUSEN KABUSHIKI KAISHA ("NYK")

- NYK is listed on the Tokyo Stock Exchange and Nagoya Stock Exchange;
- NYK has 55,000 employees in 40 countries; and
- NYK's major businesses consist of global logistics based on international marine transportation business, cruises, terminal and harbour transport, shipping-related services and real estate

### ABOUT YUSEN LOGISTICS CO. LTD. ("YLK")

- YLK is listed on the Tokyo Stock Exchange and is a subsidiary of NYK;
- YLK has more than 400 locations and 19,000 employees worldwide;
- YLK is one of the leading international air freight forwarders in Japan; and
- Pursuant to a corporate exercise within the NYK Group, YLK became the immediate holding company of TASCO on 2 April 2012. NYK remain the ultimate holding company of TASCO.



## Domestic Network



## LOGISTICS CENTRES

### PENINSULAR MALAYSIA

#### Northern Region

- 01. Padang Besar Logistics Centre
- 02. Penang Prai Logistics Centre
- 03. Penang Air Freight Logistics Centre

#### Central Region

- 04. Ipoh Logistics Centre

- 05. Port Klang Logistics Centre I
- 06. Port Klang Logistics Centre II
- 07. Port Klang Container Depot
- 08. Shah Alam Logistics Centre
- 09. North Port Logistics Centre
- 10. Bangi Container Depot
- 11. Bangi Logistics Centre I
- 12. Bangi Logistics Centre II
- 13. Bangi Logistics Centre III

## “23 Logistics Centres & 1,500 Employees in Malaysia”



### Central Region (Cont'd)

- 14. KLIA Air Freight Logistics Centre
- 15. Kuantan Port Logistics Centre
- 16. Melaka Logistics Centre

### Southern Region

- 17. Pasir Gudang Logistics Centre
- 18. Tanjung Pelepas Logistics Centre
- 19. Johor Bahru Causeway Office
- 20. Senai Seelong Logistics Centre

### EAST MALAYSIA

- 21. Kota Kinabalu Logistics Centre
- 22. Kuching Air Freight Logistics Centre

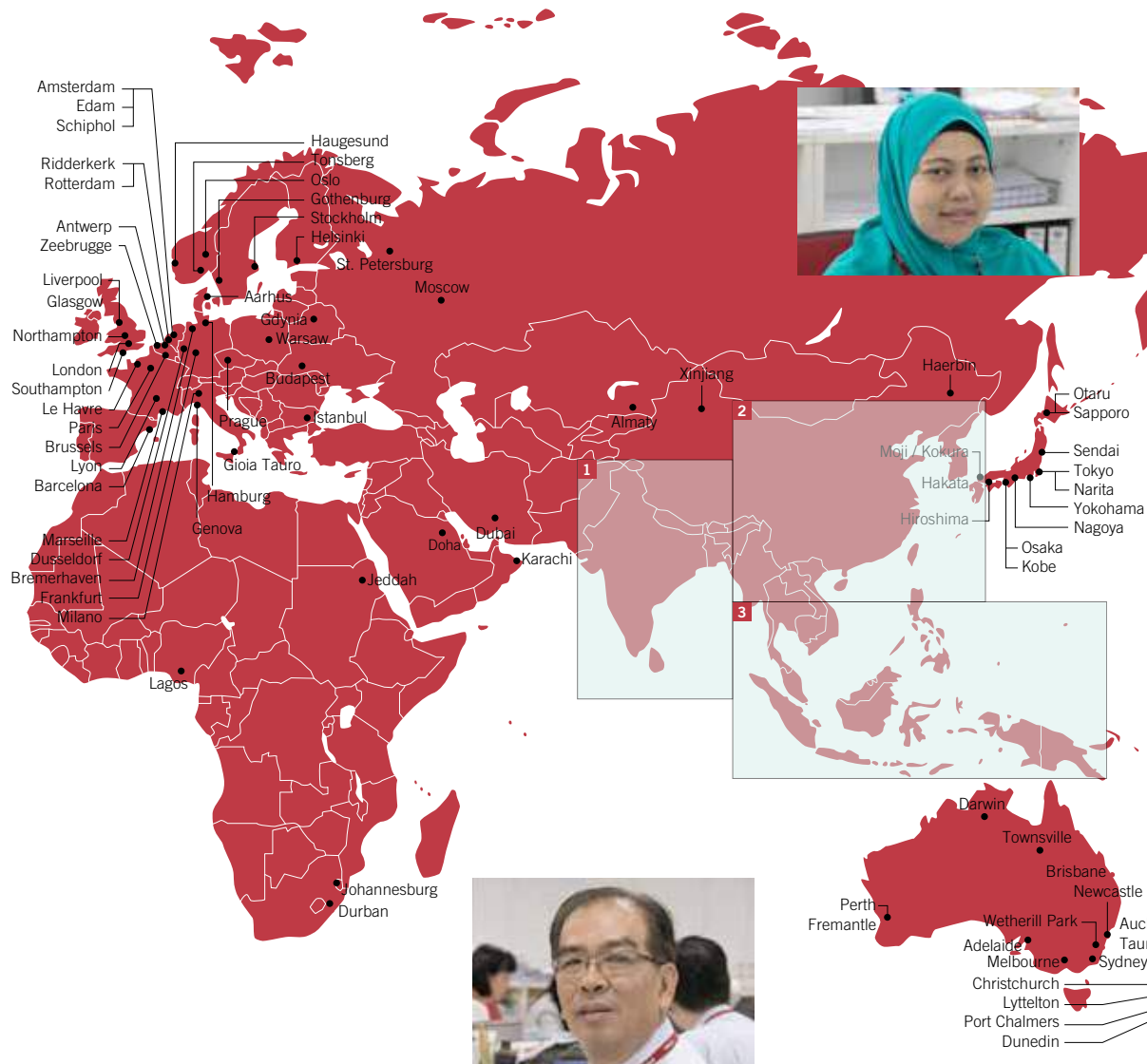
### SINGAPORE

- 23. Singapore Truck Centre



## A Growing Presence Of NYK Across The World

### The NYK Group — Operating Worldwide



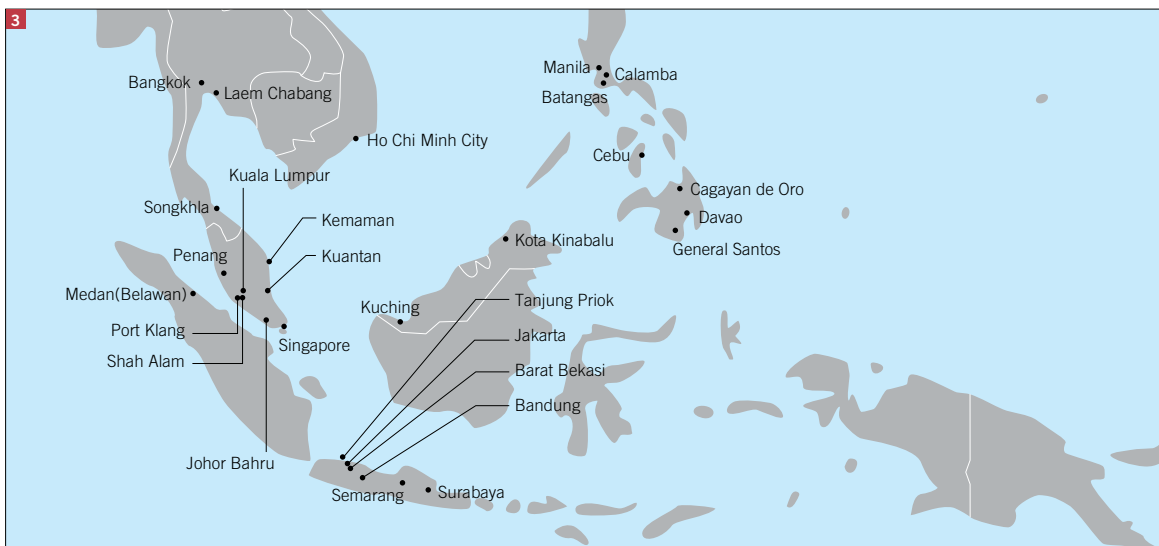
#### • Main NYK Group Office



# A Growing Presence Of NYK Across The World



**“ more than 400  
Locations & 55,000  
Employees in 40  
Countries”**



# Consolidated Financial Highlights

Year/Period Ended	31 Dec '05	31 Dec '06	31 Dec '07	31 Dec '08
<b>Results of operation (RM'000)</b>				
Revenue	288,045	354,855	329,844	366,456
PBTAMI <sup>1</sup>	14,578	16,953	18,312	22,548
PATAMI <sup>2</sup>	10,711	12,381	13,157	18,358
Capital expenditures	17,789	12,157	14,663	84,323
<b>Financial position at year/period end (RM'000)</b>				
Share capital (ordinary shares of RM1.00 each)	45,000	45,000	100,000	100,000
Total assets	153,303	170,207	208,476	246,209
Cash and bank balances	27,206	36,812	62,187	46,434
Total liabilities	45,679	50,161	49,251	65,841
Total borrowings	12,022	9,699	6,951	2,728
Shareholder equity	107,432	119,825	158,982	180,097
<b>Amount per share (sen)</b>				
Earnings per share <sup>3</sup>	10.71	12.38	13.16	18.36
Dividend per share (Annual) <sup>4</sup>	-	-	-	-
<b>Ratios (%)</b>				
Shareholder equity ratio	70.1	70.4	76.3	73.1
Return on equity	10.0	10.3	8.3	10.2
Return on assets	7.0	7.3	6.3	7.5
Current ratio	231.9	229.5	291.8	187.0
Gearing ratio	11.2	8.1	4.4	1.5
Dividend payout ratio <sup>5</sup>	-	-	-	-

**Notes :**

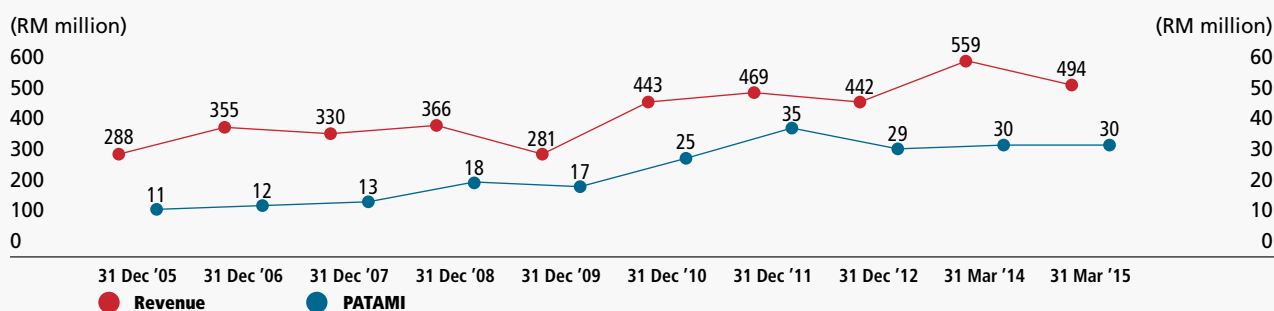
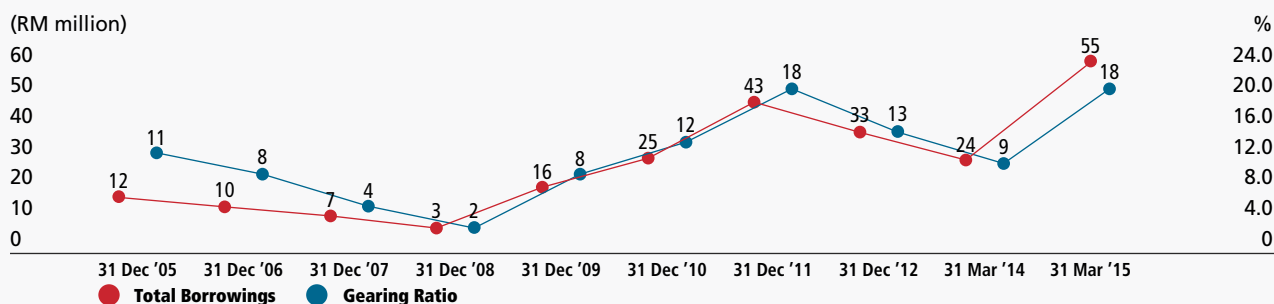
1 Profit before taxation after minority interest.

2 Profit after taxation after minority interest.

3 Calculated based on the total issued and fully paid up capital of 100,000,000 shares.

4 Inclusive of final dividend subject to the shareholders' approval.

5 Calculated based on gross dividend divided by PATAMI.

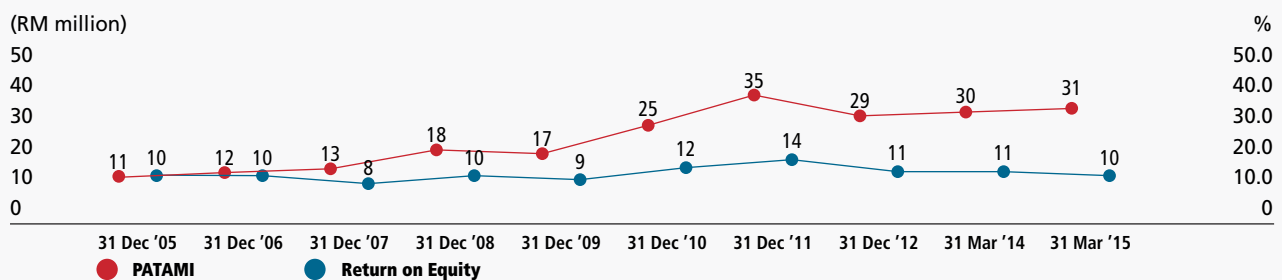
**REVENUE AND PATAMI****TOTAL BORROWINGS AND GEARING RATIO**

# Consolidated Financial Highlights

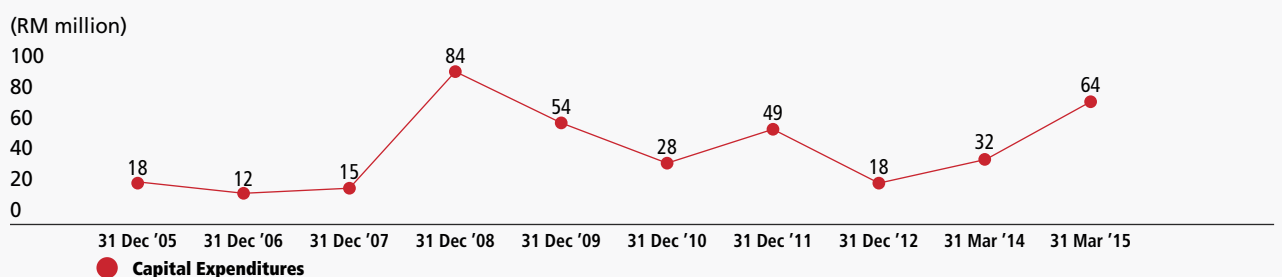
9

	31 Dec '09	31 Dec '10	31 Dec '11	31 Dec '12	31 Mar '14	31 Mar '15
	280,630	443,362	469,211	442,448	559,613	494,305
	14,160	32,724	37,278	35,228	41,958	41,336
	16,560	24,776	34,590	28,889	30,409	30,681
	53,579	27,834	49,399	18,056	31,801	64,205
	100,000	100,000	100,000	100,000	100,000	100,000
	263,371	295,897	347,262	344,402	375,847	431,700
	35,041	46,927	49,280	52,699	52,461	57,081
	70,724	81,757	106,085	88,368	98,062	131,834
	16,056	25,133	42,923	32,853	24,179	54,795
	192,323	213,763	240,714	255,485	277,133	299,097
	16.56	24.78	34.59	28.89	30.41	30.68
	7.00	9.13	12.90	12.01	10.34	9.0
	73.0	72.2	69.3	74.2	73.7	69.3
	8.6	11.6	14.4	11.3	11.0	10.3
	6.3	8.4	10.0	8.4	8.1	7.1
	208.4	231.6	233.0	237.6	212.9	200.4
	8.3	11.8	17.8	12.9	8.7	18.3
	42.3	36.9	37.3	41.6	34.0	29.3

## PATAMI AND RETURN ON EQUITY



## CAPITAL EXPENDITURES





## Chairman's Statement

"2014 has been a very challenging year for us but we have managed to overcome those obstacles and succeed. Aside from doing some organization restructuring, we have pursued a strong strategy of streamlining our assets and operations to enhance profitability as well as ensuring our financial viability will always move forward."

**Lee Check Poh**



**Dear Valued Stakeholders,**

On behalf of the Board of Directors, it is my pleasure to present to you the Annual Report and Audited Financial Statements of TASCO Berhad for the financial year ended 31 March 2015.

**OVERVIEW FINANCIAL PERFORMANCE**

After a year filled with challenges, I am proud to announce that the Group has managed to not only equal but better our performance from the previous year.

**FINANCIAL PERFORMANCE****(i) REVENUE**

The Group achieved a revenue of RM 494.3 million for the financial year ended ("FYE") 31 March 2015 as against RM466.6, an increase of RM27.7 million (5.9 per cent) year-on-year. This increase was contributed mostly from the Domestic Business Solutions ("DBS") Segment.

The DBS segment showcased higher volume of FMCG cargo as well as increased export shipments of major customers greatly resulted in warehouse, in-plant and haulage businesses contributing increases of RM6.8 million (7.1 per cent), RM5.9 million (42.6 per cent) and RM15.8 million (61.0 per cent) respectively to the Contract Logistics ("CL") division. However, the auto CBU and custom clearance businesses experienced downward trend of RM3.6 million (39.1 per cent) and RM3.3 million (4.6 per cent) respectively, largely as a result of unusually high volume surge in the previous comparative year. Increase in Thailand and Singapore inbound cross border business coupled with a few new secured customers of distribution business caused Trucking division to post higher sales of RM3.7 million (4.9 per cent).

For the International Business Solutions ("IBS"), urgent export shipments to Europe of aerospace and E&E customers resulted in Air Freight Forwarding ("AFF") division posting an increase in revenue of RM1.7 million (1.3 per cent). Ocean Freight Forwarding ("OFF") division meanwhile posted a slight increase in revenue of RM0.6 million (1.0 per cent) due to increased support from existing customers of medical supplies and retail sectors.

**(ii) PROFIT**

Profit before taxation ("PBT") for the FYE 31 March 2015 rose from RM36.1 million to RM41.4 million, an increase of RM5.3 million (14.8 per cent), while profit for the financial year went up to RM30.8 million from RM26.1 million (18.1 per cent). The increase in PBT was due to the strong performance from the CL division in the DBS segment whereas IBS segment experienced a downtrend. The DBS segment registered an increase of PBT by RM10.9 million from RM29.5 million to RM40.4 million (36.7 per cent). As for in IBS segment, although revenue of IBS segment increased slightly, competitive market condition resulted IBS segment recording significant drop in profit margin. PBT of IBS segment dropped from RM7.0 million to RM3.7 million (47.1 per cent). Included in IBS segment, AFF business reported lower PBT from RM4.5 million to RM2.2 million, while PBT of OFF business also went down from RM2.5 million to RM1.6 million.

**DIVIDEND**

A final single tier dividend of 5.00 sen per share was approved by shareholders in the Annual General Meeting on 10 September 2014 and paid on 9 October 2014.

An interim single tier dividend of 4.00 sen per share for FYE 31 March 2015 was approved by the Board of Directors on 11 February 2015 and paid on 18 March 2015.

The Board of Directors has proposed a final single tier dividend of 5.00 sen per ordinary share in respect of FYE 31 March 2015 (subject to shareholders' approval at the forthcoming Annual General Meeting). Inclusive of the proposed dividend, the total single tier dividend declared for FYE 31 March 2015 was 9.00 sen.



# Chairman's Statement

## CORPORATE SOCIAL RESPONSIBILITY

The Group aims not only to increase shareholder value through its core business but also its responsibilities for the betterment of community and the environment.

The Group and the staff are committed to contribute to the welfare of society. The Group and the staff have lately contributed to the Nepal earthquake and had arranged for transportation of goods for distribution for the survivors. As for our yearly event of giving back to the community, the Group and staff also contributed food and donation as well as spending time to cheer the children from orphanages during the month of Ramadhan.

The Group is not compromising in the importance of safety and health and is committed to implementing occupational safety and health. The Group has a Safety Committee to tackle safety and health issues at work place and audits are being conducted to ensure safety and health policies and guidelines are complied with. Training on safety and security are regularly conducted to all level of staff and operators.

The Group is committed to reducing environmental footprint. Operationally, we mainly use battery operated handling equipment and low smoke emission fleets. Our warehouses have installed LED lightings thereby reducing heat and energy consumption.

TASCO intends to continue this ongoing contribution to society and will only get better as years go by.

## FUTURE PROSPECTS

Despite the recent upheaval in the current economic landscape, TASCO has managed to become one of the leading logistics leaders in Malaysia where we believe we are one of the top five companies. The Group is excited and proud of this success and intends to maintain and improve our positioning to become the number one logistics leader in the country.

Future prospects of the Group are closely tied to the performance of the Malaysian and world economies, which directly affect the health of the manufacturing sector and international trade. In particular, our business model is highly sensitive to the factors which affect the movement of cargoes both from the export and import perspectives, as well as local domestic movements. The Group managed to achieve record revenue and earnings (on a 12-month financial period basis) for the financial year just ended, due to aggressive expansion and diversification of customer base and industry focus, as well as prudent cost and financial management. Going forward, the Group expects that its performance will move in tandem with the economic conditions. Downward risks for the Group include the contraction or slowdown in the growth of exports and imports, and rising operational costs due to general increase in the cost of living. Under such conditions, we remain cautious about our performance for the next financial year. 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 do so.

## ACKNOWLEDGMENT

It has been another challenging and exciting year for us as we continue to broaden our reach and grow along with our assets. The previous year had shown to be an excellent year for TASCO and we are continuing in the same fashion this year as we prepare for the next upcoming year. On behalf of the board, I would like to extend my deepest of gratitude towards the management, colleagues and staff of TASCO Berhad for their upmost dedication and hard work. I would also like to thank our valued shareholders, business partners and stakeholders for their unweathering trust and belief towards TASCO Berhad. We would not have managed to do this without you.

Thank You.



**Lee Check Poh**  
Chairman

**“It has been an exciting year for TASCO as we have engaged on a few activities with the aim to continuously enhance our shareholders’ value in the long run. As we move ahead while keeping a firm eye on our investments, TASCO is administrating strategies to grow its logistic business further than it has ever been before.”**

**Lim Jew Kiat**



## From Our Managing Director

### How was TASCOS's overall performance for the financial year just ended?

TASCO's performance in the FYE 31 March 2015 started with great optimism and belief and we are proud to announce that it was a very successful year for us amidst numerous challenges. In that time, TASCO has managed to achieve record revenue and earnings for the financial year just ended due to the aggressive expansion and diversification of customer base and industry focus, as well as prudent cost and financial management.

### How do you see TASCOS's performance for the FYE 31 March 2016?

Moving into FYE 31 March 2016, the country's economy was affected by declines in global prices for oil and commodities, as well as the free fall of the ringgit. The weak economic scenario affected not just our country, but most of the regional developing and emerging economies as well. Our results for the first financial quarter reflected the trying times that our customers are facing, especially those in the export-oriented E&E industry. Nevertheless, with the advanced economies' growth expected to remain intact for the rest of the year and next, and in fact benefiting from low oil and commodity prices, a turnaround for our exporting customers would not be unexpected especially in view of the cheaper ringgit. In the immediate term, we will take necessary actions to minimize the impact of the economic slowdown such as carrying out operational reviews to optimize our operations and to reduce unnecessary wastages. We will also review our contracts to renegotiate or withdraw from loss-making accounts. More efforts will be put in place to expand and diversify our customer base by participating in local and regional tenders through both our Japanese and non-Japanese sales teams. Finally we will continue to exercise financial prudence and cost discipline.

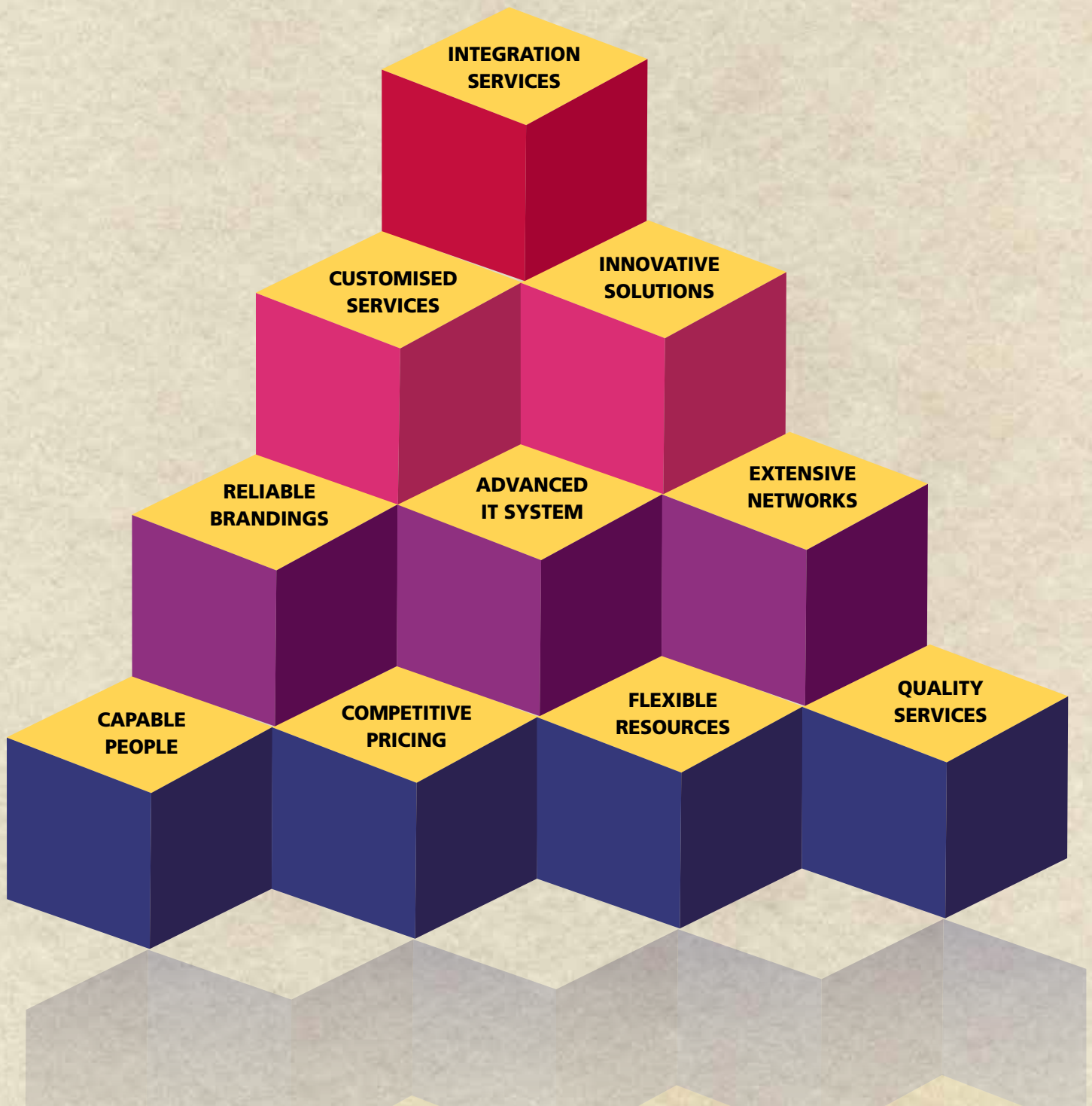
TASCO has been in the market for more than 40 years and have gone through a number of economic cycles. I am confident that we can overcome the current economic slowdown because we have many experiences in the past to tackle such situations.

### What strategies and medium and long-term plans are in store for TASCOS?

As we enter another engaging year ahead we are setting in place strategies that will set a path for medium and long-term growth. Notwithstanding the economic challenges both globally and domestically which are affecting our country's trade figures negatively, we will be preparing to take our growth to the next level. One of the key priorities will be to invest in expanding our warehousing capacity in high growth areas, primarily in the central region. Warehousing remains a cornerstone of our contract logistics business and is a catalyst for us to secure additional businesses from our customers, not just in contract logistics but in total integrated logistics as a whole. Our focus continues to be on our customers and we will strive to continue providing them with innovative supply chain solutions.

# THE SECRETS TO OUR SUCCESS

"...are to focus on the 10 Basic Core Fundamentals that we have built and developed throughout the years. We realised the importance of these fundamentals and we will continue to leverage on these core fundamentals to strengthen our market position and to enhance our shareholders' values..."





## Business At A Glance

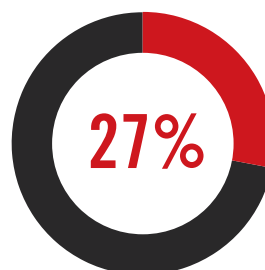
**REVENUE RATIO  
FYE 31.03.2015**

**REVENUE  
FYE 31.03.2015**



### AIR FREIGHT FORWARDING DIVISION

- ✓ Air Freight Services



**RM130.9  
million**

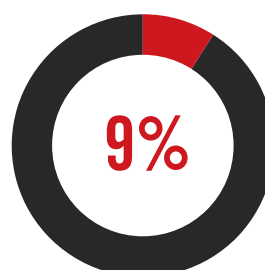


### OCEAN FREIGHT FORWARDING DIVISION

- ✓ Sea Freight Services

### ORIGIN CARGO ORDER & VENDOR MANAGEMENT DIVISION

- ✓ Buyer Consolidation Services

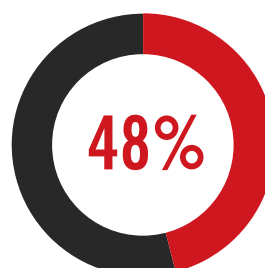


**RM44.2  
million**



### CONTRACT LOGISTICS DIVISION

- ✓ Customs Clearance
- ✓ Haulage Transportation
- ✓ Warehousing Services
- ✓ Warehouse Inplant Services
- ✓ CBU Auto Logistics Services

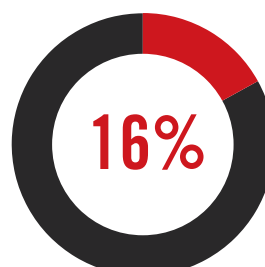


**RM239.2  
million**



### TRUCKING DIVISION

- ✓ Domestic Trucking
- ✓ International Trucking



**RM80.0  
million**

#### Notes:

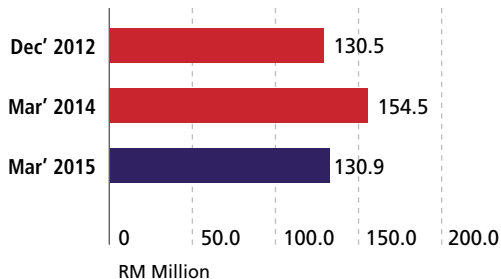
##### 1. Characteristics of International Business Solutions:

Minimum capital investment; Not highly regulated; Requires extensive international networks; Collaboration with foreign agents under a common IT system.

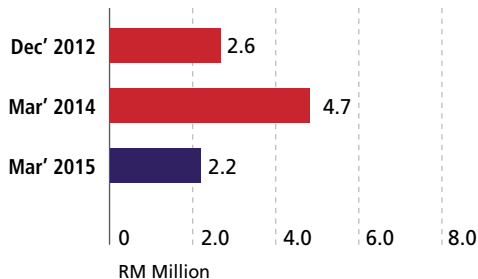
##### 2. Characteristics of Domestic Business Solutions:

High capital investment; Highly regulated; Requires extensive domestic networks; Support with proper resource planning under multiple IT systems.

## REVENUE (MILLION RM)



## PROFITS FROM OPERATIONS (MILLION RM)



## RESOURCE FACILITIES



**>250 Units**  
Prime Movers & Trucks



**>200,000m<sup>2</sup>**  
Warehouse Space



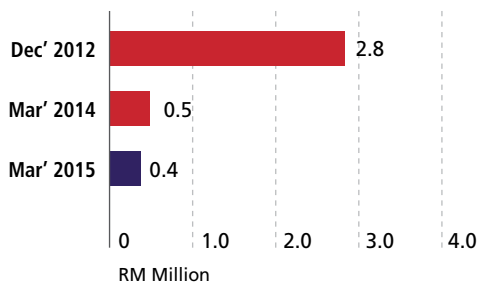
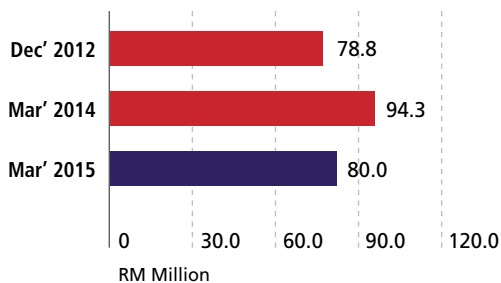
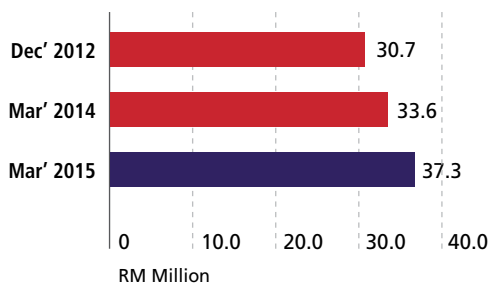
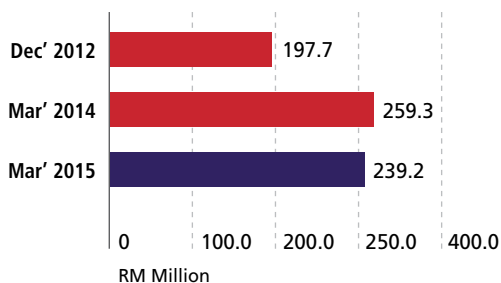
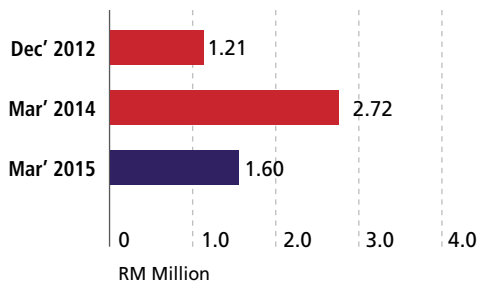
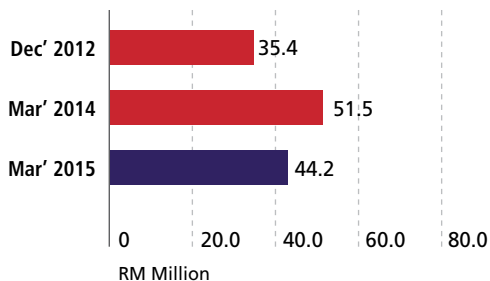
**Domestic: >1,500**  
**Worldwide: >55,000\***  
Employees



**23 Logistics Centres**  
Domestic Networks



**>400 Locations in  
40 Countries**  
International Networks



\* Under the international  
logistics network of  
NYK Group



# Corporate Information

## BOARD OF DIRECTORS

**Lee Check Poh**  
Executive Chairman

**Lim Jew Kiat**  
Managing Director

**Tan Kim Yong**  
Deputy Managing Director

**Masaki Ogane**  
Executive Director

**Yasushi Ooka**  
Non-Executive Director

**Lee Wan Kai**  
Executive Director

**Kwong Hoi Meng**  
Independent Non-Executive Director

**Raymond Cha Kar Siang**  
Independent Non-Executive Director

**Raippan s/o Yagappan @  
Raiappan Peter**  
Independent Non-Executive Director

### COMPANY SECRETARIES

**Kang Shew Meng**

**Seow Fei San (Ms)**

**Loh Lai Ling (Ms)**

### REGISTERED OFFICE

802, 8th Floor  
Block C, Kelana Square  
17 Jalan SS7/26  
47301 Petaling Jaya  
Selangor Darul Ehsan  
Tel : 03-78031126  
Fax : 03-78061387

### REGISTRARS

**Securities Services (Holdings)  
Sdn Bhd**  
Level 7 Menara Milenium  
Jalan Damanlela  
Pusat Bandar Damansara  
Damansara Heights  
50490 Kuala Lumpur  
Tel : 03-20849000  
Fax : 03-20949940

### AUDITORS

**Mazars**  
Chartered Accountants  
Wisma Selangor Dredging  
7th Floor, South Block  
142-A Jalan Ampang  
50450 Kuala Lumpur

### PRINCIPAL BANKERS

**Malayan Banking Berhad**

**Bank of Tokyo-Mitsubishi UFJ  
(Malaysia) Berhad**

**HSBC Bank Malaysia Berhad**

### STOCK EXCHANGE

**Main Market**  
**Bursa Malaysia Securities Berhad**  
Stock Code : 5140

### AUDIT COMMITTEE

**Kwong Hoi Meng**  
Independent Non-Executive Director  
Chairman

**Raymond Cha Kar Siang**  
Independent Non-Executive Director  
Member

**Raippan s/o Yagappan @  
Raiappan Peter**  
Independent Non-Executive Director  
Member

### NOMINATING COMMITTEE

**Raymond Cha Kar Siang**  
Independent Non-Executive Director  
Chairman

**Kwong Hoi Meng**  
Independent Non-Executive Director  
Member

**Raippan s/o Yagappan @  
Raiappan Peter**  
Independent Non-Executive Director  
Member

### REMUNERATION COMMITTEE

**Raippan s/o Yagappan @  
Raiappan Peter**  
Independent Non-Executive Director  
Chairman

**Raymond Cha Kar Siang**  
Independent Non-Executive Director  
Member

**Lee Check Poh**  
Executive Chairman  
Member



(FROM LEFT TO RIGHT)

1. TAN KIM YONG
2. KWONG HOI MENG
3. LEE WAN KAI
4. RAYMOND CHA KAR SIANG
5. RAIPPAN S/O YAGAPPAN @ RAIAPPAN PETER
6. YASUSHI OOKA
7. LIM JEW KIAT
8. LEE CHECK POH
9. MASAKI OGANE

**Note:**

1. No Director has any family relationships with any other Directors and/or major shareholders of the Company except Mr. Lee Wan Kai who is the son of Mr. Lee Check Poh.
2. Other than the related party transactions disclosed in the Annual Report, no Director has any conflict of interest with the Company.
3. No Director has been convicted of any offences within the past 10 years other than traffic offences, if any.

## Profile Of Board Of Directors



### LEE CHECK POH

Non-Independent Executive Chairman  
Aged 66, Malaysian

#### Date of Appointment

- 24 April 1989

#### Qualification

- Bachelor of Arts in Economics (Hosei University, Japan)
- Master of Arts in Economics (Lakehead University, Canada)

#### Other Directorship in Public Company

- None

#### Experience

- Currently appointed as the Executive Chairman and a member of the Remuneration Committee
- Joined the Group in year 1977 and appointed as a Director and the Managing Director in year 1989 and 1998 respectively. Re-designated as Executive Chairman in 2013
- Also appointed as an Executive Director and later as the Managing Director of Sony Logistics (M) Sdn Bhd (now known as Sony Supply Chain Solutions (M) Sdn Bhd) between 1989 and 2004
- Appointed as the Chairman and Chief Regional Officer of Yusen Logistics (Singapore) Pte Ltd in 2015
- Appointed as the Executive Officer of Yusen Logistics Co. Ltd in 2015

#### Training

- Listing Requirements - Updated or Outdated?





## LIM JEW KIAT

Non-Independent Managing Director  
Aged 54, Malaysian

### Date of Appointment

- 17 February 2011

### Qualification

- Malaysia Certificate of Education

### Other Directorship in Public Company

- None

### Experience

- Currently appointed as the Managing Director
- Joined the Group in 1991 and appointed as the Managing Director in 2013
- During his employment in the Company he was assigned to various business divisions of the Group
- Prior to his joining our Group he was involved in sales, dealing in courier services, chemicals and computers

### Training

- Goods & Services Tax (GST) On Logistics & Freight Forwarding Industry



## TAN KIM YONG

Non-Independent Deputy Managing Director  
Aged 53, Malaysian

### Date of Appointment

- 17 February 2011

### Qualification

- Chartered Accountant of the Malaysian Institute of Accountants (MIA)
- Fellow member of the Association of Chartered and Certified Accountants, United Kingdom (ACCA)
- Institute of Chartered Secretaries & Administrator (completed professional examinations)

### Other Directorship in Public Company

- None

### Experience

- Currently appointed as the Deputy Managing Director in charge of Corporate Development Function Group.
- Joined the Group in 1996 and appointed as Deputy Managing Director in 2011
- Prior to his joining the Group he was in the auditing line, handled project accounting for a construction company and held the post of Financial Controller in an engineering company and in a German multinational company

### Training

- Recruitment & Interviewing Skills Training
- Goods & Services Tax (GST) On Logistics & Freight Forwarding Industry
- Accounting for Goods & Services Tax (GST)

## Profile Of Board Of Directors



### MASAKI OGANE

Non-Independent Executive Director  
Aged 46 , Japanese

#### Date of Appointment

➤ 4 April 2014

#### Qualification

➤ Bachelor of Laws (Senshu University, Japan)

#### Other Directorship in Public Company

➤ None

#### Experience

- Currently appointed as the Director in charge of of the Business Development Function (Japanese Group), Supply Chain Solutions Function ( International Freight Forwarding) and a representative of YLK
- Joined Yusen Air & Sea Service Co. Ltd, in Central Tokyo in 1991 as Sales staff until 1994 gaining invaluable experience in air cargo sales
- Was assigned as a Trainee of Boston Cargo Branch, USA for a year (1995-1996) and thereafter recalled to Japan to work from 1996 to 2003
- Seconded to Thailand to head the air cargo sales department for 5 years (2003 to 2008)
- Recalled to Japan in 2008 and was promoted as Manager of Sales, Section 3, Mita Export branch, East Japan Export Sales Division in 2010 and worked until his appointment to Malaysia as an Executive Director in April 2014

#### Training

➤ Mandatory Accreditation Programme



### YASUSHI OOKA

Non-Independent Non-Executive Director  
Aged 53, Japanese

#### Date of Appointment

➤ 4 April 2014

#### Qualification

➤ Bachelor of Laws (Kobe University, Japan)

#### Other Directorship in Public Company

➤ None

#### Experience

- Currently appointed as a Non-Executive Director (re-designated on 1 April 2015) and a representative of NYK
- Joined NYK in April 1986
- Experience in Liner and Tramp Division handling sales and administration
- Was assigned to Taiwan for 3 years (2001 to 2004)
- Last overseas assignment was in Hong Kong for four years (2010 to 2014) before being appointed as an Executive Director upon joining our Company

#### Training

➤ Mandatory Accreditation Programme





**LEE WAN KAI**

Non-Independent Non-Executive Director  
Aged 39, Malaysian

**Date of Appointment**

- 19 August 2013

**Qualification**

- Bachelor of Commerce (Queen's University, Canada)

**Other Directorship in Public Company**

- None

**Experience**

- Currently appointed as the Operation Director in charge of Supply Chain Solutions Function
- Joined the Group in 2005 and appointed as Corporate Executive Director in 2010
- Prior to his joining the Group, he was practising as a Certified Public Accountant in the audit firms involved in audit engagement, taxation, initial public offering, merger and acquisition projects

**Training**

- CSP Practical Issues Part I – Meeting Best Practices, Directors' Dispute and Resolutions, Practical Issues Faced By Company Secretaries



**KWONG HOI MENG**

Independent Non-Executive Director  
Aged 48, Malaysian

**Date of Appointment**

- 30 October 2007

**Qualification**

- Ordinary member of Malaysian Institute of Certified Public Accountants (MICPA)
- Chartered Accountant of Malaysian Institute of Accountants (MIA)
- Approved Company Auditor

**Other Directorship in Public Company**

- None

**Experience**

- Appointed as an Independent Director in year 2007 and also the Chairman of the Audit Committee and a member of the Nominating Committee
- Became an ordinary member of the MICPA and a Chartered Accountant of the MIA in 1994 and an Approved Auditor in 2006
- Currently an Audit Partner of Messrs Kwong & Wong.

**Training**

- Goods And Services Tax (GST) Training Course
- 2015 Budget Seminar



## Profile Of Board Of Directors



### **RAYMOND CHA KAR SIANG**

Independent Non-Executive Director  
Aged 44, Malaysian

#### **Date of Appointment**

- 30 October 2007

#### **Qualification**

- LLB (Hons) Malaya (University of Malaya)

#### **Other Directorship in Public Company**

- None

#### **Experience**

- Appointed as an Independent Director in year 2007 and also the Chairman of the Nominating Committee, a member of the Audit Committee and Remuneration Committee
- Admitted to the Malaysian Bar as an Advocate and Solicitor of the High Court of Malaya in 1996 and currently appointed as the Managing Partner of Putra Ray & Partners

#### **Training**

- Implementation Insights of Successful Mergers & Acquisitions



### **RAIPPAN S/O YAGAPPAN @ RAIAPPAN PETER**

Independent Non-Executive Director  
Aged 71, Malaysian

#### **Date of Appointment**

- 30 October 2007

#### **Qualification**

- Bachelor of Arts in History and Economics (University of Malaya)

#### **Other Directorship in Public Company**

- None

#### **Experience**

- Appointed as an Independent Director in year 2007 and also the Chairman of the Remuneration Committee, a member of the Nominating Committee and Audit Committee
- Served in the Ministry of Labour (now known as the Ministry of Human Resource) between 1967 and 1994 and currently the Managing Consultant of Inforite IR Consultancy

#### **Training**

- Audit Committees – Increased Expectations

To earn the trust of stakeholders – not only shareholders but also customers, business partners and the regional communities in which TASCO maintains a presence – and meet their expectations, the Group strives to build and further enhance a management structure optimised for management transparency and efficiency.

## Guidelines

The Board of Directors (“Board”) is committed in ensuring that the principles and best practices on corporate governance are observed and practised throughout the Group as the fundamental part of discharging its responsibilities to protect and enhance shareholders’ value.

The Malaysian Code on Corporate Governance 2012 (“Code”) sets out the principles and best practices on structures and processes that the Group may use towards achieving their optimal governance framework.

Set out below is the manner in which the Group has applied the principles of corporate governance and the extent to which it has complied with the best practices set out in the Code.

## Internal Organisation Structure

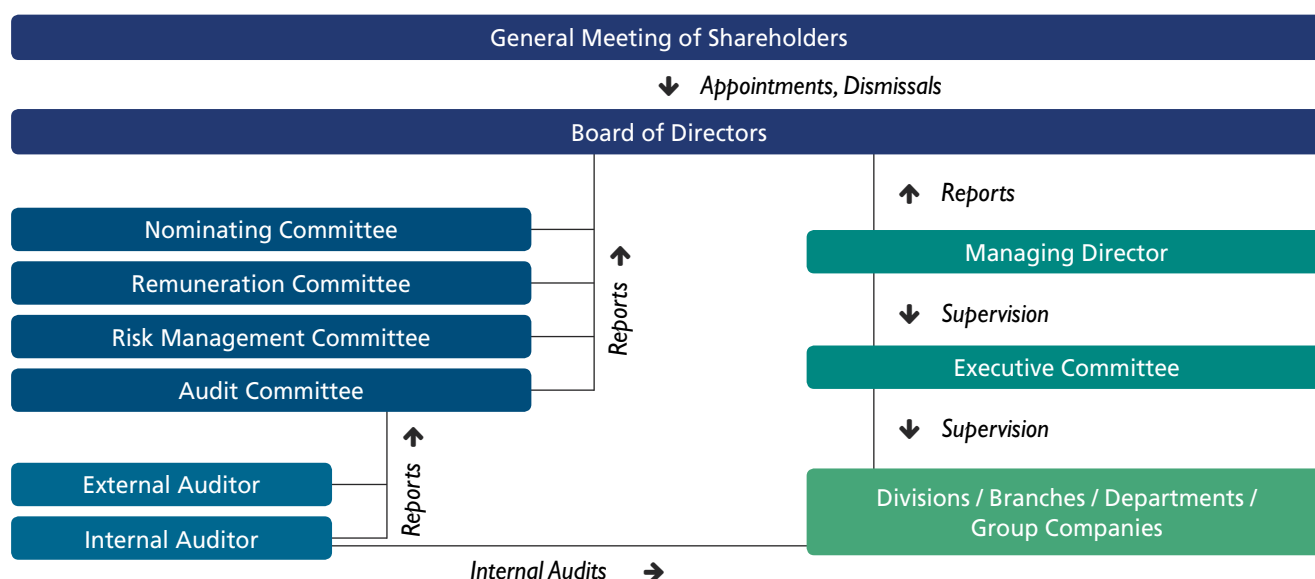
As at 31 July 2015, the Board comprises 9 members, including 3 Independent Non-Executive directors. The Board had also established the following Board Committees to assist the Board in carrying out its fiduciary duties:

- (a) Nominating Committee
- (b) Remuneration Committee
- (c) Risk Management Committee
- (d) Audit Committee

These Board Committees deliberate on particular issues and report their findings and recommendations to the Board. However, the ultimate responsibility for all decisions lies with the entire Board.

The Executive Committee headed by the Managing Director comprises 10 members including Executive Directors from the Board and senior level staff. The Executive Committee is responsible to discuss matters of particularly critical importance from the prospective of day to day management and operation strategies.

Overall, our internal organisation structure is designed to clarify lines of authority and responsibility for the business and operation strategies, promote fast and accurate decisions, and enhance management transparency and efficiency.



## Corporate Governance Statement

### Board Charter and Directors' Code of Conduct and Ethics

The Board has formally adopted a Board Charter, which provides guidance to the Board in the fulfilment of its roles, duties and responsibilities which are in line with the principles of good corporate governance. The Board Charter provides guidance for Directors and Management on the responsibilities of the Boards, its Committees and requirements of Directors and it is subject to periodical review to ensure consistency with the Board's strategic intent as well as relevant standards of corporate governance.

The Board is also committed to conducting business in accordance with the highest standards of business ethics and complying with applicable laws, rules and regulations. The Directors' Code of Conduct and Ethics provide guidance for Directors regarding ethical and behavioural considerations and/or actions as they address their duties and obligations during their appointment.

The Board Charter and Directors' Code of Conduct and Ethics are made available for reference in the Company's website [www.tasco.com.my](http://www.tasco.com.my).

### Board of Directors

The Board comprises the following members and the details of attendance of each member at the Board meetings held during the financial year ended 31 March 2015 are as follows:

Name	Status of Directorship	Independent	Meeting Attended
Lee Check Poh (Chairman)	Executive	No	4/4
Lim Jew Kiat (Managing Director)	Executive	No	4/4
Tan Kim Yong (Deputy Managing Director)	Executive	No	4/4
Masaki Ogane (Appointed on 04.04.2014)	Executive	No	4/4
Yasushi Ooka (Appointed on 04.04.2014)	Non-Executive	No	4/4
Lee Wan Kai	Executive	No	4/4
Raymond Cha Kar Siang	Non-Executive	Yes	4/4
Kwong Hoi Meng	Non-Executive	Yes	4/4
Raippan s/o Yagappan @ Raiappan Peter	Non-Executive	Yes	4/4

#### Remarks

Note: - Mr. Yasushi Ooka was appointed as Executive Director on 4 April 2014. He was re-designated as Non-Executive Director on 1 April 2015.  
- During the financial year, Mr. Tomoaki Handa and Mr. Muneaki Saito have resigned as Directors on 4 April 2014.

The Group is headed by an experienced Board comprising professionals, ex-civil servants, long serving staff and entrepreneurs with diverse skills from a wide range of business, financial and legal backgrounds. The Board effectively controls the direction and provides leadership for the Group by setting appropriate objectives and strategic directions and is responsible for the overall operations and management of the Group.

The Board reviews and adopts a strategic plan, which covers the core business of the Group. The various strategies and objectives identified in the plan are monitored and evaluated during the implementation. In addition, the Board implements a risk management system which identifies the principal risks and ensures the implementation of the management of those risks to mitigate the impact of any such risks. Its other responsibilities include reviewing the adequacy and integrity of the Group's internal control systems and management information systems for compliance with applicable laws, regulations, rules, directives and guidelines as well as development and implementation of the succession planning for senior management and investor relations programme for the Group.

The Board Chairman is an Executive Director and remains so after due assessment and reviewed by the Nominating Committee which had taken into consideration the following justifications:

- The Chairman's vast experience in managing the Group's logistics business which would enable him to provide the Board with expertise and skills to better manage and run the Group; and

- b) The Chairman has demonstrated his objectivity in deliberating and making decision aligning with the shareholders' interest at large during his tenure as Executive Chairman of the Company.

The positions of the Chairman and the Managing Director are held by 2 individuals. There is a clear division of responsibilities between the Chairman and the Managing Director, which will ensure a balance of power and authority. The Chairman is primarily responsible for the orderly conduct and workings of the Board. The Managing Director is responsible for implementing the policies and decisions of the Board, overseeing the operations as well as coordinating the development and implementation of business and corporate strategies.

The Board considers that the current size of the Board is adequate and facilitates effective decision making. The Board also reviews on an annual basis the appropriateness of its size.

The Board's composition complies with the Main Market Listing Requirements ("LR") of Bursa Malaysia Securities Berhad ("Bursa Malaysia") that requires at least 1/3 of the Board to comprise Independent Non-Executive Directors.

There is a balance in the Board because of the presence of Independent Non-Executive Directors who bring strong independent judgment, knowledge, skills and experience to the Board's deliberations during the decision making process. The Independent Non-Executive Directors ensure that the interest of the minority shareholders and other stakeholders are given due consideration in the deliberations of the various issues and matters affecting the Group.

During the financial year, 4 Board meetings were held and all Directors fulfilled the requirement stipulated by Bursa Malaysia in relation to their attendance at the Board meetings.

Board meetings are structured with a pre-set agenda. The agenda and the Board papers are circulated to Directors in time to enable the Directors to effectively discharge their responsibilities. Any additional information requested by Directors is readily available. Reports on the performance of the Group are also circulated to the Directors for their perusal and comments. The Board also has a formal schedule of matters reserved to it for deliberation and decision such as the approval of annual and interim results, major capital expenditure, budgets, major investments, strategic issues affecting the business of the Group, corporate policies and procedures and corporate plans.

In addition, on important matters that requires the Board's decisions, prior briefings, if necessary, are provided or conveyed by Executive Directors to other Board members to ensure full knowledge and understanding thus enhancing the members' comprehension of Board papers before deliberations.

The Board is also notified of any corporate announcements to be released to Bursa Malaysia and is kept informed of updates issued by the various regulatory authorities.

All proceedings of the Board meetings are minuted and signed by the Chairman of the meeting in accordance with the provision of Section 156 of the Companies Act, 1965.

In furtherance of their duties, the Directors have access to all information pertaining to the Group as well as to seek independent professional advice at the Company's expense, if necessary. The Directors also have access to the advice and services of the Company Secretary who must ensure that all necessary information is obtained from Directors both for the Company's own records and for the purposes of meeting statutory obligations as well as obligations arising from the LR and other regulatory requirements. The Board acknowledges the fact that the Chairman is entitled to the positive support of the Company Secretary in ensuring the effective functioning of the Board. The appointment and removal of the Company Secretary shall be within the purview of the Board.

All Directors have attended and successfully completed the Mandatory Accreditation Programme. The Board assumes the onus of determining or overseeing the training needs of the Directors. The Directors are encouraged to attend relevant seminars and courses to keep themselves updated on the various issues facing the changing business environment, regulatory and corporate governance developments to enhance their professionalism and knowledge to effectively discharge their duties and obligations. During the year all the Directors have attended training listed under their respective individual director profile. This is in compliance with paragraph 15.08(2) of the LR.

For new Directors, a familiarization programme will be conducted for them. This includes a presentation of the Group's operations, meetings with senior management and site visits, where appropriate, to facilitate their understanding of the Group.

## Corporate Governance Statement

### Nominating Committee

The Nominating Committee comprises the following members and the details of attendance of each member at the Nominating Committee meetings held during the financial year ended 31 March 2015 are as follows:

Name	Status of Directorship	Independent	Meeting Attended
Raymond Cha Kar Siang (Chairman)	Non-Executive	Yes	2/2
Kwong Hoi Meng	Non-Executive	Yes	2/2
Raippan s/o Yagappan @ Raiappan Peter	Non-Executive	Yes	2/2

The Nominating Committee, set up on 6 December 2007, is responsible for recommending the right candidate for appointment to the Board or Board Committees. The Nominating Committee is also responsible for the annual review of the required mix of skills and experience and core competency which Non-Executive Directors should bring to the Board and the annual assessment of the effectiveness of the Board as a whole, the Board Committees and the performance of each existing Director.

The terms of reference of the Nominating Committee have been approved by the Board and comply with the recommendations of the Code.

In accordance with the Company's Articles of Association, all newly appointed Directors are subject to re-election by the shareholders at the first Annual General Meeting after their appointment. Further, subsequent to the first Annual General Meeting, 1/3 of the existing Directors including the Managing Director are required to retire by rotation at the Annual General Meeting held annually. A Director who is over 70 years old is required to submit himself for re-appointment annually in accordance to Section 129 (6) of the Companies Act, 1965.

The Nominating Committee met twice on 3 April 2014 and 18 November 2014. In the meeting held on 3 April 2014, the members discussed the appointment of Mr. Masaki Ogane and Mr. Yasushi Ooka as directors of the Company as vacancies arose due to the resignation of our Executive Director, Mr. Tomoaki Handa and Non-Executive Director, Mr. Muneaki Saito. At the meeting, the proposed appointment of Mr. Masaki Ogane and Mr. Yasushi Ooka as Executive Director of the Company were recommended by the committee members and approved by the Board on the same day.

At the Nominating Committee held on 18 November 2014, the members reviewed the mix of skills, experience and qualities of the Board committees and Board members as well as the appropriateness of the size of the Board and concluded that the Board composition was adequately balanced in ensuring continued effectiveness and efficiency.

The Board will monitor the Company's performance in meeting the target and shall review the policy and target set to achieve gender diversity in the boardroom as and when needed.

The Board has established a nomination process of Board members to facilitate and provide a guide for Nominating Committee to identify, evaluate, select and recommend to the Board the candidate to be appointed as a director of the Company.

The nomination and election process of Board members can be found at the Company's website at [www.tasco.com.my](http://www.tasco.com.my).

### Remuneration Committee

The Remuneration Committee comprises the following members and the details of attendance of each member at the Remuneration Committee meetings held during the financial year ended 31 March 2015 are as follows:

Name	Status of Directorship	Independent	Meeting Attended
Raippan s/o Yagappan @ Raiappan Peter (Chairman)	Non-Executive	Yes	1/1
Raymond Cha Kar Siang	Non-Executive	Yes	1/1
Lee Check Poh	Executive	No	1/1

A Remuneration Committee, set up on 6 December 2007, is responsible for recommending to the Board the remuneration of the Executive Directors, in all forms. The determination of the remuneration of the Non-Executive Directors as well as the Executive Directors will be a matter to be determined by the Board as a whole with the Director concerned abstaining from deliberations and voting on the decisions regarding his individual remuneration.

The terms of reference of the Remuneration Committee have been approved by the Board and comply with the recommendations of the Code.

The levels of remuneration of the Directors should reflect the rate to attract and retain their services taking into consideration the prevailing market pay and employment conditions within the industry. The remuneration should comprise components to cover rewards linking corporate performance and individual contribution towards the overall results, in the case of Executive Directors. Reasonable allowances and fees are paid to the Non-Executive Directors to commensurate with their experience and skills.

The Board has established a remuneration policy and procedure to facilitate the Remuneration Committee to review, consider and recommend to the Board for decision/approval the remuneration packages of the Executive Directors.

The details of the remuneration of Directors of the Company for the financial year ended 31 March 2015 by category and in bands of RM50,000 are as follows:

Range of Remuneration	Executive Directors	Non-Executive Directors
Below RM50,000	1	3
RM200,001 to RM250,000	2	-
RM400,001 to RM450,000	1	-
RM550,001 to RM600,000	1	-
RM600,001 to RM650,000	1	-
RM1,500,001 to RM1,550,000	1	-

The remuneration are further analysed by fees and salaries and other emoluments:

	Fees RM	Salaries and other emoluments RM	Total RM
Executive Directors	Nil	3,622,531	3,622,531
Non-Executive Directors	96,000	Nil	96,000

## Risk Management Committee

The Risk Management Committee comprises 8 members of senior level staff who are responsible to ensure that there is a risk management programme in place to identify and manage the major or significant operational, financial and market risks associated with the Group's businesses.

The Risk Management Committee seeks to improve the administration and operation of the Company by adopting the following Risk Tabulation Table to identify and evaluate its risk exposure, focusing on its operational processes. Appropriate measures will be taken to mitigate these risks in the future.



## Corporate Governance Statement

Risk Tabulation Table				
LIKEHOOD	High			
	Medium			
	Low			
		Minor	Moderate	Major
IMPACT				

The terms of reference of the Risk Management Committee have been approved by the Board.

### Audit Committee

The Audit Committee comprises the following members and the details of attendance of each member at the Audit Committee meetings held during the financial year ended 31 March 2015 are as follows:

Name	Status of Directorship	Independent	Meeting Attended
Kwong Hoi Meng (Chairman)	Non-Executive	Yes	4/4
Raymond Cha Kar Siang	Non-Executive	Yes	4/4
Raippan s/o Yagappan @ Raiappan Peter	Non-Executive	Yes	4/4

The Audit Committee, set up on 6 December 2007, is responsible to assist the Board to review the adequacy and integrity of the Group's internal control systems and all financial statements before their submission to the Board for approval.

The terms of reference of the Audit Committee have been approved by the Board and complied the recommendations of the Code.

The terms of reference of the Audit Committee together with its report are presented on pages 33 to 34 of the Annual Report.

### Internal Control System

The Directors recognise their ultimate responsibility for the Group's system of internal controls and the need to review the adequacy and the integrity of the internal control systems.

The Directors also take cognisance of the importance of identifying principal risks and having an appropriate risk management system. The Group has an internal audit function, which reports to the Audit Committee and assists the Board in monitoring and managing risks and internal controls. Information on the Group's internal controls is presented in the Statement on Risk Management and Internal Control as set out on page 35 and 36 of the Annual Report.

### Internal Audit Function

The Internal Audit Function is outsourced to an Audit Firm and reports to the Audit Committee. The Internal Auditor prepares and tables an Annual Internal Audit Plan for the consideration and approval of the Audit Committee. The Internal Auditor adopts a risk-based approach in preparing its audit strategy and annual plan based on the risk profiles of the business operations. The scope of the internal audit is based on the audit plan. The Internal Auditor reports to the Audit Committee on a quarterly basis and provides the Audit Committee with independent views on the adequacy, integrity and effectiveness of the system of internal control after its reviews.

The Group incurred RM51,914 of internal audit costs during the financial year ended 31 March 2015.

## Financial Reporting

In presenting its quarterly results and annual financial statements to the shareholders, the Directors aim to present a balanced and understandable assessment of the Group's position and prospects. The Company has established an appropriate and transparent relationship with its external auditors through the Audit Committee. The Audit Committee and the Board also review the information to be disclosed before the release to Bursa Malaysia.

The Directors are required by the Companies Act, 1965 to prepare financial statements for each financial year which have been made out in accordance with the applicable approved accounting standards, and give a true and fair view of the state of affairs of the Group and Company at the end of the financial year and of the results and cash flows of the Group and Company for the financial year. In preparing the financial statements, the Directors have:

- Selected suitable accounting policies and applied them consistently;
- Made judgments and estimates that are reasonable and prudent;
- Ensure that all applicable accounting standards have been followed; and
- Prepared the financial statements on the going concern basis as the Directors have a reasonable expectation, having made enquiries, that the Group and Company have adequate resources to continue in operational existence for the foreseeable future.

The Directors have the responsibility of ensuring that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Group and Company and which enable them to ensure that the financial statements comply with the Companies Act, 1965.

The Directors have overall responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group to prevent and detect fraud and other irregularities.

## Investor Relationships

The Board values its dialogue with both institutional shareholders and private investors and recognises that timely and equal dissemination of relevant information be provided to them. In this regard, it adheres to the disclosure requirements of Bursa Malaysia by making announcements via the Bursa Malaysia's website at [www.bursamalaysia.com](http://www.bursamalaysia.com). Information of the Company is also disseminated through the following channels:

- a) Annual Report;
- b) Circular to Shareholders; and
- c) Company's website at [www.tasco.com.my](http://www.tasco.com.my).

Any enquiry regarding the Company and its group of companies may be conveyed to the following personnel:

### **Mr. Lim Jew Kiat** **(Managing Director)**

Telephone number : 03-51018888  
Fax number : 03-55488288  
Email address : [freddielim@tasco.com.my](mailto:freddielim@tasco.com.my)

### **Mr. Tan Kim Yong** **(Deputy Managing Director)**

Telephone number : 03-51018888  
Fax number : 03-55488288  
Email address : [kytan@tasco.com.my](mailto:kytan@tasco.com.my)

A copy of the annual report is sent to all our shareholders and is available upon request. By making various announcements through Bursa Malaysia in particular the timely release of the quarterly results, members of the public can also obtain the full financial results and the announcements from the Bursa Malaysia website.

The Board encourages shareholders' active participation at the Company AGM. The AGM remains the principal forum for dialogue with shareholders where it provides an opportunity for the shareholders to seek clarifications on the Group's operations. The Chairman and members of the Board will undertake to provide the shareholder with a written answer to any significant question that cannot be readily answered. The external auditors will also be present to provide their professional and independent clarification on issues and concerns raised by the shareholders, if any.

## Corporate Governance Statement

The Board takes note of the recommendation by the Code on the adoption of electronic voting and encourage poll voting to facilitate greater shareholders' participation. The shareholders are informed of their rights to demand a poll vote prior to the commencement of general meeting and the Board will ensure that any vote of shareholders taken at the general meeting on the resolution approving related party transactions is taken on a poll. Announcement will also be made on the detailed results showing the number of votes cast for and against each resolution.

The Board ensures that each item of special business included in the Notice of AGM or Extraordinary General Meeting must be accompanied by an explanation of the effects of the proposed resolution.

### Sustainability Policy

The Board is committed to operate its business in accordance with environmental, social and economic responsibility. These include working within the law in order to be innovative and demonstrate initiative to meet the requirements of various stakeholders.

The Company strives to achieve sustainable long term balance between meeting its business goals and preserving the environment, its commitments with respect to sustainability are in the core areas of workplace, marketplace, community and environment.

The strategies to promote sustainability and its implementation can be found at the Company's website at [www.tasco.com.my](http://www.tasco.com.my).

### Compliance with the Code

The Board strives to ensure that the Company complies with the Principles and Best Practices of the Code. The Board will endeavor to improve and enhance the procedures from time to time.

The Board is pleased to present the Audit Committee Report for the financial year ended 31 March 2015.

## Composition And Attendance

The Audit Committee ("AC") has 3 members, all of whom are Independent Directors. This meets the requirements of the Corporate Governance Code. The members of the AC and their meeting attendance are presented on page 30 of the Annual Report.

The AC Chairman, Mr Kwong Hoi Meng is a member of the Malaysian Institute of Certified Public Accountants and Malaysian Institute of Accountants which complies with paragraph 15.09(1)(c)(i) of the LR.

## Authority

The AC shall be in accordance with the procedures determined by the Board and at the cost of the Group:

- a. have explicit authority to investigate any matter within its terms of reference;
- b. have the resources which are required to perform its duties;
- c. have full and unrestricted access to any information pertaining to the Group;
- d. have direct communication channels with the external auditors; and person(s) carrying out the internal audit function;
- e. able to obtain independent/external professional or other advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary; and
- f. able to convene meetings with the external auditors, the internal auditors or both excluding the attendance of other directors and employees of the Group, whenever deemed necessary.

## Functions And Duties

The functions of the AC are as follows:

1. To do the following, in relation to the internal audit function:
  - a. review the adequacy of the scope, competency and resources of the internal audit functions;
  - b. review the internal audit programme and results of the internal audit process or investigation undertaken and whether or not appropriate actions are taken on the recommendations of the internal audit function;
  - c. review any appraisal or assessment of the performance of members of the internal audit function; and
  - d. approve any appointment or termination of senior staff members of the internal audit function.
2. To do the following, in relation to the external audit function:
  - a. consider the appointment of the external auditors, the audit fee and any questions of resignation or dismissal;
  - b. discuss with the external auditors before the audit commences, the nature and scope of the audit, and ensure co-ordination where more than one audit firm is involved;
  - c. review the quarterly results and year end financial statements, prior to the approval by the Board;
  - d. review the external auditors' audit report and any management letter sent by the external auditors to the Group and the management's response to such letter;
  - e. discuss problems and reservations arising from the interim and final audits;
  - f. review the adequacy of existing external auditors audit arrangements, with particular emphasis on the scope and quality of the audit;
  - g. review the assistance given by the employees of the Group to the external auditors; and
  - h. review all areas of significant financial risks and the arrangements in place to contain those risks to acceptable levels.
3. To consider any related party transactions and potential conflict of interests situations that may arise within the Company and the Group.
4. To consider the major findings of internal investigations and management response.
5. To meet with the external auditors without executive board members present at least twice (2) a year.
6. To carry out any other function that may be mutually agreed upon by the AC and the Board, which would be beneficial to the Group and ensure the effectiveness discharge of the AC's duties and responsibilities.
7. To review and verify the allocation of share options to eligible persons as being in compliance with the by-laws approved by the Board and shareholders of the Company.

## Audit Committee Report

8. The AC actions shall be reported to the Board with such recommendations as the AC deemed appropriate.
9. To report to Bursa Malaysia on any matter reported by it to the Board which has not been satisfactorily resolved resulting in a breach of the Listing Requirements of Bursa Malaysia.

### Retirement And Resignation

In the event of any vacancy in the AC, the Company shall fill in the vacancy within 2 months, but in any case not later than 3 months.

### Secretary

The Company Secretary or other appropriate senior official shall be the Secretary to the AC.

### Meetings

The AC met 4 times during the financial year ended 31 March 2015. A quorum of 2 independent directors was always met for the AC meetings.

The lead audit partner of the External Auditors responsible for the Group audit attended 2 AC meetings during the financial year to present the auditors' report on the annual audited financial statements and their Audit Planning Memorandum before commencement of the audit of the Group. The AC also met the External Auditors on two (2) occasions without the presence of the Board of Directors ("Board"), management or Internal Auditors. At these meetings the AC enquired about the management cooperation with the External Auditors, access to information in their course of audit and proficiency in financial reporting. The External Auditors were also invited to raise any matter that is of importance to the AC.

### Internal Audit

The Group Internal Audit Function that was outsourced to an Audit Firm conducted the audit activities as planned in the Internal Audit Memorandum. Their scope of audit also covers Recurrent Related Party Transactions.

The Group Internal Auditor presented their findings and report to the AC members at all the AC meetings held during the financial year ended 31 March 2015. Their reports cover the status and progress of their assignments, audit recommendations and management response. Follow up audit reports were also presented to the AC.

### Summary Of Activities

The AC carried out the following activities during the financial year under review:

- a. Reviewed and assessed the adequacy of the scopes and functions of the Internal Audit Plan and Risk Management for the Company and the Group and authorised resources to address risk areas that have been identified.
- b. Reviewed the External Audit Plan for the Company and the Group with the external auditors to ensure the audit scope and activities is adequately covered.
- c. Reviewed quarterly and annual financial reports for the Company and the Group prior to submission to the Board for consideration and approval, focusing particularly on the following:
  - (i) significant and unusual events;
  - (ii) changes in or implementation of major accounting policy; and
  - (iii) compliance with accounting standards and other legal requirements.
- d. Reviewed the related party transactions and ensured that they are not more favourable to the related parties than those generally available to the public and complies with the Bursa Malaysia LR.
- e. Reviewed the policies, procedures and processes established for related party transactions.
- f. Reviewed and approved the proposed final audit fees for the external auditors and internal auditors in respect of their audit of the Company and the Group.
- g. Considered the re-appointment of the external auditors and renewal of internal audit engagement.
- h. Met with the external auditors twice a year without the presence of the executive Board members and the management.
- i. Reviewed the Statement on Risk Management and Internal Control prior to submission to the Board for consideration and approval for insertion into the Annual Report 2014.



# Statement On Risk Management And Internal Control 35

The Board has overall responsibility for the Group's system of risk management and internal control and for reviewing its effectiveness whilst the role of management is to implement the Board's policies on risk and control. The system of risk management and internal control is designed to manage and minimise the risk of failure to achieve business objectives. In pursuing these objectives, internal controls can only provide reasonable and not absolute assurance against material misstatement or loss.

The adequacy and effectiveness of the Group's risk management, internal control and governance process are reviewed and monitored by the Audit Committee, which receives regular reports from the internal auditors. Formal procedures are in place for actions to be taken to remedy any significant failings or weaknesses in these reports.

The Board has also received assurance from the Managing Director and Deputy Managing Director that the Group's risk management and internal control system are operating adequately and effectively in all material aspect based on the risk management and internal control system of the Group.

Based on the foregoing, the Board is satisfied with the adequacy and effectiveness of the Group's risk management and internal control system.

The Group's system of risk management and internal control does not apply to its associated company because the Group does not have full management control over it.

The internal control system of the Group has three components as described below. The system has been put in place for the financial year under review and up to date of approval of the Annual Report and Financial Statements.

## CONTINUOUS PROCESS

The Board takes cognisance of the continuous process for identifying, evaluating and managing the significant risks faced by the Group. The key elements of the Group's internal control system covers the following:

- Organisation structure with clearly defined delegation of responsibilities to the Board;
- Regular meetings are held at operational and management levels to identify and resolve business, financial, operational and management issues;
- 6 branches in the Group were accredited ISO 9001:2008 certification on quality management system. Documented internal procedures and standard operating procedures have been put in place and surveillance audits are conducted twice a year by assessors of the ISO certification body to ensure that the system is adequately implemented;
- Documented guidelines on operating procedures have been put in place for relevant departments;
- Regular information are provided by the management to the Board on financial performance and key business indicators;
- Monthly monitoring of results by the management through financial reports;
- Budgeting and forecasting system governed by Group's policies;
- Regular internal audit visits and other specific assignments, if the need arises, assigned by the Audit Committee; and
- The Audit Committee holds regular meetings with the management on the actions taken on internal control issues identified through reports prepared by the internal auditors, external auditors and/or management.

There are no material losses incurred during the financial year as a result of weaknesses in internal control. The management will continue to take adequate measures to strengthen the control environment in which the Group operates.

## Statement On Risk Management And Internal Control

### INTERNAL AUDIT

The Group has an Internal Audit Function, which reports to the Audit Committee and assists the Board in the monitoring and managing of risks and internal controls. The Internal Auditor provides an independent, objective assurance and advisory services that add value and improve the operations by:

- Ensuring the existence of processes to monitor the effectiveness and efficiency of operations and the achievement of business objectives;
- Ensuring the adequacy and effectiveness of internal control systems for safeguarding of assets and providing consistent, accurate financial and operational data;
- Promoting risk awareness and the value and nature of an effective internal control system;
- Ensuring compliance with laws, regulations, corporate policies and procedures; and
- Assisting management in accomplishing its objectives by adopting a systematic and disciplined audit approach to evaluating and improving the effectiveness of risk management, control and governance processes within the Group's operations.

The Internal Audit Function focused on high priority activities determined by risk assessment and in accordance with the audit planning memorandum approved by the Audit Committee.

### RISK MANAGEMENT

The Group seeks to respond to the risks inherent in its business operations through supervisory departments, which address operating risks in each business division, and through the establishment of internal rules geared to each risk. The Board has set up Risk Management Committee to underpin an integrated internal control system appropriate for the entire organisation and continues to enhance risk management practices where necessary by ascertaining the status of such practices on a regular basis. Activities of Risk Management Committee include:

- Ensuring the Company implements a comprehensive system of risk identification, assessment and management;
- Forms an integral part of the Group's structure and design to identify, assess, monitor and manage risks;
- Regularly reviews the risks factors applicable to the Group; and
- Ensuring that procedures, which effectively and efficiently manage these risks within the particular context of the Group's business strategy and the environment in which the Group operates, are set in place.

**MATERIAL CONTRACTS INVOLVING DIRECTORS AND SUBSTANTIAL SHAREHOLDERS' INTEREST**

Other than the related party transactions disclosed in the Annual Report, there were no material contracts entered into by the Group during the year which involved the interests of Directors or substantial shareholders.

**RECURRENT RELATED PARTY TRANSACTION**

The recurrent related party transactions of a revenue or trading nature of the Group conducted pursuant to the shareholders' mandate during the financial year ended 31 March 2015 are as follows:

No.	Nature of Transactions	Transacting Parties	Interested Related Parties	Aggregate Value (RM'000)
1	Various agency agreements entered into between TASCO and the respective NYK Group's subsidiaries to act as the handling agents in the respective countries and facilitate the operations of each other.	TASCO/NYK Group, NYK, YLK, YLSG and HS	Mr. Tomoaki Handa <sup>1</sup> , Mr. Muneaki Saito <sup>2</sup> , Mr. Masaki Ogane <sup>3</sup> , Mr. Yasushi Ooka <sup>4</sup> and NYK Group <sup>5</sup>	Sales: 68,567 Purchases: 54,108
2	Various staff secondment agreements entered into between TASCO and the NYK Group's subsidiaries whereby NYK Group's subsidiaries agree to second and TASCO agrees to engage the expatriate who shall be regarded as a member of TASCO's staff and shall be subject to TASCO's rules and regulations.	TASCO/NYK Group, NYK, YLK, YLSG and HS	Mr. Tomoaki Handa <sup>1</sup> , Mr. Muneaki Saito <sup>2</sup> , Mr. Masaki Ogane <sup>3</sup> , Mr. Yasushi Ooka <sup>4</sup> and NYK Group <sup>5</sup>	480
3	Software agreement entered into between TASCO and the NYK Group's subsidiaries to grant TASCO for the use of computer software for its various logistics services.	TASCO/NYK Group, NYK, YLK, YLSG and HS	Mr. Tomoaki Handa <sup>1</sup> , Mr. Muneaki Saito <sup>2</sup> , Mr. Masaki Ogane <sup>3</sup> , Mr. Yasushi Ooka <sup>4</sup> and NYK Group <sup>5</sup>	510
4	Management service agreements entered into between TASCO and the NYK Group's subsidiaries for the provision of business development, sales, marketing and related activities by NYK Group to TASCO.	TASCO/NYK Group, NYK, YLK, YLSG and HS	Mr. Tomoaki Handa <sup>1</sup> , Mr. Muneaki Saito <sup>2</sup> , Mr. Masaki Ogane <sup>3</sup> , Mr. Yasushi Ooka <sup>4</sup> and NYK Group <sup>5</sup>	3,002
5	Provision of freight services by NYK Group's subsidiaries to TASCO.	TASCO/NYK Group, NYK, YLK, YLSG and HS	Mr. Tomoaki Handa <sup>1</sup> , Mr. Muneaki Saito <sup>2</sup> , Mr. Masaki Ogane <sup>3</sup> , Mr. Yasushi Ooka <sup>4</sup> and NYK Group <sup>5</sup>	6,619
6	Various lease agreements entered into between TASCO and the respective NYK Group's subsidiaries for the usage of the NYK Group's office/warehouse facilities by TASCO and also for the usage of TASCO's office by NYK Group's subsidiaries. a) Rental paid b) Rental received	TASCO/NYK Group, NYK, YLK, YLSG and HS	Mr. Tomoaki Handa <sup>1</sup> , Mr. Muneaki Saito <sup>2</sup> , Mr. Masaki Ogane <sup>3</sup> , Mr. Yasushi Ooka <sup>4</sup> and NYK Group <sup>5</sup>	300

**Notes:**

1. Mr. Tomoaki Handa was seconded to TASCO from YLK. He resigned as Executive Director on 4 April 2014.
2. Mr. Muneaki Saito was seconded to TASCO from YLK. He resigned as Non-Executive Director on 4 April 2014.
3. Mr. Masaki Ogane was seconded to TASCO from YLK and was appointed as Executive Director on 4 April 2014.
4. Mr. Yasushi Ooka was seconded to TASCO from NYK and was appointed as Executive Director on 4 April 2014 and subsequently redesignated to Non-Independent Non-Executive Director on 1 April 2015.
5. NYK Group includes NYK, its subsidiary companies and affiliates.

## Calendar of Events in 2014/2015



# 2014/15 EVENTS CALENDAR

### 4 APRIL 2014



Our Company was awarded a TAPA TSR-2012 Level 3 Category: C (10-30 trucks) by SGS (Malaysia) Sdn Bhd for Truck Security Requirements for company activities relating to the security of trucking services. TASCO is the first company in Malaysia to be TAPA TSR certified, an international standard of high level security for our trucking services.

### 12 MAY 2014



#### BEST KAIZEN COMPANY



Our Company won the 3rd prize for the SAOR Quality Kaizen Award. This award is for TASCO's 2013 Project D: Development of Employees. Project D is an In-House Training based program.

### 23 MAY 2014



A training exercise "Mock Drill - Cargo Special Ops" conducted between Selangor CID and our Company was held in our Corporate Head Office. Selangor CID chief SAC Dato' Mohd Adnan B. Abdullah, Vice Chairman, Joint Action Security Council MICCI Tn. Zakaria Merican Isaac Merican and senior officials of the Selangor Criminal Investigation Department attended the event.

### 12 JULY 2014



Our Company arranged for a "buka puasa" to about 50 children from Rumah Anak-Anak Yatim Siti Khadijah, Meru in our corporate Head Office. They were treated to a hearty meal and also given "duit raya". Collections for the event were made by our staff and also from our company. The balance of the funds collected was donated to the home.

### 14 AUGUST 2014



Staff of Corporate Head Office organised a "Hari Raya Puasa" lunch. Those present were entertained to a dance performed by our staff.

### 10 SEPTEMBER 2014



The 39th Annual General Meeting of the Company was held in our Corporate Head Office. Today the Company is also 40 years old having been incorporated on 10 September 1974 and a cake cutting ceremony was held after the meeting. The shareholders and guests were then treated to a sumptuous meal.



## 18-19 SEPTEMBER 2014



Our Company hosted the South Asia Oceania Region Managing Directors meeting in our Corporate Head Office.

## 20 SEPTEMBER 2014



The Company held its 40th Anniversary dinner in a hotel in Kuala Lumpur. The event was attended by over 1,000 persons comprising our employees, ex-staff, vendors, business partners, representatives from Nippon Yusen Kabushiki Kaisha ("NYK") as well as Yusen Logistics ("Yusen") Japan and Singapore, representatives from our the NYK group of the South Asia Oceania Region and our ex-Chairman.

## 11 NOVEMBER 2014



A total of 45 students majoring in Logistics & Trade Distribution accompanied by 2 lecturers from Universiti Malaysia Kelantan (UMK) visited our Company on a study tour. Their program consists of sharing of logistics topics and services, warehouse visit and logistics activity on processes.

## 12 NOVEMBER 2014



A Deepavali lunch was organised by Head Office staff. The attendees were treated to a dance presentation.

## 21 NOVEMBER 2014



A farewell party was held for our beloved Corporate Director, Mr Bernard Tan who has announced his retirement from the Company at the end of December 2014 after serving for 32 years. Mr Bernard who joined the Company in 1982, had served the Company in various business divisions before his last posting as Director of Human Resource Management Group.

## 2 MARCH 2015



The staff at Head Office organised a Chinese New Year luncheon and attendees helped themselves to a good spread of food provided.

# Corporate Social Responsibility

## INTRODUCTION



As one of the leading logistics companies in Malaysia, the Group undertakes to transport customers' products whether by sea, land or air to their destinations as timely, safely and efficiently as possible. The Group believes that promoting Corporate Social Responsibility (CSR) is essential to the creation and enhancement of operation base providing safe logistical services while protecting the environment. In this regard, the Group's CSR activity programme are being focused on quality, environmental and safety with the emphasis of preventing work place and road accidents. As the Group desires for all employees to remain aware of the importance of CSR as they perform their daily duties, the Group has established the following philosophies for the employees:

### Sales Philosophy:

Globally Dedicated, Locally Focused

### Operation Philosophy:

5 "R" - Right Place, Right Time, Right Person, Right Quantity and Right Condition

### People Philosophy

One Team, One Mind, One Direction

With these philosophies, the Group strives to promote the highest safety standards and quality logistics operations to maintain customers' satisfaction and trust.

Risk management respecting safety and security has always been the main focus of the Group, especially with the development and acquisition of warehouse facilities and acquisition of trucks and trailers under the Group's expansion plan.

## SAFETY

The Group had established a Safety Committee to formulate policies, action plans, and budgets for the implementation of road and work place safety programme. The following includes some of the activities that have been carried out:



### a) Occupational Safety and Health

Meetings were held by the Safety Committee to tackle major safety issues at work place and audits were conducted to ensure that safety policies and guidelines were being followed. In relation thereto, during the financial year about 49 key employees in our major warehouses/offices were provided with First Aid Training.

The fire fighting systems and back-up generators of our major warehouses were inspected periodically by external fire contractors to ensure that they are in good operational condition.

The hazardous areas in our major warehouses and offices were identified, updated, mapped and displayed in the buildings.

**b) Certification of Forklift Operators**

The Safety Committee carried out training programme for all forklift operators to ensure the best practices of forklift operations in the warehouses are adopted with an ultimate aim to increase productivity and minimize bodily injuries or damages to customers' goods.

Under the programme, all forklift operators were required to undergo comprehensive trainings sessions, supervised by certified trainers and placed under a probation period of three months. Upon completion of the trainings, the operators' operating skills and theoretical knowledge were tested. The operators who passed the tests were then be certified and allowed to operate a forklift and entitled for monthly special allowances as long as they maintain clean safety records.



**c) Safety and Security Training**

Safety and security trainings programme were conducted at all the branches/ warehouses aimed at creating awareness and to promote safety and security among the employees and the customers.



**d) Schedule Maintenance of Trucks**

The Group's fleets of trucks are subject to scheduled preventive maintenance by in-house workshop to ensure their roadworthy conditions, thereby reducing the likelihood of vehicle breakdown or causing road accidents which may result in bodily injuries or loss of human lives or damage to customers' goods or public property.



## WORKPLACE

Recognising that human resources is an important asset and in line with our quality policy which include development of all our employees and maximise their potential to the greatest extent so that they may benefit by growing with the Group, extensive yearly training needs analysis covering all levels of employee has been carried out and appropriate training programme provided on a continuous basis to increase their skills and knowledge.

## QUALITY AND ENVIRONMENT

In order to provide and maintain quality services to our customers, all our major branches are fully committed in maintaining ISO 9001:2008 certified status.

As a testament to our commitment to provide quality services to our customers, we were presented with various quality and appreciation awards from our customers as well as from the Royal Malaysian Customs over the years.

The Group is also concerned with the environment issues and the following are being carried out:

- Recycling of waste is conducted at all major warehouses/offices.
- Maintenance of trucks is scheduled to keep the engines in good condition thereby reducing smoke emission.
- Use of battery operated handling equipment and gas powered forklifts to reduce noise and pollution.
- Purchase of new trucks that have EURO engine specifications to lower smoke emission levels.
- Use of LED lightings thereby reducing heat and chemical emission.
- Use or purchase of office equipment with energy saving features.
- Maintaining only minimum lightings and air conditionings during lunch hour.

# FINANCIAL STATEMENTS

Corporate Information	43
Directors' Report	44
Independent Auditors' Report To The Members Of Tasco Berhad	48
Consolidated Statement Of Financial Position	50
Statement Of Financial Position	52
Statement Of Comprehensive Income	54
Consolidated Statement Of Changes In Equity	55
Statement Of Changes In Equity	56
Statement Of Cash Flow	57
Notes To The Financial Statements	59
Supplementary Information On The Disclosure Of Realised And Unrealised Profits/Losses	105
Statement By Directors	106
Statutory Declaration	107





<b>DOMICILE</b>	:	Malaysia
<b>LEGAL FORM AND PLACE OF INCORPORATION</b>	:	Public company limited by way of shares incorporated in Malaysia under the Companies Act 1965
<b>REGISTERED OFFICE</b>	:	802, 8th Floor Block C, Kelana Square 17 Jalan SS7/26 47301 Petaling Jaya Selangor Darul Ehsan
<b>PRINCIPAL PLACE OF BUSINESS</b>	:	Lot No.1A, Persiaran Jubli Perak Jalan 22/1, Seksyen 22 40300 Shah Alam Selangor Darul Ehsan

## Directors' Report

For The Year Ended 31 March 2015

The directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the year ended 31 March 2015.

### PRINCIPAL ACTIVITIES

The Company is principally engaged in business as a total logistics solutions provider. The principal activities of the subsidiary companies are indicated in note 3 to the financial statements.

There have been no significant changes in the nature of these activities during the financial year.

### RESULTS

	Group RM	Company RM
Profit for the period attributable to:-		
Owners of the Company	30,680,795	29,680,768
Non-controlling interests	116,887	-
	<b>30,797,682</b>	<b>29,680,768</b>

### DIVIDENDS

During the financial year, the Company paid:

- a final single tier dividend of 5 sen per ordinary share of RM1.00 each amounting to RM5,000,000 in respect of financial period ended 31 March 2014.
- an interim dividend of 4 sen per ordinary share of RM1.00 each amounting to RM4,000,000 in respect of financial year ended 31 March 2015.

The directors propose a single-tier final dividend of 5 sen per ordinary share of RM1.00 each per ordinary share amounting to RM5,000,000 in respect of the financial year ended 31 March 2015.

### RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year except as disclosed in the statements of changes in equity set out on pages 55 and 56.

### ISSUE OF SHARES AND DEBENTURES

The Company did not issue any shares or debentures during the financial year.

## DIRECTORS

The directors in office since the date of the last report are:

Mr Lee Check Poh  
 Mr Raymond Cha Kar Siang  
 Mr Kwong Hoi Meng  
 Mr Raippan s/o Yagappan @ Raiappan Peter  
 Mr Tan Kim Yong  
 Mr Lim Jew Kiat  
 Mr Lee Wan Kai  
 Mr Masaki Ogane  
 Mr Yasushi Ooka

In accordance with Article 77 of the Company's Article of Association, Mr Raymond Cha Kar Siang, Mr Tan Kim Yong and Mr Lim Jew Kiat, retire from the board at the forthcoming annual general meeting and being eligible, offer themselves for re-election.

In accordance with Section 129 of the Company Act, 1965, Mr Raippan s/o Yagappan @ Raiappan Peter is retiring at the forthcoming Annual General Meeting and, offers himself for re-appointment.

## DIRECTORS' INTERESTS IN SHARES

The following directors had an interest in shares in the Company and its related corporations during the financial year required to be disclosed in accordance with Section 169 (6)(g) of the Companies Act 1965, as follows:

	← No. of ordinary shares of RM1 each →			
	At 1.4.2014	Bought	Sold	At 31.3.2015
<b>The Company</b>				
Mr Lee Check Poh - deemed interest	9,830,438	-	-	9,830,438
Mr Tan Kim Yong - direct interest	10,000	20,000	-	30,000
Mr Lim Jew Kiat - direct interest	60,000	-	-	60,000
Mr Raymond Cha Kar Siang - direct interest	11,000	-	-	11,000
Mr Kwong Hoi Meng - direct interest	11,000	-	-	11,000
Mr Raippan s/o Yagappan @ Raiappan Peter - direct interest	11,000	-	-	11,000
Mr Lee Wan Kai - direct interest	10,000	-	-	10,000
<b>Subsidiary - Omega Saujana Sdn Bhd</b>				
Mr Lee Check Poh - direct interest	49,000	-	-	49,000
<b>Subsidiary - Piala Kristal (M) Sdn Bhd</b>				
Mr Lee Check Poh - direct interest	49,000	-	-	49,000

## Directors' Report

For The Year Ended 31 March 2015

### DIRECTORS' BENEFITS

Since the end of the previous financial period, no director of the Company has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the directors as shown in the financial statements or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

Neither during nor at the end of the financial year was the Company a party to any arrangements whose object is to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

### OTHER STATUTORY INFORMATION

- (a) Before the statements of comprehensive income and statements of financial position of the Group and of the Company were made out, the directors took reasonable steps:
  - (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that there were no known bad debts to be written off and adequate allowance had been made for doubtful debts; and
  - (ii) to ensure that any current assets which were unlikely to realise in the ordinary course of business their values as shown in the accounting records of the Group and of the Company had been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the directors are not aware of any circumstances:
  - (i) which would render it necessary to write off any debts or the amount of allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent, or
  - (ii) which would render the values attributed to the current assets in the financial statements of the Group and of the Company misleading, or
  - (iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (c) At the date of this report, there does not exist:
  - (i) any charge on the assets of the Company or its subsidiaries which has arisen since the end of the financial year which secures the liabilities of any other person, or
  - (ii) any contingent liability of the Company or its subsidiaries which has arisen since the end of the financial year.
- (d) No contingent or other liability of the Company or its subsidiaries has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may affect the ability of the Company or its subsidiaries to meet their obligations as and when they fall due.
- (e) At the date of this report, the directors are not aware of any circumstances, not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the respective financial statements misleading.



(f) In the opinion of the directors:

- (i) the results of the operations of the Group and of the Company for the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
- (ii) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

## **ULTIMATE HOLDING COMPANY**

The directors regard Nippon Yusen Kabushiki Kaisha ("NYK"), a company incorporated in Japan, as the ultimate holding company.

## **AUDITORS**

The auditors, Mazars, Chartered Accountants, have expressed their willingness to continue in office.

Signed on behalf of the directors in accordance  
with a directors' resolution dated 18 May 2015

**LEE CHECK POH**

Director

**LIM JEW KIAT**

Director

# Independent Auditors' Report To The Members Of Tasco Berhad (Incorporated in Malaysia)

## Report on the Financial Statements

We have audited the financial statements of TASCO Berhad, which comprise the statements of financial position as at 31 March 2015 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 50 to 104.

### *Directors' Responsibility for the Financial Statements*

The directors of the Company are responsible for the preparation of financial statements that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 1965 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the financial statements have been properly drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 March 2015 and of their financial performance and cash flows for year then ended.

## Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 1965 in Malaysia, we also report the following:

- a. In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.
- b. We have considered the financial statements and the auditors' report of the subsidiary of which we have not acted as auditors and which is indicated in Note 3 to the financial statements.
- c. We are satisfied that the financial statements of the subsidiaries that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.
- d. The auditors' reports on the financial statements of the subsidiaries did not contain any qualification or any adverse comment made under Section 174 (3) of the Act.

# Independent Auditors' Report To The Members Of Tasco Berhad

(Incorporated in Malaysia)

## Other Reporting Responsibilities

The supplementary information set out in Note 41 on page 105 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The directors are responsible for the preparation of the supplementary information in accordance with Guidance on 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, as issued by the Malaysian Institute of Accountants ("the MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

## Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

---

**MAZARS**

No. AF: 001954

Chartered Accountants

---

**FRANCIS XAVIER JOSEPH**

No. 2997/06/16 (J)

Chartered Accountant

Kuala Lumpur

Date: 18 May 2015

# 50 Consolidated Statement Of Financial Position

As At 31 March 2015

	Note	As at 31.3.2015 RM	As at 31.3.2014 RM
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	2	254,375,593	207,786,965
Investment in associated company	4	4,147,719	4,182,964
Other investments	5	1,159,104	1,204,104
<b>Total non-current assets</b>		<b>259,682,416</b>	<b>213,174,033</b>
<b>Current assets</b>			
Inventories	6	148,738	108,646
Trade receivables	7	83,114,096	81,992,279
Other receivables, deposits and prepayments	8	16,143,574	11,095,449
Amount owing by immediate holding company	9	3,005,268	3,869,506
Amounts owing by related companies	11	5,281,172	5,855,940
Amount owing by associated company	12	-	54,037
Current tax assets		7,243,936	7,235,889
Fixed deposits with licenced banks	13	39,101,118	29,861,167
Cash and bank balances	14	17,980,202	22,600,207
<b>Total current assets</b>		<b>172,018,104</b>	<b>162,673,120</b>
<b>TOTAL ASSETS</b>		<b>431,700,520</b>	<b>375,847,153</b>



# Consolidated Statement Of Financial Position

As At 31 March 2015

51

	Note	As at 31.3.2015 RM	As at 31.3.2014 RM
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	15	100,000,000	100,000,000
Share premium		801,317	801,317
Revaluation reserve		1,400,591	1,400,591
Hedge reserve		241,838	(36,257)
Exchange translation reserve		(147,715)	(153,448)
Retained earnings		196,801,272	175,120,477
Equity attributable to owners of the Company		299,097,303	277,132,680
Non-controlling interests		768,916	652,029
<b>Total equity</b>		<b>299,866,219</b>	<b>277,784,709</b>
<b>Non-current liabilities</b>			
Bank terms loans	16	37,520,184	12,873,024
Deferred tax liabilities	17	8,456,725	8,770,050
<b>Total non-current liabilities</b>		<b>45,976,909</b>	<b>21,643,074</b>
<b>Current liabilities</b>			
Trade payables	18	28,450,271	36,879,598
Other payables, deposits and accruals	19	29,844,863	22,953,050
Amount owing to immediate holding company	9	1,556,413	1,810,731
Amounts owing to related companies	11	5,630,730	3,345,191
Amount owing to associated company	12	94,448	-
Bank term loans	16	17,275,191	11,292,828
Hire purchase and finance lease liabilities	20	-	13,127
Current tax liabilities		3,005,476	124,845
<b>Total current liabilities</b>		<b>85,857,392</b>	<b>76,419,370</b>
<b>Total liabilities</b>		<b>131,834,301</b>	<b>98,062,444</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>431,700,520</b>	<b>375,847,153</b>

The accompanying notes form an integral part of the financial statements

## Statement Of Financial Position

As At 31 March 2015

	Note	As at 31.3.2015 RM	As at 31.3.2014 RM
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	2	206,625,043	204,578,232
Investment in subsidiary companies	3	21,542,565	14,262,565
Investment in associated company	4	3,000,000	3,000,000
Other investments	5	1,159,104	1,204,104
<b>Total non-current assets</b>		<b>232,326,712</b>	<b>223,044,901</b>
<b>Current assets</b>			
Trade receivables	7	78,471,605	75,192,643
Other receivables, deposits and prepayments	8	14,783,056	7,263,164
Amount owing by immediate holding company	9	3,005,268	3,869,506
Amounts owing by subsidiary companies	10	38,518,081	11,837,768
Amounts owing by related companies	11	5,281,172	5,855,940
Amount owing by associated company	12	-	54,037
Current tax asset		7,226,292	7,226,292
Fixed deposits with licensed banks	13	39,101,118	29,861,167
Cash and bank balances	14	12,497,797	17,589,610
<b>Total current assets</b>		<b>198,884,389</b>	<b>158,750,127</b>
<b>TOTAL ASSETS</b>		<b>431,211,101</b>	<b>381,795,028</b>

# Statement Of Financial Position

As At 31 March 2015

53

	Note	As at 31.3.2015 RM	As at 31.3.2014 RM
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	15	100,000,000	100,000,000
Share premium		801,317	801,317
Hedge reserve		241,838	(36,257)
Retained earnings		171,778,906	151,098,138
<b>Total equity</b>		<b>272,822,061</b>	<b>251,863,198</b>
<b>Non-current liabilities</b>			
Bank term loans	16	37,520,184	12,873,024
Deferred tax liability	17	7,831,245	8,423,532
<b>Total non-current liabilities</b>		<b>45,351,429</b>	<b>21,296,556</b>
<b>Current liabilities</b>			
Trade payables	18	26,058,189	30,728,488
Other payables, deposits and accruals	19	24,841,422	21,104,086
Amount owing to immediate holding company	9	1,556,413	1,810,731
Amounts owing to subsidiary companies	10	37,447,533	40,340,823
Amount owing to related companies	11	2,830,729	3,345,191
Amount owing to associated company	12	94,448	-
Bank term loans	16	17,275,191	11,292,828
Hire purchase and finance lease liabilities	20	-	13,127
Current tax liability		2,933,686	-
<b>Total current liabilities</b>		<b>113,037,611</b>	<b>108,635,274</b>
<b>Total liabilities</b>		<b>158,389,040</b>	<b>129,931,830</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>431,211,101</b>	<b>381,795,028</b>

The accompanying notes form an integral part of the financial statements

# Statement Of Comprehensive Income

For The Year Ended 31 March 2015

With comparative figure for 15 months ended 31 March 2014

	Note	Group Year ended 31.3.2015 RM	15 months ended 31.3.2014 RM	Company Year ended 31.3.2015 RM	15 months ended 31.3.2014 RM
Revenue	21	494,305,143	559,613,332	481,236,541	525,795,328
Cost of sales		(360,746,553)	(418,368,278)	(353,410,116)	(390,598,127)
Gross profit		133,558,590	141,245,054	127,826,425	135,197,201
Other income	22	3,270,653	2,197,158	3,483,689	3,044,906
Administrative and general expenses		(94,635,308)	(100,532,487)	(90,935,295)	(96,959,248)
Profit from operations	23	42,193,935	42,909,725	40,374,819	41,282,859
Finance costs	24	(1,359,327)	(1,470,140)	(844,369)	(1,470,140)
Share of net profit of associated company		617,908	620,941	-	-
Profit before tax		41,452,516	42,060,526	39,530,450	39,812,719
Tax expense	25	(10,654,834)	(11,548,701)	(9,849,682)	(10,835,208)
Profit for the year/period		30,797,682	30,511,825	29,680,768	28,977,511
Other comprehensive income:					
<i>Items that will be reclassified subsequently to profit or loss:</i>					
Exchange difference on translation of foreign operation		5,733	(73,150)	-	-
Fair value adjustment on cash flow hedge		278,095	318,950	278,095	318,950
Other comprehensive income for the year/period, net of tax		283,828	245,800	278,095	318,950
Total comprehensive income for the year/period		31,081,510	30,757,625	29,958,863	29,296,461
Profit attributable to:					
Owners of the Company		30,680,795	30,409,124	29,680,768	28,977,511
Non-controlling interests		116,887	102,701	-	-
Profit for the year/period		30,797,682	30,511,825	29,680,768	28,977,511
Total comprehensive income attributable to:					
Owners of the Company		30,964,623	30,654,924	29,958,863	29,296,461
Non-controlling interests		116,887	102,701	-	-
Total comprehensive income for the year/period		31,081,510	30,757,625	29,958,863	29,296,461
Basic earnings per share attributable to owners of the Company (sen per share)					
	26	30.68	30.41		

The accompanying notes form an integral part of the financial statements

# Consolidated Statement Of Changes In Equity

For The Year Ended 31 March 2015

Group	Note	Attributable to owners of the Company									
		Non distributable					Distributable				
		Share capital	Share premium	Share Revaluation reserve	Exchange Hedge reserve	translation reserve	Retained earnings	Non-controlling Total	interests	equity	
		RM	RM	RM	RM	RM	RM	RM	RM	RM	
Balance at 1 January 2013		100,000,000	801,317	1,400,591	(355,207)	(80,298)	153,718,848	255,485,251	549,328	256,034,579	
Total comprehensive income for the period		-	-	-	318,950	(73,150)	30,409,124	30,654,924	102,701	30,757,625	
Dividends paid	27	-	-	-	-	-	(9,007,495)	(9,007,495)	-	(9,007,495)	
Balance at 31 March 2014		100,000,000	801,317	1,400,591	(36,257)	(153,448)	175,120,477	277,132,680	652,029	277,784,709	
Total comprehensive income for the year		-	-	-	278,095	5,733	30,680,795	30,964,623	116,887	31,081,510	
Dividends paid	27	-	-	-	-	-	(9,000,000)	(9,000,000)	-	(9,000,000)	
Balance at 31 March 2015		100,000,000	801,317	1,400,591	241,838	(147,715)	196,801,272	299,097,303	768,916	299,866,219	

The accompanying notes form an integral part of the financial statements



# Statement Of Changes In Equity

For The Year Ended 31 March 2015

		← Non distributable →		Distributable		
	Note	Share capital RM	Share premium RM	Hedge reserve RM	Retained earnings RM	Total equity RM
<b>Company</b>						
Balance at 1 January 2013		100,000,000	801,317	(355,207)	131,128,122	231,574,232
Total comprehensive income for the period		-	-	318,950	28,977,511	29,296,461
Dividends paid	27	-	-	-	(9,007,495)	(9,007,495)
Balance at 31 March 2014		100,000,000	801,317	(36,257)	151,098,138	251,863,198
Total comprehensive income for the year		-	-	278,095	29,680,768	29,958,863
Dividends paid	27	-	-	-	(9,000,000)	(9,000,000)
Balance at 31 March 2015		100,000,000	801,317	241,838	171,778,906	272,822,061

The accompanying notes form an integral part of the financial statements

# Statement Of Cash Flow

For The Year Ended 31 March 2015  
(With comparative figures for 15 months ended 31 March 2014)

		Group		Company	
		Year ended	15 months ended	Year ended	15 months ended
Note		31.3.2015	31.3.2014	31.3.2015	31.3.2014
		RM	RM	RM	RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Profit before tax		41,452,516	42,060,526	39,530,450	39,812,719
Adjustments for:					
Allowance for doubtful debts		421,335	738,828	421,335	738,828
Depreciation		16,716,676	19,781,653	16,214,040	19,424,311
Gain on disposal of property, plant and equipment		(156,259)	(411,563)	(135,859)	(387,563)
Impairment loss of other investment		45,000	-	45,000	-
Property, plant and equipment written off		-	30,402	-	30,402
Loss on disposal of investment in quoted shares		-	8,968	-	8,968
Share of net profit of associated company		(617,908)	(620,941)	-	-
Interest income		(799,165)	(939,372)	(799,165)	(939,372)
Dividend income		-	(74,298)	(653,153)	(1,162,886)
Interest expense		1,359,327	1,470,140	844,369	1,470,140
Unrealised gain on foreign exchange		(274,577)	-	(274,577)	-
Operating profit before working capital changes		58,146,945	62,044,343	55,192,440	58,995,547
Changes in inventories		(40,092)	(6,629)	-	-
Changes in receivables		1,491,057	(22,468,220)	(3,345,865)	(14,406,408)
Changes in payables		(4,637,766)	19,360,085	(637,183)	16,003,955
Cash generated from operations		54,960,144	58,929,579	51,209,392	60,593,094
Tax paid		(8,305,133)	(10,341,356)	(7,508,284)	(9,737,087)
Net cash generated from operating activities		46,655,011	48,588,223	43,701,108	50,856,007
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Purchase of property, plant and equipment	28	(51,513,169)	(31,801,079)	(16,292,581)	(26,226,962)
Proceeds from disposal of property, plant and equipment		1,058,841	853,400	1,037,905	829,400
Proceeds from disposal of other investment		-	17,032	-	17,032
Investment in subsidiary company	34	(7,173,824)	-	(7,280,000)	-
Advances to subsidiary companies		-	-	(26,872,213)	(6,655,965)
Interest received		799,165	939,372	799,165	939,372
Dividends received		-	74,298	-	74,298
Net cash used in investing activities		(56,828,987)	(29,916,977)	(48,607,724)	(31,022,825)

## Statement Of Cash Flow

For The Year Ended 31 March 2015

(With comparative figures for 15 months ended 31 March 2014)

	Note	Group Year ended 31.3.2015 RM	15 months ended 31.3.2014 RM	Company Year ended 31.3.2015 RM	15 months ended 31.3.2014 RM
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Drawdown of term loan		39,000,000	6,000,000	39,000,000	6,000,000
Repayment of term loan		(14,053,330)	(14,057,678)	(14,053,330)	(14,057,678)
Advances from subsidiary companies		-	-	(6,251,139)	(3,596,692)
Payment of hire purchase and finance lease liabilities		(13,127)	(297,577)	(13,127)	(297,577)
Interest paid		(1,359,327)	(1,470,140)	(844,369)	(1,470,140)
Dividends paid		(9,000,000)	(9,007,495)	(9,000,000)	(9,007,495)
Net cash generated from/(used in) financing activities		14,574,216	(18,832,890)	8,838,035	(22,429,582)
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>					
		4,400,240	(161,644)	3,931,419	(2,596,400)
<b>CASH AND CASH EQUIVALENTS BROUGHT FORWARD</b>					
		52,461,374	52,698,553	47,450,777	50,047,177
<b>EFFECT OF EXCHANGE RATE CHANGES</b>					
		219,706	(75,535)	216,718	-
<b>CASH AND CASH EQUIVALENTS CARRIED FORWARD</b>					
		57,081,320	52,461,374	51,598,914	47,450,777
Represented by:					
Fixed deposits with a licensed banks		39,101,118	29,861,167	39,101,118	29,861,167
Cash and bank balances		17,980,202	22,600,207	12,497,797	17,589,610
		57,081,320	52,461,374	51,598,915	47,450,777

## 1. SIGNIFICANT ACCOUNTING POLICIES

### (a) Basis of preparation

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") issued by the Malaysian Accounting Standards Board ("the MASB"), International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

The measurement bases applied in the preparation of the financial statements include historical cost, recoverable value, realisable value and fair value. Estimates are used in measuring these values.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Fair value measurements are categorised as follows:

- Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2: Inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Inputs are unobservable inputs for the asset or liability.

The financial statements are presented in Ringgit Malaysia ("RM"), which is also the Group's and the Company's functional currency.

### (b) Application of new or revised standards

In the current year, the Group and the Company applied a number of new standards and amendments that became effective mandatorily for the accounting periods beginning on or after 1 April 2014.

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

### (c) Standards issued that are not yet effective

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

		Effective date
Amendments to MFRS 119	Defined Benefit Plans: Employee Contributions	1 July 2014
Amendments to MFRS 2, MFRS 3, MFRS 8, MFRS 116, MFRS 124, MFRS 138	Annual Improvements to MFRSs 2010-2012 Cycle	1 July 2014
Amendments to MFRS 3, MFRS 13, MFRS 140	Annual Improvements to MFRSs 2011-2013 Cycle	1 July 2014
MFRS 14	Regulatory Deferral Accounts	1 January 2016
Amendments to MFRS 116 and MFRS 138	Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRS 11	Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to MFRS 141	Amendments Resulting from the Incorporation of Bearer Plants into the scope of MFRS 116	1 January 2016
Amendments to MFRS 127	Equity Method in Separate Financial Statements	1 January 2016

# Consolidated Statement Of Financial Position

As At 31 March 2015

## 1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### (c) Standards issued that are not yet effective (Cont'd)

The Group and the Company have not applied the following standards, amendments and interpretations that have been issued by the MASB but are not yet effective (Cont'd):

Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2016
Amendments to MFRS 5, MFRS 7, MFRS 119 and MFRS 134	Annual Improvements to MFRSs 2012-2014 Cycle	1 January 2016
Amendments to MFRS 101	Disclosure Initiative	1 January 2016
Amendments to MFRS 10, MFRS 12 and MFRS 128	Investment Entities: Applying the Consolidation Exception	1 January 2016
MFRS 15	Revenue from Contracts with Customers	1 January 2017
MFRS 9	Financial Instruments	1 January 2018

Except as otherwise indicated below, the adoption of the above new standards, amendments and interpretation are not expected 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.

### (d) Significant accounting estimates and judgements

The preparation of financial statements in conformity with MFRS requires management to exercise judgement in the process of applying the accounting policies. It also requires the use of accounting estimates and assumptions that affect reported amounts of asset and liabilities and disclosures of contingent assets and liabilities at the reporting date, and reported amounts of income and expenses during the financial year.

Although these estimates are based on management's best knowledge of current events and actions, historical experiences and various other factors, including expectations for future events that are believed to be reasonable under the circumstances, actual results may ultimately differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.



## 1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### (d) Significant accounting estimates and judgements (Cont'd)

#### *Key sources of estimation uncertainty*

The key assumptions concerning the future and other key sources associated with estimation uncertainty at the reporting date that have significant risks of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

#### (i) *Depreciation of property, plant and equipment*

Property, plant and equipment are depreciated on a straight-line basis to write off their costs to their residual values over their estimated useful lives. Management estimates the useful life of these assets to be from 5 to 50 years.

The carrying amounts of the Group's and Company's property, plant and equipment as at 31 March 2015 were RM254,375,593 and RM206,625,043 (2014: RM207,786,965 and RM204,578,232) respectively.

Changes in the expected level of usage, physical wear and tear and technological development could impact the economic useful lives and residual values of these assets, and therefore future depreciation charges could be revised.

#### (ii) *Impairment of loans and receivables*

The collectability of receivables is assessed on an on going basis. An allowance for doubtful debts is made for any account considered to be doubtful of collection.

The carrying amounts of the Group's and Company's trade and other receivables as at 31 March 2015 were RM105,251,208 and RM137,987,692 (2014: RM100,089,941 and RM101,671,954), respectively.

The Group and the Company assess at each reporting date whether there is any objective evidence that receivables have been impaired. To determine whether there is objective evidence of impairment, a considerable amount of judgement is required in assessing the ultimate realisation of these receivables, including creditworthiness and the past collection history of each customer. If the financial conditions of customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required.

#### (iii) *Income taxes*

Significant judgement is involved in determining the capital allowances and deductibility of certain expenses during the estimation of the provision for income tax. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business.

The Group and the Company recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

The carrying amounts of the Group's and Company's tax assets as at 31 March 2015 were RM7,243,936 and RM7,226,292 (2014: RM7,235,889 and RM7,226,292), respectively.

The carrying amounts of the Group's and Company's tax liabilities as at 31 March 2015 were RM3,005,476 and RM2,933,686 (2014: RM124,845 and nil), respectively.

# Notes To The Financial Statements

## For The Year Ended 31 March 2015

### 1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (e) Subsidiaries

In the Company's separate financial statements, investments in subsidiary companies are measured at cost less impairment losses. Impairment losses are charged to profit or loss.

On disposal, the difference between the net disposal proceeds and the carrying amounts of the subsidiaries disposed of is recognised in profit or loss.

#### (f) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and of all its subsidiaries and entities controlled by the Company (including structured entities) made up to the end of the financial year.

The Company controls an investee if and only if the Company has all the following:

- (i.) power over the investee;
- (ii.) exposure, or rights, to variable returns from its involvement with the investee; and
- (iii.) the ability to use its power over the investee to affect the amount of the investor's returns.

Potential voting rights are considered when assessing control only if the rights are substantive.

The Company reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Consolidation of an investee shall begin from the date the Company obtains control of the investee and cease when the Company loses control of the investee.

The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

All intra-group balances, transactions, income and expenses are eliminated in full on consolidation and the consolidated financial statements reflect external transactions only.

The Company attributes the profit or loss and each component of other comprehensive income to the owners of the Company and to the non-controlling interests. The Company also attributes total comprehensive income to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

#### *Changes of Interests in Subsidiaries*

The changes of interests in subsidiaries that do not result in a loss of control are treated as equity transactions between the Group and non-controlling interests. Any gain or loss arising from equity transactions is recognised directly in equity.

## 1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### (f) Basis of consolidation

#### *Loss of control*

When the Company loses control of a subsidiary:

- (i) It derecognises the assets and liabilities, non-controlling interests, and other amounts previously recognised in other comprehensive income relating to the former subsidiary.
- (ii) It recognises any gain or loss in profit or loss attributable to the Group, which is calculated as the difference between:
  - (a) the aggregate of the fair value of the consideration received, if any, from the transaction, event or circumstances that resulted in the loss of control; plus any investment retained in the former subsidiary at its fair value at the date when control is lost; and
  - (b) the net carrying amount of assets, liabilities, goodwill and any non-controlling interests attributable to the former subsidiary at the date when control is lost.
- (iii) It recognises any investment retained in the former subsidiary at its fair value when control is lost and subsequently accounts for it and for any amounts owed by or to the former subsidiary in accordance with relevant MFRS. That fair value shall be regarded as the fair value on initial recognition of a financial asset in accordance with MFRS 139 or, when appropriate, the cost on initial recognition of an investment in an associate or joint venture.

### (g) Business combination

The Group accounts for each business combination by applying the acquisition method.

The consideration transferred in a business combination shall be measured at fair value, which shall be calculated as the sum of the acquisition date fair values of the assets transferred by the Group, the liabilities incurred by the Group and the equity interests issued by the Group.

The Group accounts for acquisition related costs as expenses in the period in which the costs are incurred and the services are received.

For each business combination, the Group measures at the acquisition date, components of non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation at either: (i) fair value; or (ii) the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets.

On the date of acquisition, goodwill is measured as the excess of (a) over (b) below:

- (a) The aggregate of:
  - (i) the fair value of consideration transferred;
  - (ii) the amount of any non-controlling interest in the acquiree; and
  - (iii) in a business combination achieved in stages, the fair value of the Group's previously held equity interest in the investee.
- (b) The net fair value of the identifiable assets acquired and the liabilities assumed.

In a business combination where the amount in (b) above exceeds the aggregate of the amounts in (a) above, the Group recognises the resulting gain in profit or loss on the acquisition date.

# Notes To The Financial Statements

## For The Year Ended 31 March 2015

### 1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (h) Associated company

An associated company is an entity in which the Group has significant influence and that is neither a subsidiary company nor an interest in a joint arrangement. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group has significant influence.

Investments in associated companies are accounted for in the consolidated financial statements using the equity method of accounting. Under the equity method, investments in associated companies are initially recognised at cost and adjusted thereafter for post-acquisition changes in the Group's share of net assets of the associated companies.

The Group's share of net profits or losses and changes recognised directly in the other comprehensive income of the associated companies are recognised in the consolidated income statement and consolidated statement of comprehensive income, respectively.

An investment in an associated company is accounted for using the equity method from the date on which the Group obtains significant influence until the date the Group ceases to have significant influence over the associated company.

Premium relating to an associated company is included in the carrying value of the investment and it is not tested for impairment separately. Instead, the entire carrying amount of the investment is tested for impairment in accordance with the accounting policy set out in 1(l) (ii) below.

Discount on acquisition is excluded from the carrying amount of the investment and is instead included as income in the determination of the Group's share of the associated company's profit or loss in the period in which the investment is acquired.

Unrealised gains on transactions between the Group and its associated companies are eliminated to the extent of the Group's interest in the associated companies.

Equity accounting is discontinued when the carrying amount of the investment in an associated company diminishes by virtue of losses to zero, unless the Group has legal or constructive obligations or made payments on behalf of the associated company.

The results and reserves of associated companies are accounted for in the consolidated financial statements based on audited and/or unaudited financial statements that conform to those used by the Group for like transaction in similar circumstances.

The results and reserves of associated companies are accounted for in the consolidated financial statements based on audited financial statements made up to a date not more than 3 months before or after the Group's financial year end date.

When the Group ceases to have significant influence over an associate, any retained interest in the former associate is recognised at fair value on the date when significant influence is lost. Any gain or loss arising from the loss of significant influence over an associate is recognised in profit or loss.

When changes in the Group's interests in an associate that do not result in a loss of significant influence, the retained interests in the associate are not remeasured. Any gain or loss arising from the changes in the Group's interests in the associate is recognised in profit or loss.

In the Company's separate financial statements, investments in associates are measured at cost less impairment losses, if any. Impairment losses are recognised in profit or loss.

On disposal, the difference between the net disposal proceeds and the carrying amount of the associate disposed of is recognised in profit or loss.

## 1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### (i) Financial instruments

A financial instrument is any contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise.

#### (i) Initial recognition and measurement

A financial instrument is recognised in the financial statements when, and only when, the Company or its subsidiaries becomes a party to the contractual provisions of the instrument.

A financial instrument is recognised initially, at its fair value plus, in the case of a financial instrument not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial instrument.

#### (ii) Financial instrument categories and subsequent measurement

##### Financial assets

Financial assets are classified as either financial assets at fair value through profit or loss ("FVTPL"), loans and receivables, held-to-maturity ("HTM") investments or available-for-sale ("AFS") financial assets as appropriate. The Group and the Company determines the classification of the financial assets as set out below upon initial recognition.

In the ordinary course of business, the Group and the Company do not have financial assets categorised as FVTPL and HTM investments.

##### *Loans and receivables*

Loans and receivables category comprises debt instruments that are not quoted in an active market, trade and other receivables and cash and cash equivalents.

Financial assets categorised as loans and receivables are subsequently measured at amortised cost using the effective interest method, less allowance for impairment losses. Gains or losses are recognised in profit or loss when the loans and receivables are derecognised or impaired and through the amortisation process.

##### *AFS financial assets*

AFS financial assets category comprises investment in equity and debt securities instruments and transferable corporate club memberships that are not held for trading.

Transferable corporate club memberships and investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are measured at cost.

Other financial assets categorised as AFS financial assets are subsequently measured at their fair values with the gain or loss recognised in other comprehensive income, except for impairment losses, foreign exchange gains and losses arising from monetary items and gains and losses of hedged items attributable to hedge risks of fair value hedges which are recognised in profit or loss.

On derecognition, the cumulative gain or loss recognised in other comprehensive income is reclassified from other comprehensive income into profit or loss. Interest calculated for a debt instrument using the effective interest method is recognised in profit or loss.

All financial assets, except for those measured at FVTPL are subject to review for impairment 1 (I)(i).



# Notes To The Financial Statements

For The Year Ended 31 March 2015

## 1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

### (i) Financial instruments (Cont'd)

#### (ii) Financial instrument categories and subsequent measurement (Cont'd)

##### Financial liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or financial liabilities at amortised cost.

In the ordinary course of business, the Group and the Company do not designate any financial liabilities at FVTPL.

##### *Financial liabilities at amortised cost*

Financial liabilities at amortised cost are measured at amortised cost using the effective interest method.

#### (iii) Derecognition

A financial asset or part of it is derecognised when, and only when the contractual rights to the cash flows from the financial asset expire or the financial asset is transferred to another party without retaining control or substantially all risks and rewards of the asset.

On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received together with any cumulative gain or loss that has been recognised in equity is recognised in the profit or loss.

A financial liability or part of it is derecognised when, and only when, the obligation specified in the contract is discharged or cancelled or has expired.

On derecognition of a financial liability, the difference between the carrying amount and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

#### (iv) Derivative financial instruments and hedging

The Group uses derivative financial instruments such as forward currency contracts and currency swap contracts to hedge its risks associated with foreign currency fluctuations.

On initial recognition, these derivative financial instruments are recognised at fair value on the date on which the derivative contracts are entered into, and are subsequently remeasured to their fair value at each reporting date.

Any gains or losses arising from changes in fair value on derivatives that do not qualify for hedge accounting are taken directly to profit or loss.

The fair value of forward contracts is determined by reference to current forward exchange rates for contracts with similar maturity profiles. The fair value of swap contracts is determined by reference to available market information. Where the quoted market prices are not available, fair values are based on management's best estimate and are arrived by reference to the market prices of another contract that is substantially similar.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedge item or transaction, the hedging instrument, the nature of the risk being hedged and how effectiveness will be measured throughout its duration. Such hedges are expected to offset the changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the reporting period for which they were designated.

## 1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### (i) Financial instruments (Cont'd)

#### (iv) Derivative financial instruments and hedging (Cont'd)

##### Cash flow hedge

A cash flow hedge is a hedge of the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction and could affect the profit or loss.

For cash flow hedges, the effective portion of the gain or loss on the hedging instrument is recognised directly in other comprehensive income, while the ineffective portion is recognised in the profit or loss. Amounts taken to other comprehensive income are transferred to the profit or loss when the hedged transaction affects profit or loss, such as when a forecast sale or purchase occurs. Where the hedged item is the cost of a non-financial asset or liability, the amounts taken to equity are transferred to the initial carrying amount of the non-financial asset or liability. However, loss recognised in other comprehensive income that will not be recovered in one or more future periods is reclassified from other comprehensive income into profit or loss.

Cash flow hedge accounting is discontinued prospectively when the hedging instrument expired or is sold, terminated or exercised, the hedge is no longer highly effective, the forecast transaction is no longer expected to occur or the hedge designation is revoked.

If the hedge is for a forecast transaction, the cumulative gain or loss on the hedging instrument remains in other comprehensive income until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, any related cumulative gain or loss recognised in other comprehensive income on the hedging instrument is reclassified from other comprehensive income into profit or loss.

### (j) Property, plant and equipment

#### (i) *Recognition and measurement*

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any.

The cost of property, plant and equipment includes expenditure that is directly attributable to the acquisition of an asset. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset.

Subsequent costs are included in the asset's carrying amount when it is probable that future economic benefits associated with the asset will flow to the Group and the Company and the cost of the asset can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial year in which they are incurred.

Property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected from their use or disposal. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss.

#### (ii) Depreciation

Freehold land and construction in progress are not depreciated while leasehold land and buildings are amortised on straight-line basis over the remaining period of the lease.

Depreciation is calculated to write off the depreciable amount of other property, plant and equipment on a straight-line basis over their estimated useful lives. The depreciable amount is determined after deducting residual value from cost.

# Notes To The Financial Statements

For The Year Ended 31 March 2015

## 1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### (j) Property, plant and equipment (Cont'd)

#### (ii) Depreciation (Cont'd)

The principal annual rates used for this purpose are:

	%
Leasehold land and buildings	Over the remaining period of the lease
Freehold building	2
Motor vehicles	14 - 20
Plant and machinery	10 - 20
Office equipment, furniture and fittings	5 - 15
Air conditioners, office renovation and pallets	10

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

### (k) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost being the cost of purchase, is determined on the first-in-first-out basis. Net realisable value represents the estimated selling price in the ordinary course of business, less selling and distribution costs and all other estimated cost to completion.

### (l) Impairment

#### (i) Financial assets

All financial assets (except for financial assets categorised as FVTPL, investment in subsidiaries and investment in associated company) are assessed at each reporting date whether there is any objective evidence of impairment as a result of one or more events having an impact on the estimated future cash flows of the asset. Losses expected as a result of future events, no matter how likely, are not recognised. For an equity instrument, a significant or prolonged decline in the fair value below its cost is an objective evidence of impairment.

#### *Assets carried at amortised cost*

An impairment loss in respect of loans and receivables is recognised in profit or loss and is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate ruling at the date of acquisition of the financial asset. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognised in profit or loss.

#### *AFS financial assets*

An impairment loss in respect of AFS financial assets is recognised in profit or loss and is measured as the difference between the asset's acquisition cost (net of any principal repayment and amortisation) and the asset's current fair value, less any impairment loss previously recognised.

Where a decline in the fair value of an AFS financial asset has been recognised in the other comprehensive income, the cumulative loss in other comprehensive income is reclassified from equity and recognised to profit or loss.

An impairment loss in respect of unquoted equity instrument that is carried at cost is recognised in profit or loss and is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset.

Reversal of impairment losses recognised in profit or loss for an investment in an unquoted equity instrument is not permitted.

## 1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### (l) Impairment

#### (ii) Non-financial assets

##### *Tangible and intangible assets*

Tangible and intangible assets are assessed at each reporting date to determine whether there is any indication of impairment.

If such an indication exists, the asset's recoverable amount is estimated. The recoverable amount is the higher of an asset's fair value less cost to sell and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Recoverable amounts are estimated for individual assets or, if it is not possible, for the cash-generating unit to which the asset belongs.

An impairment loss is recognised whenever the carrying amount of an asset or a cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in profit or loss except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

Any reversal of an impairment loss as a result of a subsequent increase in recoverable amount should not exceed the carrying amount that would have been determined (net of amortisation or depreciation, if applicable) had no impairment loss been previously recognised for the asset.

### (m) Equity instruments

Equity instruments are measured at cost on initial recognition and are not remeasured subsequently.

Cost incurred directly attributable to the issuance of equity instruments are accounted for as a deduction from equity.

Ordinary shares are classified as equity and are recorded at nominal value. Any proceeds received in excess of the nominal value of the ordinary shares issued are accounted for as share premium.

### (n) Provisions

A provision is recognised if, as a result of a past event, the Group and the Company have a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

### (o) Income recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the Company and when the revenue can be reliably measured, on the following bases:

- (i) Revenue from freight forwarding, transportation and warehousing services are recognised in profit or loss as and when services are rendered.
- (ii) Truck rental income is recognised on a straight-line basis over the specific tenure of the respective leases.
- (iii) Forwarding agency commission is recognised as and when services are rendered.
- (iv) Interest income is recognised on a time proportion basis.
- (v) Dividend income is recognised when the right to receive payment is established.
- (vi) Rental income is recognised on a straight-line basis over the specific tenure of the respective leases.
- (vii) Insurance agency commission income is recognised upon the execution or renewal of insurance policies.

# Notes To The Financial Statements

For The Year Ended 31 March 2015

## 1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### (p) Foreign currencies

#### (i) *Transactions and balances in foreign currencies*

Foreign currencies are translated to the functional currency at the rate of exchange ruling at the date of the transaction.

Exchange differences arising on the settlement of monetary items and the translation of monetary items are included in profit or loss for the period.

Non-monetary items which are measured in terms of historical costs denominated in foreign currencies are translated at foreign exchange rates ruling at the date of the transaction.

Non-monetary items which are measured at fair values denominated in foreign currencies are translated at the foreign exchange rates ruling at the date when the fair value was determined.

When a gain or loss on a non-monetary item is recognised directly in other comprehensive income, any corresponding exchange gain or loss is recognised directly in other comprehensive income. When a gain or loss on a non-monetary item is recognised in profit or loss, any corresponding exchange gain or loss is recognised in profit or loss.

#### (ii) *Translation of foreign operations*

For consolidation purposes, all assets and liabilities of foreign operations that have a functional currency other than RM (including goodwill and fair value adjustments arising from the acquisition of the foreign operations) are translated at the exchange rates ruling at the reporting date.

Income and expense items are translated at exchange rates approximating those ruling on transaction dates.

All exchange differences arising from the translation of the financial statements of foreign operations are dealt with through the exchange translation reserve account within other comprehensive income. On the disposal of a foreign operation, the cumulative exchange translation reserves relating to that foreign operation are recognised in profit or loss as part of the gain or loss on disposal.

### (q) Leases

A lease is an agreement whereby the lessor conveys to the lessee in return for a payment or series of payments the right to use an asset for an agreed period of time.

#### (i) *Finance lease*

A finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset. Title may or may not eventually be transferred.

Property, plant and equipment acquired by way of finance leases are stated at amounts equal to the lower of their fair values and the present value of minimum lease payments at the inception of the leases, less accumulated depreciation and any impairment losses.

In calculating the present value of the minimum lease payments, the discount rate is the interest rate implicit in the lease, if this is determinable; if not, the Group's incremental borrowing rate is used.

#### (ii) *Operating lease*

An operating lease is a lease other than a finance lease.

Operating lease income or operating lease expense are credited or charged to the profit or loss on a straight-line basis over the period of the lease.

## 1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### (r) Employee benefits

#### (i) *Short-term employee benefits*

Salaries, wages, allowances, bonuses, paid annual leave, paid sick leave and non-monetary benefits are recognised as an expense in the period in which the associated services are rendered by employees.

#### (ii) *Post-employment benefits*

The Company and its Malaysian subsidiary companies pay monthly contributions to the Employees Provident Fund ("the EPF") which is a defined contribution plan.

The legal or constructive obligation of the Company and its Malaysian subsidiary companies is limited to the amount that they agree to contribute to the EPF. The contributions to the EPF are charged to profit or loss in the period to which they relate.

The Company's foreign subsidiary company may make contributions to its country's statutory pension schemes which are recognised as an expense in profit or loss as incurred.

### (s) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use of sale, are capitalised as part of the cost of those assets.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

### (t) Taxation

The tax expense represents the aggregate amount of current tax and deferred tax included in the determination of profit or loss for the financial year.

On the statement of financial position, a deferred tax liability is recognised for taxable temporary differences while a deferred tax asset is recognised for deductible temporary differences and tax losses only to the extent that it is probable that taxable profit will be available in future against which the deductible temporary differences and tax losses can be utilised.

No deferred tax is recognised for temporary differences arising from the initial recognition of:

- (i) goodwill, or
- (ii) an asset or liability which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax assets and liabilities are measured based on tax consequences that would follow from the manner in which the asset or liability is expected to be recovered or settled, and based on tax rates enacted or substantively enacted by the reporting date that are expected to apply to the period when the asset is realised or when the liability is settled.

Current tax and deferred tax are charged or credited directly to other comprehensive income if the tax relates to items that are credited or charged, whether in the same or a different period, directly to other comprehensive income.



## Notes To The Financial Statements

For The Year Ended 31 March 2015

### 1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (u) Cash and cash equivalents

Cash and cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value.

For the purposes of the statement of cash flows, cash and cash equivalents are presented net of bank overdrafts.

#### (v) Operating segment

Segment reporting in the financial statements is presented on the same basis as it is used by management internally for evaluating operating segment performance and in deciding how to allocate resources to each operating segment. Operating segments are distinguishable components of the Group that engage in business activities from which they may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's results are reviewed regularly by the chief operating decision maker to decide how to allocate resources to the segment and assess its performance, and for which discrete financial information is available.

Segment revenue and expense, are those amounts resulting from operating activities of a segment that are directly attributable to the segment and a relevant portion that can be allocated on a reasonable basis to the segment.

Segment revenue and expense, are determined before intra-group balances and intra-group transactions are eliminated as part of the consolidation process, except to the extent that such intra-group balances and transactions are between group entities within a single segment.

Segment assets and liabilities information are neither included in the internal management reports nor provided regularly to the management. Hence no disclosures are made on segment assets and liabilities.

# Notes To The Financial Statements

For The Year Ended 31 March 2015

## 2. PROPERTY PLANT AND EQUIPMENT

Group As at 31.3.2015	Freehold land and building RM	Leasehold buildings RM	Leasehold land RM	Motor vehicles RM	Plant and machinery RM	Office equipment, furniture and fittings RM	Air conditioners, office renovation and pallets RM	Total RM
<b>Cost</b>								
At 1.4.2014	15,725,972	122,823,222	45,326,454	78,875,245	14,603,002	19,677,207	32,293,354	329,324,456
Acquisition of a subsidiary	-	3,607,121	6,214,535	-	-	-	-	9,821,656
Additions	2,836,860	34,788,002	27,255	7,178,374	2,481,317	1,889,118	5,182,559	54,383,485
Disposals	-	-	-	(916,511)	(335,700)	(5,566)	(568,750)	(1,826,527)
Write-offs	-	-	-	(113,859)	-	-	-	(113,859)
Reclassification	-	-	-	-	-	9,987	(9,987)	-
Exchange differences	-	-	-	-	-	2,682	5,622	8,304
At 31.3.2015	18,562,832	161,218,345	51,568,244	85,023,249	16,748,619	21,573,428	36,902,798	391,597,515
<b>Accumulated depreciation</b>								
At 1.4.2014	958,957	22,268,554	3,715,078	58,729,541	10,770,075	11,653,103	13,442,183	121,537,491
Charge for the year	210,467	2,332,779	796,463	7,029,823	1,418,037	1,734,408	3,194,699	16,716,676
Disposals	-	-	-	(742,929)	(173,700)	(2,471)	(4,845)	(923,945)
Write-offs	-	-	-	(113,859)	-	-	-	(113,859)
Exchange differences	-	-	-	-	-	1,859	3,700	5,559
At 31.3.2015	1,169,424	24,601,333	4,511,541	64,902,576	12,014,412	13,386,899	16,635,737	137,221,922
Net carrying amount								
At 31.3.2015	17,393,408	136,617,012	47,056,703	20,120,673	4,734,207	8,186,529	20,267,061	254,375,593

# Notes To The Financial Statements

For The Year Ended 31 March 2015

## 2. PROPERTY PLANT AND EQUIPMENT (CONT'D)

Group	Freehold	Leasehold	Leasehold	Leasehold	Motor	Plant	Office	Air	
As at 31.3.2014	land and	buildings	land	vehicles	and	equipment, conditioners,	Office	Office	
Cost	building	RM	RM	RM	machinery	furniture	and	renovation	Construction
	RM				RM	and	and	and	in progress
						fittings	pallets		RM
									RM
At 1.1.2013	15,725,972	105,245,188	39,881,454	71,051,010	10,771,432	17,678,422	30,319,410	9,672,000	300,344,888
Additions	-	9,703,034	5,445,000	10,411,148	2,180,170	2,060,720	2,001,007	-	31,801,079
Disposals	-	-	-	(2,586,913)	(145,600)	(63,500)	-	-	(2,796,013)
Write-offs	-	-	-	-	-	-	(31,450)	-	(31,450)
Reclassification	-	7,875,000	-	-	1,797,000	-	-	(9,672,000)	-
Exchange differences	-	-	-	-	-	1,565	4,387	-	5,952
At 31.03.2014	15,725,972	122,823,222	45,326,454	78,875,245	14,603,002	19,677,207	32,293,354	-	329,324,456
<b>Accumulated depreciation</b>									
At 1.1.2013	726,959	19,612,596	2,802,717	52,760,937	9,069,956	9,556,877	9,577,453	-	104,107,495
Charge for the period	231,998	2,655,958	912,361	8,162,085	1,845,719	2,110,094	3,863,438	-	19,781,653
Disposals	-	-	-	(2,193,481)	(145,600)	(15,095)	-	-	(2,354,176)
Write-offs	-	-	-	-	-	-	(1,048)	-	(1,048)
Exchange differences	-	-	-	-	-	1,227	2,340	-	3,567
At 31.3.2014	958,957	22,268,554	3,715,078	58,729,541	10,770,075	11,653,103	13,442,183	-	121,537,491
Net carrying amount									
At 31.3.014	14,767,015	100,554,668	41,611,376	20,145,704	3,832,927	8,024,104	18,851,171	-	207,786,965

# Notes To The Financial Statements

For The Year Ended 31 March 2015

## 2. PROPERTY PLANT AND EQUIPMENT (CONT'D)

Company As at 31.3.2015	Freehold land and building RM	Leasehold buildings RM	Leasehold land RM	Motor vehicles RM	Plant and machinery RM	Office equipment, furniture and fittings RM	Air conditioners, office renovation and pallets RM	Total RM
Cost								
At 1.4.2014	15,687,401	108,839,559	39,274,288	73,711,542	14,589,165	19,558,927	32,037,311	303,698,193
Additions	2,836,860	-	-	7,178,374	2,182,017	1,787,937	5,177,709	19,162,897
Disposals	-	-	-	(916,511)	(335,700)	(4,863)	(568,750)	(1,825,824)
At 31.3.2015	18,524,261	108,839,559	39,274,288	79,973,405	16,435,482	21,342,001	36,646,270	321,035,266
Accumulated depreciation								
At 1.4.2014	920,386	7,783,757	2,712,905	52,100,077	10,762,109	11,566,944	13,273,783	99,119,961
Charge for the year	210,467	2,195,078	478,091	7,029,823	1,414,306	1,709,714	3,176,561	16,214,040
Disposals	-	-	-	(742,929)	(173,700)	(2,304)	(4,845)	(923,778)
At 31.3.2015	1,130,853	9,978,835	3,190,996	58,386,971	12,002,715	13,274,354	16,445,499	114,410,223
Net carrying amount								
At 31.3.2015	17,393,408	98,860,724	36,083,292	21,586,434	4,432,767	8,067,647	20,200,771	206,625,043

# Notes To The Financial Statements

For The Year Ended 31 March 2015

## 2. PROPERTY PLANT AND EQUIPMENT (CONT'D)

Company As at 31.3.2014	Freehold land and building RM	Leasehold buildings RM	Leasehold land RM	Motor vehicles RM	Plant and machinery RM	Office equipment, furniture and fittings RM	Air conditioners, office renovation and pallets RM	Construction in progress RM	Total RM
Cost									
At 1.1.2013	15,687,401	91,261,525	39,274,288	65,887,307	10,762,755	17,630,902	30,122,516	9,672,000	280,298,694
Additions	-	9,703,034	-	10,411,148	2,175,010	1,991,525	1,946,245	-	26,226,962
Disposals	-	-	-	(2,586,913)	(145,600)	(63,500)	-	-	(2,796,013)
Write-offs	-	-	-	-	-	-	(31,450)	-	(31,450)
Reclassification	-	7,875,000	-	-	1,797,000	-	-	(9,672,000)	-
At 31.3.2014	15,687,401	108,839,559	39,274,288	73,711,542	14,589,165	19,558,927	32,037,311	-	303,698,193
Accumulated depreciation									
At 1.1.2013	688,388	5,127,799	2,115,291	46,131,473	9,062,762	9,484,412	9,440,749	-	82,050,874
Charge for the period	231,998	2,655,958	597,614	8,162,085	1,844,947	2,097,627	3,834,082	-	19,424,311
Disposals	-	-	-	(2,193,481)	(145,600)	(15,095)	-	-	(2,354,176)
Write-offs	-	-	-	-	-	-	(1,048)	-	(1,048)
At 31.3.2014	920,386	7,783,757	2,712,905	52,100,077	10,762,109	11,566,944	13,273,783	-	99,119,961
Net carrying amount									
At 31.3.2014	14,767,015	101,055,802	36,561,383	21,611,465	3,827,056	7,991,983	18,763,528	-	204,578,232

# Notes To The Financial Statements

For The Year Ended 31 March 2015

## 2. PROPERTY PLANT AND EQUIPMENT (CONT'D)

Included in property, plant and equipment are assets acquired under unexpired hire purchase and finance lease arrangements with net carrying amount as follows:

	Group/Company	
	As at	As at
	31.3.2015	31.3.2014
	RM	RM
Motor vehicles	-	205,010

## 3. INVESTMENT IN SUBSIDIARY COMPANIES

	Company	
	As at	As at
	31.3.2015	31.3.2014
	RM	RM
Unquoted shares at cost	21,542,565	14,262,565

The Group has assessed the non-controlling interest in the subsidiaries of the Group and has determined that the non-controlling interest are not individually material to the Group's financial position, performance and cash flows.

Details of the subsidiary companies are as follows:

	Equity interest		Country of incorporation	Principal activities
	As at 31.3.2015 %	As at 31.3.2014 %		
Baik Sepakat Sdn Bhd	100	100	Malaysia	Truck rental and insurance agency services
Tunas Cergas Logistik Sdn Bhd	100	100	Malaysia	Truck rental, in-house truck repair and maintenance and the provision of other related logistics services
Emulsi Teknik Sdn Bhd	100	100	Malaysia	Truck rental and logistics services
* Trans-Asia Shipping Pte Ltd	100	100	Singapore	Customs broking, handling agency and freight forwarding services
Maya Kekal Sdn Bhd	100	100	Malaysia	Trading
Precious Fortunes Sdn Bhd	100	100	Malaysia	Warehouse rental
Tasco Express Sdn Bhd	100	100	Malaysia	Dormant
Titian Pelangi Sdn Bhd	100	-	Malaysia	Warehouse rental
Omega Saujana Sdn Bhd	51	51	Malaysia	Freight forwarding services
Piala Kristal (M) Sdn Bhd	51	51	Malaysia	Freight forwarding services

\* Audited by a member firm of Mazars in Singapore



# Notes To The Financial Statements

For The Year Ended 31 March 2015

## 4. INVESTMENT IN ASSOCIATED COMPANY

	Group		Company	
	As at 31.3.2015 RM	As at 31.3.2014 RM	As at 31.3.2015 RM	As at 31.3.2014 RM
Unquoted shares at cost	3,000,000	3,000,000	3,000,000	3,000,000
Group's share of post-acquisition reserves and retained profits less losses	1,147,719	1,182,964	-	-
	4,147,719	4,182,964	3,000,000	3,000,000

The associated company, incorporated in Malaysia, is as follows:

	Equity interest		Principal activities
	As at 31.3.2015 %	As at 31.3.2014 %	
Agate Electro Supplies Sdn Bhd ("AESSB")	50	50	Warehouse rental

The financial year end of Agate Electro Supplies Sdn Bhd is 31 December. The financial year end of Agate Electro Supplies Sdn Bhd is determined by the controlling shareholders of Agate Electro Supplies Sdn Bhd since its incorporation. For the purpose of applying the equity method in the consolidated financial statements, the audited financial statements of Agate Electro Supplies Sdn Bhd for the year ended 31 December 2014 have been used.

The Group's share in the results of the associated company is as follow:

	Year ended 31.3.2015 RM	Year ended 31.3.2014 RM
Group's share of profit	617,908	620,941
Group's share of other comprehensive income	-	-
Group's share of total comprehensive income	617,908	620,941

## 5. OTHER INVESTMENTS

	Group/Company	
	As at 31.3.2015 RM	As at 31.3.2014 RM
<u>Classified as AFS financial assets</u>		
Unquoted shares at cost	367,700	367,700
Transferable corporate club memberships at cost	856,403	856,403
	1,224,103	1,224,103
Impairment loss - unquoted shares	(64,999)	(19,999)
	1,159,104	1,204,104

## 6. INVENTORIES

Inventories represent parts and consumables at cost.

# Notes To The Financial Statements

For The Year Ended 31 March 2015

## 7. TRADE RECEIVABLES

	Group		Company	
	As at 31.3.2015 RM	As at 31.3.2014 RM	As at 31.3.2015 RM	As at 31.3.2014 RM
Gross trade receivables	85,783,719	84,240,567	81,141,228	77,440,931
Allowance for doubtful debts	(2,669,623)	(2,248,288)	(2,669,623)	(2,248,288)
	83,114,096	81,992,279	78,471,605	75,192,643

The currency exposure profile of gross trade receivables is as follows:

	Group		Company	
	As at 31.3.2015 RM	As at 31.3.2014 RM	As at 31.3.2015 RM	As at 31.3.2014 RM
- Ringgit Malaysia	78,556,703	76,392,378	76,207,334	75,155,568
- United States Dollar	3,063,546	6,041,455	3,063,546	1,754,557
- Singapore Dollar	4,142,350	1,794,284	1,849,228	518,356
- Thai Baht	21,120	12,450	21,120	12,450
	85,783,719	84,240,567	81,141,228	77,440,931

Normal credit terms range from 30 to 60 days. For long outstanding customers and related parties, the credit terms may be extended to 90 days based on the discretion of the management.

## 8. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Group		Company	
	As at 31.3.2015 RM	As at 31.3.2014 RM	As at 31.3.2015 RM	As at 31.3.2014 RM
Other receivables	3,608,370	5,122,620	3,460,109	1,776,944
Deposits	3,805,102	2,719,307	2,814,257	2,608,864
Prepayments	2,292,902	2,777,270	2,071,490	2,401,104
Derivative financial assets	6,437,200	476,252	6,437,200	476,252
	16,143,574	11,095,449	14,783,056	7,263,164

The currency exposure profile of gross other receivables is as follows:

	Group		Company	
	As at 31.3.2015 RM	As at 31.3.2014 RM	As at 31.3.2015 RM	As at 31.3.2014 RM
- Ringgit Malaysia	8,678,362	10,427,437	8,345,856	6,786,912
- United States Dollar	6,437,200	476,252	6,437,200	476,252
- Singapore Dollar	1,028,012	191,760	-	-
	16,143,574	11,095,449	14,783,056	7,263,164

# Notes To The Financial Statements

For The Year Ended 31 March 2015

## 9. AMOUNT OWING BY/TO IMMEDIATE HOLDING COMPANY

The immediate holding company is Yusen Logistic Co., Ltd, a company incorporated in Japan.

The directors regard Nippon Yusen Kabushiki Kaisha ("NYK"), a company incorporated in Japan, as the ultimate holding company.

The amount owing by/to the immediate holding company represent trade accounts which are expected to be settled within the normal credit periods.

The currency exposure profile of amount owing by immediate holding company is as follows:

	Group		Company	
	As at 31.3.2015	As at 31.3.2014	As at 31.3.2015	As at 31.3.2014
	RM	RM	RM	RM
- Ringgit Malaysia	2,430,959	3,136,080	2,430,959	3,136,080
- US Dollar	318,813	568,067	318,813	568,067
- Singapore Dollar	255,496	148,866	255,496	148,866
Japanese Yen	-	16,493	-	16,493
	3,005,268	3,869,506	3,005,268	3,869,506

The currency exposure profile of amounts owing to immediate holding company is as follows:

	Group		Company	
	As at 31.3.2015	As at 31.3.2014	As at 31.3.2015	As at 31.3.2014
	RM	RM	RM	RM
- Ringgit Malaysia	7,669	6,139	7,669	6,139
- US Dollar	-	1,227	-	1,227
Japanese Yen	1,548,744	1,803,365	1,548,744	1,803,365
	1,556,413	1,810,731	1,556,413	1,810,731

## 10. AMOUNTS OWING BY/TO SUBSIDIARY COMPANIES

The amounts owing by subsidiary companies comprise:

	Company	
	As at 31.3.2015	As at 31.3.2014
	RM	RM
Trade accounts	760,326	952,226
Non-interest bearing advances	37,757,755	10,885,542
	38,518,081	11,837,768

Included in non-interest bearing advances is payment made on behalf by the Company amounting to RM24,532,250 (2014: Nil) for the property, plant and equipment acquired by a subsidiary company.

# Notes To The Financial Statements

For The Year Ended 31 March 2015

## 10. AMOUNTS OWING BY/TO SUBSIDIARY COMPANIES (CONT'D)

The amounts owing to subsidiary companies comprise:

	Company	
	As at 31.3.2015	As at 31.3.2014
	RM	RM
Trade accounts	10,809,140	7,451,291
Non-interest bearing advances	26,638,393	32,889,532
	37,447,533	40,340,823

The trade accounts are expected to be settled within the normal credit periods.

Included in non-interest bearing advances is Nil (2014: RM5,582,188) payable to a subsidiary company for the purchase of property, plant and equipment.

The non-interest bearing advances are unsecured and receivable/payable on demand.

## 11. AMOUNTS OWING BY/TO RELATED COMPANIES

The amounts owing by/to related companies represent trade accounts which are expected to be settled within the normal credit periods.

The currency exposure profile of amounts owing by related companies is as follows:

	Group		Company	
	As at 31.3.2015	As at 31.3.2014	As at 31.3.2015	As at 31.3.2014
	RM	RM	RM	RM
- Ringgit Malaysia	2,553,220	2,296,366	2,553,220	2,296,366
- US Dollar	2,194,026	3,057,012	2,194,026	3,057,012
- Singapore Dollar	395,776	372,806	395,776	372,806
Thai Baht	138,150	129,504	138,150	129,504
Japanese Yen	-	252	-	252
	5,281,172	5,855,940	5,281,172	5,855,940

Amount owing to related companies comprise:

	Group		Company	
	As at 31.3.2015	As at 31.3.2014	As at 31.3.2015	As at 31.3.2014
	RM	RM	RM	RM
Trade accounts	2,830,730	3,345,191	2,830,729	3,345,191
Non trade account	2,800,000	-	-	-
	5,630,730	3,345,191	2,830,729	3,345,191

The non-trade account represent unsecured interest free advances which are repayable on demand.

## Notes To The Financial Statements

For The Year Ended 31 March 2015

### 11. AMOUNTS OWING BY/TO RELATED COMPANIES (CONT'D)

The currency exposure profile of amounts owing to related companies is as follows:

	Group		Company	
	31.3.2015 RM	31.3.2014 RM	31.3.2015 RM	31.3.2014 RM
Ringgit Malaysia	2,858,173	615,031	58,172	615,031
Singapore dollar	769,151	198,453	769,151	198,453
United States Dollar	792,759	1,477,231	792,759	1,477,231
Thai Baht	120,169	85,955	120,169	85,955
Japanese Yen	80,753	11,017	80,753	11,017
Australia Dollar	11,050	4,805	11,050	4,805
Canada Dollar	611	2,789	611	2,789
Chinese Yuan Renminbi	339,797	387,090	339,797	387,090
Euro	310,031	141,797	310,031	141,797
Great Britain Pound	10,462	9,547	10,462	9,547
Hong Kong Dollar	252,752	184,403	252,752	184,403
Indian Rupee	40	2,225	40	2,225
South Korean Won	68,693	142,304	68,693	142,304
New Taiwan Dollar	16,287	76,776	16,287	76,776
Swedish Krona	2	5,768	2	5,768
	5,630,730	3,345,191	2,830,729	3,345,191

### 12. AMOUNTS OWING BY/TO ASSOCIATED COMPANY

The amounts owing by/to the associated company represent trade balances that is expected to be settled within the normal credit period.

### 13. FIXED DEPOSITS WITH A LICENSED BANK

The effective interest rates of the Group's and of the Company's deposits range from 3.05% to 3.25% (31.03.2014: 2.80% to 3.05%) per annum. All the deposits have maturities of three months or less.

### 14. CASH AND BANK BALANCES

The currency exposure profile of cash and bank balances is as follows:

	Group		Company	
	As at 31.3.2015 RM	As at 31.3.2014 RM	As at 31.3.2015 RM	As at 31.3.2014 RM
- Ringgit Malaysia	16,325,287	16,867,756	11,235,262	13,678,892
- US Dollar	481,089	3,336,806	481,089	3,336,806
- Singapore Dollar	1,088,759	2,321,452	696,379	499,719
- Thai Baht	85,067	74,193	85,067	74,193
	17,980,202	22,600,207	12,497,797	17,589,610

# Notes To The Financial Statements

For The Year Ended 31 March 2015

## 15. SHARE CAPITAL

	As at 31.3.2015 RM	As at 31.3.2014 RM
Authorised:		
200,000,000 ordinary shares of RM1 each	200,000,000	200,000,000
Issued and fully paid:		
100,000,000 ordinary shares of RM1 each	100,000,000	100,000,000

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company and rank equally with regard to the Company's residual assets.

The Company was given approval by Securities Commission to implement an Employees' Share Option Scheme ("ESOS") in 2007 in conjunction with the listing of the Company's share on the Main Market of Bursa Malaysia Securities Berhad.

To-date, the Company has yet to implement the ESOS.

The main features of the ESOS proposed to be set out in the By-Laws are as follows:

- (a) The maximum number of new shares which may be issued and allotted shall not in aggregate exceed fifteen per cent (15%) of the issued and paid-up share capital of the Company at any point in time during the existence of the ESOS.
- (b) To qualify for participation in the ESOS, only employees who are employed full-time by the Company or its subsidiary companies and executive directors who:
  - (i) shall have attained the age of eighteen (18) years by the Date of Offer;
  - (ii) must fall within such other categories and criteria that the ESOS Committee may decide from time to time at its absolute discretion;
  - (iii) must have been employed for a continuous period of at least one (1) year in the Group and his employment must have been confirmed by the Date of Offer.
- (c) The maximum number of Options to be offered to each eligible employee shall be at the discretion of the ESOS Committee. In exercising its discretion, the ESOS Committee shall take into consideration the seniority, performance and length of service of each eligible employee, subject to the following:
  - (i) there should be equitable allocation to the various grades of eligible employees, such that not more than 50% of the shares available under the ESOS should be allocated, in aggregate, to executive directors and senior management.
  - (ii) not more than 10% of the shares available under the ESOS should be allocated to any individual director or employee who, either singly or collectively through persons connected with the director or employee, holds 20% or more in the issued and paid-up capital of the Company. For the purposes of these By-Laws, unless the context otherwise requires, "persons connected with an eligible employee" or "persons connected with a director" shall have the same meaning given in relation to persons connected with a director or major shareholder.
- (d) The price at which the grantee is entitled to subscribe for each new share shall be based on five (5) days weighted average market price of the Shares in the Company preceding the Date of Offer, with a discount that does not exceed ten per cent (10%) or at the par value of the shares, whichever is higher.

## Notes To The Financial Statements

For The Year Ended 31 March 2015

### 15. SHARE CAPITAL (CONT'D)

- (e) All new shares issued pursuant to the exercise of Options will upon such allotment and issuance rank in pari passu in all respects with the then existing issued and paid-up shares, save and except that they are not entitled to dividends, rights, allotments and/or other distributions whereby the entitlement date for such dividends, rights, allotments and/or other distributions is prior to the date of allotment of the new shares. The new shares will be subject to all the provisions of the Articles of Association of the Company in relation to transfer, transmission or otherwise.
- (f) The number of shares under option or the exercise price or both, so far as the option remains unexercised, may be adjusted following any variation in the issued share capital of the Company by way of rights issue, bonus issue or other capitalisation issue, consolidation or subdivision of shares or reduction of capital and other variation of capital of the Company.
- (g) The ESOS shall be in force for a period of five (5) years from the effective date subject however to any extension or renewal for a further period of five (5) years if the Board deemed fit, upon the recommendation of the ESOS Committee. Save for any amendments and/or changes to the relevant statutes guidelines and/or regulations currently in force, no further approval shall be required for the extension of the ESOS provided that the Company shall serve appropriate notices on each grantee and/or make necessary announcements to any/or all the relevant parties within thirty (30) days prior to the expiry of the ESOS.

### 16. BANK TERM LOANS

	Group/Company	
	As at	As at
	31.3.2015	31.3.2014
	RM	RM
The long term bank loans are repayable as follows:		
- not later than one year (included under current liabilities)	17,275,191	11,292,828
- later than one year but not later than five years (included under non-current liabilities)	37,520,184	12,873,024
	54,795,375	24,165,852

The term loans are denominated in US Dollar and are unsecured.



# Notes To The Financial Statements

For The Year Ended 31 March 2015

## 16. BANK TERM LOANS (CONT'D)

The details of the bank term loans are as follow:

Principal Amount (RM)	Monthly Installment (RM)	Commencing on	Interest rate per annum	As at 31.3.2015 RM	As at 31.3.2014 RM
16,800,000	280,000	1 September 2009	0.875% above KLIBOR	-	1,288,682
5,000,000	83,333	8 February 2010	0.875% above KLIBOR	-	794,965
5,200,000	86,667	16 March 2010	0.875% above KLIBOR	-	933,813
8,000,000	133,333	22 March 2010	0.875% above KLIBOR	-	1,390,980
3,000,000	50,000	25 February 2011	0.875% above KLIBOR	658,825	1,209,488
3,000,000	50,000	31 March 2011	0.875% above KLIBOR	718,719	1,262,075
1,500,000	25,000	29 August 2011	0.875% above KLIBOR	553,612	776,308
1,500,000	25,000	30 September 2011	0.875% above KLIBOR	588,505	803,077
3,000,000	50,000	29 April 2011	0.875% above KLIBOR	798,399	1,314,662
3,000,000	50,000	31 May 2011	0.875% above KLIBOR	875,641	1,367,248
3,000,000	50,000	29 June 2011	0.875% above KLIBOR	843,309	1,419,835
3,000,000	50,000	29 July 2011	0.875% above KLIBOR	898,798	1,499,078
1,500,000	25,000	31 October 2011	0.875% above KLIBOR	579,287	829,847
1,500,000	25,000	30 November 2011	0.875% above KLIBOR	609,776	856,616
2,000,000	33,333	20 December 2011	0.875% above KLIBOR	853,703	1,177,857
3,000,000	50,000	1 April 2012	0.875% above KLIBOR	1,398,113	1,841,321
6,000,000	50,000	9 July 2013	4.25% at fixed rate per annum.	4,875,000	5,400,000
10,000,000	183,333	19 May 2014	4.56% at fixed rate per annum.	9,750,000	-
10,000,000	183,333	10 October 2014	4.62% at fixed rate per annum.	10,716,944	-
7,000,000	116,667	7 November 2014	4.61% at fixed rate per annum.	7,381,141	-
10,000,000	116,667	24 February 2015	4.60% at fixed rate per annum.	10,579,669	-
2,000,000	116,667	28 April 2015	4.60% at fixed rate per annum.	2,115,934	-
				54,795,375	24,165,852

## Notes To The Financial Statements

For The Year Ended 31 March 2015

### 17. DEFERRED TAX LIABILITIES

	Group		Company	
	As at	As at	As at	As at
	31.3.2015	31.3.2014	31.3.2015	31.3.2014
	RM	RM	RM	RM
At beginning of the year	8,770,050	8,730,592	8,423,532	8,358,425
Acquisition of a subsidiary	191,000	-	-	-
Transfer (to)/from profit or loss	(504,325)	39,458	(592,287)	65,107
At end of the year	8,456,725	8,770,050	7,831,245	8,423,532

The deferred tax liabilities on temporary differences recognised in the financial statements were as follows:

	Group		Company	
	As at	As at	As at	As at
	31.3.2015	31.3.2014	31.3.2015	31.3.2014
	RM	RM	RM	RM
Tax effects of:				
- excess of capital allowances and lease rental over accumulated depreciation on property, plant and equipment	8,130,562	8,424,480	7,831,245	8,423,532
- surplus on revaluation of land and buildings	326,163	345,570	-	-
	8,456,725	8,770,050	7,831,245	8,423,532

### 18. TRADE PAYABLES

The currency exposure profile of trade payables is as follows:

	Group		Company	
	As at	As at	As at	As at
	31.3.2015	31.3.2014	31.3.2015	31.3.2014
	RM	RM	RM	RM
- Ringgit Malaysia	26,998,438	35,491,622	25,877,921	30,413,478
- Singapore Dollar	1,290,392	1,100,238	18,827	27,272
- Thai Baht	3,192	136,253	3,192	136,253
- US Dollar	122,346	109,332	122,346	109,332
- Japanese Yen	16,601	-	16,601	-
- Chinese Yuan Renminbi	3,702	18,244	3,702	18,244
- Euro	1,919	5,208	1,919	5,208
- Norwegian Krone	13,681	18,701	13,681	18,701
	28,450,271	36,879,598	26,058,189	30,728,488

The credit terms extended normally range between 15 and 60 days.

# Notes To The Financial Statements

For The Year Ended 31 March 2015

87

## 19. OTHER PAYABLES, DEPOSITS AND ACCRUALS

	Group		Company	
	As at 31.3.2015 RM	As at 31.3.2014 RM	As at 31.3.2015 RM	As at 31.3.2014 RM
Other sundry payables, deposits and accruals	29,844,863	22,953,050	24,841,422	21,104,086
	29,844,863	22,953,050	24,841,422	21,104,086

The currency exposure profile of other payables, deposits and accruals is as follows:

	Group		Company	
	As at 31.3.2015 RM	As at 31.3.2014 RM	As at 31.3.2015 RM	As at 31.3.2014 RM
- Ringgit Malaysia	29,612,008	22,241,975	24,841,422	21,104,086
- Singapore Dollar	232,855	711,075	-	-
	29,844,863	22,953,050	24,841,422	21,104,086

## 20. HIRE PURCHASE AND FINANCE LEASE LIABILITIES

	Group/Company	
	As at 31.3.2015 RM	As at 31.3.2014 RM
Total future installments payable	-	13,127
Total outstanding principal	-	13,127
Future installments payable		
- not later than one year	-	13,127
Total future installments payable	-	13,127
Outstanding principal		
- not later than one year (included under current liabilities)	-	13,127
Total outstanding principal	-	13,127

The effective interest rates of the hire purchase is Nil (31.03.2014: 2.52% to 3.45%) per annum.

## 21. REVENUE

Revenue represents the invoiced value of transportation and related services rendered.

## Notes To The Financial Statements

For The Year Ended 31 March 2015

### 22. OTHER INCOME

	Group		Company	
	Year ended	15 months ended	Year ended	15 months ended
	31.3.2015	31.3.2014	31.3.2015	31.3.2014
	RM	RM	RM	RM
Gross dividends from				
- associated company	-	-	653,153	1,088,588
- unquoted investments	-	74,298	-	74,298
Interest income	799,165	939,372	799,165	939,372
Gain on disposal of property, plant and equipment	156,259	411,563	135,859	387,563
Realised gain on foreign exchange	610,427	132,381	610,427	132,381
Unrealised gain on foreign exchange	274,577	-	274,577	-
Operating lease income from land and buildings	307,500	394,500	307,500	394,500
Sundry income	1,122,725	245,044	703,008	28,204
	3,270,653	2,197,158	3,483,689	3,044,906

### 23. PROFIT FROM OPERATIONS

	Group		Company	
	Year ended	15 months ended	Year ended	15 months ended
	31.3.2015	31.3.2014	31.3.2015	31.3.2014
	RM	RM	RM	RM
<b>Profit from operations is stated after charging:</b>				
Auditors' remuneration				
- statutory audit	172,290	144,063	84,256	77,500
- review of quarterly financial statements	68,000	85,000	68,000	85,000
Allowance for doubtful debts	421,335	738,828	421,335	738,828
Depreciation	16,716,676	19,781,653	16,214,040	19,424,311
Directors' remuneration				
- fees	96,000	247,000	96,000	247,000
- other emoluments	3,622,531	3,348,378	3,325,091	3,006,142
Impairment loss on other investments	45,000	-	45,000	-
Loss on disposal of investment in quoted shares	-	8,968	-	8,968
Property, plant and equipment written off	-	30,402	-	30,402
Operating lease rentals				
- land and buildings	11,037,403	13,679,175	10,005,264	11,369,256
- trucks	3,720,519	5,361,931	1,973,602	2,633,054
- forklifts	1,987,705	2,153,936	1,807,413	1,972,687
- office equipment	643,087	776,176	634,673	771,888

### 24. FINANCE COSTS

	Group		Company	
	Year ended	15 months ended	Year ended	15 months ended
	31.3.2015	31.3.2014	31.3.2015	31.3.2014
	RM	RM	RM	RM
Interest paid or payable on				
- hire purchase	-	8,496	-	8,496
- term loans	1,359,327	1,461,644	844,369	1,461,644
	1,359,327	1,470,140	844,369	1,470,140

# Notes To The Financial Statements

For The Year Ended 31 March 2015

## 25. TAX EXPENSE

	Group		Company	
	Year ended	15 months ended	Year ended	15 months ended
	31.3.2015	31.3.2014	31.3.2015	31.3.2014
	RM	RM	RM	RM
<b>Malaysian tax based on results for the year/period</b>				
- current	11,750,634	11,482,014	11,000,000	10,743,288
- deferred	434,480	(228,232)	350,013	(202,583)
	12,185,114	11,253,782	11,350,013	10,540,705
<b>Under/(Over) provision in prior years</b>				
- current	(591,475)	27,229	(558,031)	26,813
- deferred	(938,805)	267,690	(942,300)	267,690
	10,654,834	11,548,701	9,849,682	10,835,208

The provision for taxation differs from the amount of taxation determined by applying the applicable statutory tax rate to the profit before tax excluding share of results of associates analysed as follows:

	Group		Company	
	Year ended	15 months ended	Year ended	15 months ended
	31.3.2015	31.3.2014	31.3.2015	31.3.2014
	RM	RM	RM	RM
Accounting profit	40,834,608	41,439,585	39,530,450	39,812,719
Taxation at applicable statutory tax rate of 25%	10,208,652	10,359,896	9,882,613	9,953,180
Tax effects arising from:				
- non-deductible expenses	1,911,380	911,392	1,664,653	859,672
- non-taxable income	(33,964)	-	(197,253)	(272,147)
Realisation of deferred tax benefits previously not recognised	-	(19,885)	-	-
Deferred tax benefits not recognised	41,068	-	-	-
Effect of different tax rate in another country	57,978	2,379	-	-
Under/(Over) provision in prior years	(1,530,280)	294,919	(1,500,331)	294,503
	10,654,834	11,548,701	9,849,682	10,835,208

The following temporary differences exist at the end of the financial year the deferred tax benefits of which have not been recognised in the financial statements:

	Group		Company	
	Year ended	Year ended	Year ended	Year ended
	31.3.2015	31.3.2014	31.3.2015	31.3.2014
	RM	RM	RM	RM
Unabsorbed tax losses	2,810,902	2,569,325	-	-

The Company is on the single tier income tax system. Accordingly the entire retained earnings of the Company are available for distribution by way of dividends without incurring additional tax liability.

# Notes To The Financial Statements

For The Year Ended 31 March 2015

## 26. BASIC EARNINGS PER SHARE ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY

The basic earnings per share has been calculated by dividing the Group's profit for the year/period attributable to owners of the Company of RM30,680,795 (31.3.2014: RM30,409,124) by the number of shares in issue of 100,000,000 (31.03.2014: 100,000,000).

## 27. DIVIDENDS

	Year ended 31.3.2015 RM	Year ended 31.3.2014 RM
In respect of the financial year ended 31 December 2012:		
- Final dividend of 6.67 sen per share less 25% tax	-	5,002,496
In respect of the financial year ended 31 March 2014:		
- Interim dividend of 5.34 sen per share less 25% tax	-	4,004,999
- Final single tier dividend of 5.00 sen per share	5,000,000	-
In respect of the financial year ended 31 March 2015:		
- Interim single tier dividend of 4.00 sen per share	4,000,000	-
	9,000,000	9,007,495

## 28. PURCHASE OF PROPERTY, PLANT AND EQUIPMENT

	Group		Company	
	Year ended 31.3.2015 RM	Year ended 31.3.2014 RM	Year ended 31.3.2015 RM	Year ended 31.3.2014 RM
Aggregate cost of property, plant and equipment acquired	54,383,485	31,801,079	19,162,897	26,226,962
Unpaid balance included under others payables (Note 19)	(2,870,316)	-	(2,870,316)	-
Total cash paid during the financial year/period	51,513,169	31,801,079	16,292,581	26,226,962

## 29. EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	Year ended 31.3.2015 RM	15 months ended 31.3.2014 RM	Year ended 31.3.2015 RM	15 months ended 31.3.2014 RM
Employee benefits expense	80,017,468	81,705,491	60,211,863	61,217,837

Included in the employee benefits expense are EPF contributions amounting to RM6,056,725 (31.3.2014: RM6,434,113) for the Group and RM3,911,218 (31.3.2014: RM4,409,042) for the Company.

# Notes To The Financial Statements

For The Year Ended 31 March 2015

## 30. RELATED PARTY DISCLOSURES

The Company is a subsidiary company of Yusen Logistics Co. Ltd, a company incorporated Japan. The directors regard Nippon Yusen Kabushiki Kaisha ("NYK"), a company incorporated in Japan, as the ultimate holding company.

For the purposes of these financial statements, parties are considered to be related to the Group if the Group or the Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa or where the Group or the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel include all directors of the Group, and certain members of senior management of the Group.

Significant related party transactions during the financial year/period were as follows:

	--- Transaction value ---		-- Balance outstanding --	
	Group		Company	
	Year ended	15 months ended	As at	As at
	31.3.2015	31.3.2014	31.3.2015	31.3.2014
	RM	RM	RM	RM
<i>Transactions with subsidiary companies</i>				
Rental of trucks paid and payable	659,133	567,150	44,900	137,070
Labour charges paid and payable	20,414,622	21,538,497	3,496,435	3,511,009
Rental of premises paid and payables	1,389,577	-	692,517	-
Maintenance charges paid and payable	6,558,603	6,105,673	3,098,188	1,680,866
Handling fees paid and payable	1,515,500	1,476,940	3,628,172	2,122,346
Related logistic services paid	-	26,630	-	-
Handling fees received and receivable	116,273	545,837	129,089	24,380
Related logistics services received and receivable	3,732,750	4,438,477	459,922	257,748
Rental of premises received	76,000	120,000	-	326,298
Rental of trucks received and receivable	4,842,870	4,159,420	145,000	343,800



# Notes To The Financial Statements

For The Year Ended 31 March 2015

## 30. RELATED PARTY DISCLOSURES (CONT'D)

	Transaction value				Balance outstanding			
	Group		Company		Group		Company	
	Year ended	15 months ended	Year ended	15 months ended	As at 31.3.2015	As at 31.3.2014	As at 31.3.2015	As at 31.3.2014
	RM	RM	RM	RM	RM	RM	RM	RM
<i>Transactions with immediate holding company</i>								
Related logistic services received and receivable	34,703,429	22,103,330	34,703,429	22,103,330	3,005,268	3,869,506	3,005,268	3,869,506
Related logistic services paid and payable	10,573,416	15,394,987	10,573,416	15,394,987	1,556,413	1,810,731	1,556,413	1,810,731
<i>Transactions with subsidiary companies of the ultimate holding company</i>								
Related logistic services received and receivable	33,863,477	51,276,771	33,863,477	51,276,771	5,281,172	5,855,940	5,281,172	5,855,940
Rental received and receivable	300,000	375,000	300,000	375,000	-	-	-	-
Related logistic services paid and payable	50,153,270	51,333,498	50,153,270	51,333,498	2,830,730	3,325,587	2,830,729	3,325,587
Management fee paid and payable	3,002,400	2,740,870	3,002,400	2,740,870	-	19,604	-	19,604
Consultancy fees paid	509,500	431,770	509,500	431,770	-	-	-	-
Acquisition of a subsidiary	7,280,000	-	7,280,000	-	-	-	-	-
<i>Transactions with associated company</i>								
Rental of premises paid and payable	1,128,600	1,410,750	1,128,600	1,410,750	94,448	-	94,448	-
Accounting fee received and receivable	19,200	19,200	19,200	19,200	-	54,037	-	54,037

# Notes To The Financial Statements

For The Year Ended 31 March 2015

93

## 31. KEY MANAGEMENT PERSONNEL COMPENSATION

	Group		Company	
	Year ended	15 months ended	Year ended	15 months ended
	31.3.2015	31.3.2014	31.3.2015	31.3.2014
	RM	RM	RM	RM
<i>Directors</i>				
Short-term employee benefits				
- salary, bonus and allowances	3,315,301	3,056,470	3,017,861	2,714,234
Post-employment benefits				
- EPF	307,230	291,908	307,230	291,908
	3,622,531	3,348,378	3,325,091	3,006,142
<i>Other key management personnel</i>				
Short-term employee benefits				
- salary, bonus and allowances	1,010,960	1,073,000	1,010,960	1,073,000
Post-employment benefits				
- EPF	69,066	74,214	69,066	74,214
	1,080,026	1,147,214	1,080,026	1,147,214
Total compensation	4,702,557	4,495,592	4,405,117	4,153,356

## 32. OPERATING LEASE COMMITMENTS

### *The Group as lessee*

The Group leases land/buildings and warehouses from its associated company and third parties under cancellable operating lease arrangements. These leases typically run for an initial period of 1 to 2 years with the option to renew. None of the leases include contingent rents. There are no restrictions placed on the Group by entering into these leases.

The Group also leases an office cum warehouse under a non-cancellable operating lease arrangement with initial period of 2 to 3 years. The future aggregate minimum lease payments under the non-cancellable operating lease contracted for as at the reporting date but not recognised as liabilities are as follows:

	Group		Company	
	Year ended	15 months ended	Year ended	15 months ended
	31.3.2015	31.3.2014	31.3.2015	31.3.2014
	RM	RM	RM	RM
Not later than one year	1,128,600	2,664,218	1,128,600	2,664,218
Later than one year but not later than 5 years	846,450	1,975,050	846,450	1,975,050
	1,975,050	4,639,268	1,975,050	4,639,268

### *The Group as lessor*

The Group leases out its motor vehicles under cancellable operating lease arrangement to a third party.

## Notes To The Financial Statements

For The Year Ended 31 March 2015

### 33. OTHER COMMITMENTS

	Group		Company	
	Year ended	15 months ended	Year ended	15 months ended
	31.3.2015	31.3.2014	31.3.2015	31.3.2014
	RM	RM	RM	RM
Authorised and contracted for acquisition of property, plant and equipment	4,710,064	32,557,950	4,710,064	3,770,497

### 34. ACQUISITION OF SHARES IN NEW SUBSIDIARY COMPANY

Details of new subsidiary company acquired are as follows:

Name of subsidiary company acquired	Purchase consideration RM	Group's effective interest %	Effective acquisition date
<b>2015</b>			
Titian Pelangi Sdn Bhd	7,280,000	100	6 November 2014

Detail of the assets, liabilities and net cash inflow arising from the acquisition of new subsidiary company were as follows:

	2015 RM
Property, plants and equipment	9,821,656
Trade and other receivables	399,910
Cash and cash equivalents	106,176
Other payables and accruals	(247,742)
Amount owing to related company	(2,800,000)
Net assets acquired/ total purchase consideration	7,280,000
Less: Cash and cash equivalents acquired	(106,176)
Net cash outflow on acquisition during the year	7,173,824

The revenue and net profit for the year in which the acquisitions took place and their post acquisitions contribution included in the consolidated profit or loss were as follows:

	2015 RM
<b>Revenue</b>	
For the financial year	760,000
Pre-acquisition	(445,000)
Post-acquisition	315,000
<b>Net profit for the year</b>	
For the financial year	342,181
Pre-acquisition	(230,217)
Post-acquisition	111,964

# Notes To The Financial Statements

For The Year Ended 31 March 2015

## 35. FINANCIAL INSTRUMENTS

### (a) Classification of financial instruments

As at 31.3.2015 Group	Loans and receivables RM	Available- for-sale RM	Total RM
Financial assets			
<u>Assets as per statement of financial position</u>			
Other investments	-	1,159,104	1,159,104
Trade receivables	83,114,096	-	83,114,096
Other receivables excluding prepayments	13,850,672	-	13,850,672
Amounts owing by immediate holding company	3,005,268	-	3,005,268
Amounts owing by related companies	5,281,172	-	5,281,172
Fixed deposits with a licensed banks	39,101,118	-	39,101,118
Cash and bank balances	17,980,202	-	17,980,202
Total financial assets	162,332,528	1,159,104	163,491,632

As at 31.3.2014 Group	Loans and receivables RM	Available- for-sale RM	Total RM
Financial assets			
<u>Assets as per statement of financial position</u>			
Other investments	-	1,204,104	1,204,104
Trade receivables	81,992,279	-	81,992,279
Other receivables excluding prepayments	8,318,179	-	8,318,179
Amounts owing by immediate holding company	3,869,506	-	3,869,506
Amounts owing by related companies	5,855,940	-	5,855,940
Amount owing by associated company	54,037	-	54,037
Fixed deposits with a licensed banks	29,861,167	-	29,861,167
Cash and bank balances	22,600,207	-	22,600,207
Total financial assets	152,551,315	1,204,104	153,755,419

As at 31.3.2015 Group	At amortised cost RM	
Financial liabilities		
<u>Liabilities as per statement of financial position</u>		
Trade payables	28,450,271	
Other payables and accruals and derivatives	29,844,863	
Amounts owing to immediate holding company	1,556,413	
Amounts owing to related companies	5,630,730	
Bank term loans	54,795,375	
Amount owing to associated company	94,448	
Total financial liabilities	120,372,100	

# Notes To The Financial Statements

For The Year Ended 31 March 2015

## 35. FINANCIAL INSTRUMENTS (CONT'D)

### (a) Classification of financial instruments (Cont'd)

As at 31.3.2015 Group	At amortised cost RM		
<b>Financial liabilities</b>			
<u>Liabilities as per statement of financial position</u>			
Trade payables			36,879,598
Other payables and accruals and derivatives			22,953,050
Amounts owing to immediate holding company			1,810,731
Amounts owing to related companies			3,345,191
Bank term loans			24,165,852
Hire purchase and finance lease liabilities			13,127
Total financial liabilities			89,167,549
As at 31.3.2015 Company	Loans and receivables RM	Available- for-sale RM	Total RM
<b>Financial assets</b>			
<u>Assets as per statement of financial position</u>			
Other investments	-	1,159,104	1,159,104
Trade receivables	78,471,605	-	78,471,605
Other receivables excluding prepayments	12,711,566	-	12,711,566
Amounts owing by immediate holding company	3,005,268	-	3,005,268
Amounts owing by subsidiaries companies	38,518,081	-	38,518,081
Amounts owing by related companies	5,281,172	-	5,281,172
Fixed deposits with a licensed banks	39,101,118	-	39,101,118
Cash and bank balances	12,497,797	-	12,497,797
Total financial assets	189,586,607	1,159,104	190,745,711
As at 31.3.2014 Company	Loans and receivables RM	Available- for-sale RM	Total RM
<b>Financial assets</b>			
<u>Assets as per statement of financial position</u>			
Other investments	-	1,204,104	1,204,104
Trade receivables	75,192,643	-	75,192,643
Other receivables excluding prepayments	4,862,060	-	4,862,060
Amounts owing by immediate holding company	3,869,506	-	3,869,506
Amounts owing by subsidiaries companies	11,837,768	-	11,837,768
Amounts owing by related companies	5,855,940	-	5,855,940
Amount owing by associated company	54,037	-	54,037
Fixed deposits with a licensed banks	29,861,167	-	29,861,167
Cash and bank balances	17,589,610	-	17,589,610
Total financial assets	149,122,731	1,204,104	150,326,835

# Notes To The Financial Statements

For The Year Ended 31 March 2015

## 35. FINANCIAL INSTRUMENTS (CONT'D)

### (a) Classification of financial instruments (Cont'd)

As at 31.3.2015 Company	At amortised cost RM
<b>Financial liabilities</b>	
<u>Liabilities as per statement of financial position</u>	
Trade payables	26,058,189
Other payables and accruals and derivatives	24,841,422
Amounts owing to immediate holding company	1,556,413
Amounts owing to subsidiary companies	37,447,533
Amounts owing to related companies	2,830,729
Bank term loans	54,795,375
Amount owing to associated company	94,448
<b>Total financial liabilities</b>	<b>147,624,109</b>

As at 31.3.2014 Company	At amortised cost RM
<b>Financial liabilities</b>	
<u>Liabilities as per statement of financial position</u>	
Trade payables	30,728,488
Other payables and accruals and derivatives	21,104,086
Amounts owing to immediate holding company	1,810,731
Amounts owing to subsidiary companies	40,340,823
Amounts owing to related companies	3,345,191
Bank term loans	24,165,852
Hire purchase and finance lease liabilities	13,127
<b>Total financial liabilities</b>	<b>121,508,298</b>

### (b) Fair value of financial instruments

The fair value of a financial instrument is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction, other than in a forced or liquidation sale.

# Notes To The Financial Statements

For The Year Ended 31 March 2015

## 35. FINANCIAL INSTRUMENTS (CONT'D)

### (b) Fair value of financial instruments (Cont'd)

The carrying amounts of the financial instruments of the Group and of the Company at the reporting date approximate their fair values except for the following:

Group/Company	Carrying amount RM	Fair Value RM
As at 31.3.2015		
Other investments		
Unquoted shares	302,701	*
Transferable corporate club memberships	856,403	*
Term loans - fixed rate	54,795,375	55,037,206
As at 31.3.2014		
Other investments		
Unquoted shares	347,701	*
Transferable corporate club memberships	856,403	*
Term loans - fixed rate	24,165,852	24,129,595

\* It is not practical to estimate the fair value of the unquoted shares and the transferable corporate club memberships due to lack of comparable quoted market prices and inability to estimate fair value without incurring excessive costs. Such investments are valued at cost subject to review of impairment.

The following summarises the methods used in determining the fair value of financial instruments:

#### Derivatives

Fair values of forward currency contracts and swap contracts have been determined by reference to current forward exchange rates for contracts with similar maturity profiles.

The following summarises the methods used in determining the fair value of financial instruments:

#### Derivatives

Fair values of forward currency contracts and swap contracts have been determined by reference to current forward exchange rates for contracts with similar maturity profiles.

### (c) Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).



# Notes To The Financial Statements

For The Year Ended 31 March 2015

## 35. FINANCIAL INSTRUMENTS (CONT'D)

(c) Fair value hierarchy (Cont'd)

As at 31.3.2015 Group/Company	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
<b>Financial assets</b>				
Derivative financial assets (note 8)	-	6,437,200	-	6,437,200
<b>As at 31.3.2014</b>				
<b>Financial assets</b>				
Derivative financial assets (note 8)	-	476,252		476,252

There were no transfers between level 1, 2 and 3 for the financial year.

## 36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's activities expose it to a variety of financial risks, including foreign currency exchange risk, interest rate risk, credit risk and liquidity and cash flow risks arising in the normal course of the Group's businesses.

The directors monitor the Group's financial position closely with an objective to minimise potential adverse effects on the financial performance of the Group. The directors review and agree on policies for managing each of these risks and they are summarised below:

### *Foreign currency risk*

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of foreign exchange rates.

The Group is exposed to foreign currency risk on sale of services, purchases and borrowings that are denominated in a currency other than the respective functional currencies of the Group entities. The currencies giving rise to this risk are primarily Japanese Yen, U.S. Dollar (USD) and Singapore Dollar.

The Group uses forward exchange contracts to hedge its foreign currency risk. Most of the forward exchange contracts have maturities of less than one year after the reporting date.

The principal amount of the Group's USD loan has been fully hedged using a currency swap contract with a bank. For cash flow hedges, the effective portion of the gain or loss on the hedging instrument is recognised directly in equity, while the ineffective portion is recognised in profit or loss.

The currency exposures are disclosed in the respective notes to the financial statements.

A sensitivity analysis has been performed based on the outstanding foreign currency denominated monetary items of the Group as at reporting date. If the US Dollar strengthens or weakens by 5% against the Company's functional currency with all other variables held constant, the Company profit after tax and equity would increase or decrease by RM412,779 (31.3.2014: RM280,016).

The other foreign currency denominated monetary items as at reporting date are not material, hence the sensitivity analysis has not been presented.

# Notes To The Financial Statements

## For The Year Ended 31 March 2015

### 36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

#### *Interest rate risk*

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates.

The Group's income and operating cash flows are substantially independent of changes in market interest rates. Interest rate exposures arise from the Group's fixed deposits, hire purchase and finance lease liabilities and bank borrowings.

Surplus funds are placed with licensed banks, which generate interest income to the Group. The Group manages its interest rate risk by placing such balances on short tenures of three months or less.

A sensitivity analysis has been performed based on the outstanding floating rate of borrowings of the Group as at 31 March 2015. If interest rates increase or decrease by 50 basis points, with all other variables held constant, the Group's profit after tax would decrease or increase by approximately RM86,624 (31.3.2014: RM162,527), as a result of higher or lower interest expense on these borrowings.

#### *Credit risk*

Credit risk is the risk of loss that may arise from the possibility that a counterparty may be unable to meet the terms of a contract in which the Group has a gain position.

The Group's management has a credit policy in place to ensure that transactions are conducted with creditworthy counterparties.

Exposure to credit risk arising from sales made on deferred terms is managed through the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. If necessary, the Group may obtain collaterals from counterparties as a means of mitigating losses in the event of default.

The Group seeks to invest its surplus cash safely by depositing them with licensed financial institutions.

As at the reporting date, the maximum exposure to credit risk arising from receivables is represented by the carrying amounts in the statement of financial position.

Apart from a customer of the Company, the Company does not have significant credit risk exposure to any single debtor or any group of debtors. The amount due from the said customer amounted to RM15.5 million (31.3.2014: RM21.0 million) or 20% (31.3.2014: 25%) of gross trade receivables at the end of the reporting period.

Management has taken reasonable steps to ensure that receivables that are neither past due nor impaired are stated at their realisable values. A significant portion of these receivables are regular customers who have been transacting with the Group. The Group uses ageing analysis to monitor the credit quality of the receivables. Any receivables having significant balances past due more than 90 days, which are deemed to have higher credit risk, are monitored individually.

The ageing analysis of receivables at 31 March which are trade in nature is as follows:

As at 31.3.2015	Group		Company	
	Gross RM	Impairment RM	Gross RM	Impairment RM
Not past due	52,507,632	-	48,686,197	-
Less than 30 days past due	5,572,513	-	5,204,792	-
Between 30 and 90 days past due	13,258,407	-	12,805,072	-
More than 90 days past due	14,445,167	2,669,623	14,445,167	2,669,623
	85,783,719	2,669,623	81,141,228	2,669,623

# Notes To The Financial Statements

For The Year Ended 31 March 2015

101

## 36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

As at 31.3.2014	Group		Company	
	Gross RM	Impairment RM	Gross RM	Impairment RM
Not past due	31,121,953	-	30,678,270	-
Less than 30 days past due	34,677,464	-	29,369,898	-
Between 30 and 90 days past due	14,306,561	-	13,954,762	-
More than 90 days past due	4,134,589	2,248,288	3,438,001	2,248,288
	84,240,567	2,248,288	77,440,931	2,248,288

The movements in the allowance for impairment losses of trade receivables during the year were:

	Group RM	Company RM
At 1.4.2014	2,248,288	2,248,288
Additions of allowance for doubtful debts	421,335	421,335
At 31.3.2015	2,669,623	2,669,623
At 1.1.2013	1,509,460	1,509,460
Additions of allowance for doubtful debts	738,828	738,828
At 31.3.2014	2,248,288	2,248,288

### Liquidity and cash flow risks

Liquidity risk is the risk that the Group and the Company will encounter difficulty in meeting financial obligations due to shortage of funds.

The Group seeks to ensure all business units maintain optimum levels of liquidity at all times, sufficient for their operating, investing and financing activities.

Therefore, the policy seeks to ensure that each business unit, through efficient working capital management (i.e. accounts receivable and accounts payable management), must be able to convert its current assets into cash to meet all demands for payment as and when they fall due.

Owing to the nature of its businesses, the Group seeks to maintain sufficient credit lines to meet its liquidity requirements while ensuring an effective working capital management within the Group.

The table below summarises the maturity profile of the Group and the Company's financial liabilities at 31 March based on the contractual undiscounted cash flows.

As at 31.3.2015	Less than 1 year RM	1 to 5 years RM	More than 5 years RM	Total RM
<b>Group</b>				
Trade payables	28,450,271	-	-	28,450,271
Other payables, deposit and accruals	29,844,863	-	-	29,844,863
Amount owing to immediate holding company	1,556,413	-	-	1,556,413
Amount owing to related companies	5,630,730	-	-	5,630,730
Amount owing to associated company	94,448	-	-	94,448
Borrowings	17,275,191	39,900,530	-	57,175,721
Total undiscounted financial liabilities	82,851,916	39,900,530	-	122,752,446

## Notes To The Financial Statements

For The Year Ended 31 March 2015

### 36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

As at 31.3.2015	Less than 1 year RM	1 to 5 years RM	More than 5 years RM	Total RM
<b>Company</b>				
Trade payables	26,058,189	-	-	26,058,189
Other payables, deposit and accruals	24,841,422	-	-	24,841,422
Amount owing to immediate holding company	1,556,413	-	-	1,556,413
Amount owing to subsidiary companies	37,447,533	-	-	37,447,533
Amount owing to related companies	2,830,729	-	-	2,830,729
Amount owing to associated company	94,448	-	-	94,448
Borrowings	17,275,191	39,900,530	-	57,175,721
Total undiscounted financial liabilities	110,103,925	39,900,530	-	150,004,455

As at 31.3.2014	Less than 1 year RM	1 to 5 years RM	More than 5 years RM	Total RM
<b>Group</b>				
Trade payables	36,879,598	-	-	36,879,598
Other payables, deposit and accruals	22,953,050	-	-	22,953,050
Amount owing to immediate holding company	1,810,731	-	-	1,810,731
Amount owing to related companies	3,345,191	-	-	3,345,191
Hire purchase and finance lease liabilities	13,127	-	-	13,127
Borrowings	11,292,828	11,436,783	2,447,880	25,177,491
Total undiscounted financial liabilities	76,294,525	11,436,783	2,447,880	90,179,188

As at 31.3.2014	Less than 1 year RM	1 to 5 years RM	More than 5 years RM	Total RM
<b>Company</b>				
Trade payables	30,728,488	-	-	30,728,488
Other payables, deposit and accruals	21,104,086	-	-	21,104,086
Amount owing to immediate holding company	1,810,731	-	-	1,810,731
Amount owing to subsidiary companies	40,340,823	-	-	40,340,823
Amount owing to related companies	3,345,191	-	-	3,345,191
Hire purchase and finance lease liabilities	13,127	-	-	13,127
Borrowings	11,292,828	11,436,783	2,447,880	25,177,491
Total undiscounted financial liabilities	108,635,274	11,436,783	2,447,880	122,519,937

### 37. CAPITAL MANAGEMENT

The Group's primary objectives when managing its capital are to safeguard the Group's ability to continue as a going concern and to provide adequate returns to shareholders whilst sustaining future development of the business.

The Group actively and regularly reviews and manages its capital structure with a view to optimising the debt and equity balance. The Group monitors capital on the basis of total debt to equity ratio. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares, increase borrowings or sell assets to reduce debts.

No changes were made in the objectives, policies or processes during the period.

## Notes To The Financial Statements

### 37. CAPITAL MANAGEMENT (CONT'D)

The Group's total debt- to- equity ratios at 31 March 2015 and 31 March 2014 were as follow:

	As at 31.3.2015 RM	As at 31.3.2014 RM
Share capital	100,000,000	100,000,000
Reserves	199,097,303	177,132,680
<b>Total equity</b>	<b>299,097,303</b>	<b>277,132,680</b>
Hire purchase liabilities	-	13,127
Short term borrowings	17,275,191	11,292,828
Long term borrowings	37,520,184	12,873,024
<b>Total debt</b>	<b>54,795,375</b>	<b>24,178,979</b>
Total debt to equity ratio (times)	0.18	0.09

### 38. SEGMENTAL ANALYSIS

(a) Primary reporting format - business segment

All the operations of the Group are organised into six main segments:

- All the operations of the Group are organised into six main segments:
- |   |   |
|---|---|
| (i) Air Freight Forwarding Division ("AFF")                   | - Airfreight forwarding   |
| (ii) Contract Logistics Division ("CLD")                      | - Customs forwarding, warehousing, container haulage and Auto Logistic services |
| (iii) Trucking Division ("TD")                                | - Trucking  |
| (iv) Ocean Freight Forwarding Division ("OFF")                | - Sea freight forwarding  |
| (v) Origin Cargo Order and Vendor Management Division ("OCM") | - Buyer consolidation services  |

Segment assets and liabilities information are neither included in the internal management reports nor provided regularly to the management. Hence no disclosures are made on segment assets and liabilities.

Year ended 31.3.2015	AFF RM	CLD RM	TD RM	OFF RM	OCM RM	Consolidated RM
<b>REVENUE</b>						
External sales	130,930,348	239,192,899	80,030,113	40,553,730	3,598,053	494,305,143
<b>RESULTS</b>						
Segment results	2,191,701	39,983,326	396,494	1,141,450	419,268	44,132,239
Unallocated corporate income	-	-	-	-	-	(1,938,304)
Profit from operations	-	-	-	-	-	42,193,935
Share of associated company's profits	-	-	-	-	-	617,908
Finance costs	-	-	-	-	-	(1,359,327)
Profit before tax	-	-	-	-	-	41,452,516
Tax expense	-	-	-	-	-	(10,654,834)
Profit for the year	-	-	-	-	-	30,797,682

## Notes To The Financial Statements

For The Year Ended 31 March 2015

### 38. SEGMENTAL ANALYSIS (CONT'D)

15 months ended 31.3.2014	AFF RM	CLD RM	TD RM	OFF RM	OCM RM	Consolidated RM
<b>REVENUE</b>						
External sales	154,491,827	259,285,536	94,270,524	47,500,937	4,064,508	559,613,332
<b>RESULTS</b>						
Segment results	4,687,193	33,625,129	508,459	1,942,996	769,958	41,533,735
Unallocated corporate income	-	-	-	-	-	1,375,990
Profit from operations	-	-	-	-	-	42,909,725
Share of associated company's profits	-	-	-	-	-	620,941
Finance costs	-	-	-	-	-	(1,470,140)
Profit before tax	-	-	-	-	-	42,060,526
Tax expense	-	-	-	-	-	(11,548,701)
Profit for the period	-	-	-	-	-	30,511,825

There is no intersegment sales.

(b) Secondary reporting format - geographical segment

As the Group's total logistics solutions activities cover destinations located throughout the world, the directors do not consider it meaningful to allocate revenue and assets to specific geographical segments.

### 39. COMPARATIVES

The following comparative figures have been reclassified to conform with current year's presentation:

	As previously stated	Reclassification	As restated
<u>Statements of Financial Position</u>			
Group/Company			
<b>Current assets</b>			
Amount owing by related companies	9,725,446	(3,869,506)	5,855,940
Amount owing by immediate holding company	-	3,869,506	3,869,506
<b>Current liabilities</b>			
Amount owing to related companies	5,155,922	(1,810,731)	3,345,191
Amount owing to immediate holding company	-	1,810,731	1,810,731

### 40. AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

These financial statements were authorised for issue on by the board of directors on 18 May 2015.

**41. SUPPLEMENTARY INFORMATION ON THE DISCLOSURE OF REALISED AND UNREALISED PROFITS/LOSSES**

The breakdown of the retained profits of the Group and the Company as at 31 March, into realised and unrealised profits/losses, pursuant to the directive, are as follows:

	Group		Company	
	As at 31.3.2015 RM	As at 31.3.2014 RM	As at 31.3.2015 RM	As at 31.3.2014 RM
Total retained profits of the Company and its subsidiaries:-				
- Realised	216,777,823	191,788,303	179,335,574	159,521,670
- Unrealised	(7,855,984)	(8,424,479)	(7,556,668)	(8,423,532)
	208,921,839	183,363,824	171,778,906	151,098,138
Total shares of retained profits from associated company:-				
- Realised	1,147,719	1,182,964	-	-
- Unrealised	-	-	-	-
	210,069,558	184,546,788	171,778,906	151,098,138
Less: Consolidation adjustments	(13,268,286)	(9,426,311)	-	-
Total Group's and Company's retained profits as per statements of financial position	196,801,272	175,120,477	171,778,906	151,098,138

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

Accordingly, the unrealised retained profits of the Group as disclosed above excludes translation gains and losses on monetary items denominated in a currency other than the functional currency and foreign exchange contracts, as these gains or losses are incurred in the ordinary course of business of the Group, and are hence deemed as realised.

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 used for any other purposes.

## **Statement By Directors**

**Pursuant To Section 169(15) Of The Company Act 1965**

In the opinion of the directors, the financial statements set out on pages 50 to 104 have been drawn up:

- (a) so as to give a true and fair view of the financial position of the Group and of the Company at 31 March 2015 and of their financial performance and cash flows for the year ended 31 March 2015;
- (b) in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the provisions of the Companies Act 1965.

The information set out in Note 41 have been prepared in accordance with the Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profit or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements as issued by the Malaysian Institute of Accountants.

Signed on behalf of the directors in accordance  
with a directors' resolution dated 18 May 2015

**LEE CHECK POH**

Director

**LIM JEW KIAT**

Director



# Statutory Declaration 107

Pursuant to Section 169(16) of the Companies Act 1965

I, Tan Kim Yong (IC No.: 620120-10-6609), being the director primarily responsible for the financial management of TASCO Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the financial statements set out on pages 50 to 104 are correct.

And I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1960.

Subscribed and solemnly declared at        )  
 Kuala Lumpur in the Federal Territory    )  
 this 18 May 2015                                )  
   )  
   )  
   ) TAN KIM YONG

Before me:  
 BALOO A/L T. PICHAJ  
 No. 663

Commissioner for Oaths

# List Of Properties

No.	Location	Description	Existing Use	Tenure of land/Date of expiry of lease	Land Area/ Built up Area (sq. m)	Approximate Age of Properties	Date Acquired	Net Book value At 31.03.2015 (RM'000)
1.	Shah Alam Lot No. 1A, Persiran Jubli Perak Jalan 22/1, Seksyen 22 40300 Shah Alam Selangor	Industrial Land	Corporate Head Office, Shah Alam Logistics Centre  Warehouse F Warehouse E	Leasehold 99 years expiring 09.07.2094	Land - 92,701 Built-up - 26,718  Built-up 16,800 Built-up 16,800	26 years  3 years 2 years	30 Jun 2009	72,806
2.	Port of Tanjung Pelepas Plot D28E, Distripark B Pelepas Free Trade Zone Port of Tanjung Pelepas Johor	Industrial Land	Tanjung Pelepas Logistics Centre	Leasehold 60 years expiring 23.03.2055	Land - 20,233 Built up - 20,919	0.17 year	19 Mar 2012	39,568
3.	Bandar Baru Bangi Lot 46860 (PT 61382), Seksyen 10 43650 Bandar Baru Bangi, Selangor  Bandar Baru Bangi Lot 46864 (PT 61734), Seksyen 10 43650 Bandar Baru Bangi, Selangor	Industrial Land  Industrial Land	Bangi Auto Logistics Centre Bangi Logistics Centre 2  Access road	Leasehold 99 years expiring 19.08.2098  Leasehold 99 years expiring 19.08.2098	Land - 60,241 Built-up - 12,119 Built-up - 19,584  Land - 450	7 years 4 years  NA	25 May 2004  27 May 2004	28,874  83
4.	Seberang Perai Tengah 1441 Lorong Perusahaan Maju 8 Prai Industrial Estate, Phase 4 13600 Prai , Pulau Pinang	Industrial Land	Penang Prai Logistics Centre	Leasehold 99years expiring 23.10.2110	Land - 20,611 Built-up- 9,282	23 years	18 Jul 2008	13,475
5.	Port Klang Lot 22 Lengkungan Sultan Hishamuddin North Klang Straits Industrial Estate Mukim Kapar, Kawasan 20 40000 Port Klang Selangor	Industrial Land	Port Klang Logistics Centre	Leasehold 99 years expiring 09.06.2086	Land - 29,509 Built-up - 17,078	23 years	19 Feb 2008	11,913
6.	Port Klang Lot 12 Lengkungan Sultan Hishamuddin North Klang Straits Industrial Estate Mukim Kapar, Kawasan 20 40000 Port Klang Selangor	Industrial Land	Port Klang Logistics Centre II	Leasehold 99 years expiring 09.06.2086	Land - 31,556 Built up - 16,049	11 years	06 Nov 2014	9,713

7.	Bayan Lepas Plot 93 Lintang Bayan Lepas 9 Taman Perindustrian Bayan Lepas Fasa IV, 11900 Bayan Lepas Pulau Pinang	Industrial Land	Penang Air Freight Logistics Centre	Leasehold 60 years expiring 31.01.2062	Land - 8,146 Built-up - 3,040	8 years	04 Jun 2008	7,061
8.	Petaling No. 9 Jalan SS8/4 Sungai Way Industrial Free Trade Zone, 47300 Petaling Jaya, Selangor	Industrial Land	Sungai Way Logistics Centre	Freehold	Land - 3,559 Built-up - 1,592	41 years	11 Feb 2008	6,060
9.	Alor Gajah Plot 1873 Terminal Kenderaan Berat Mukim Durian Tunggal Daerah Alor Gajah 76100 Melaka	Industrial Land	Melaka Logistics Centre	Leasehold 99 years expiring 08.12.2113	Land - 11,776 Built-up - 2,683	5 years	01 Apr 2010	5,012
10.	Kinta Lot No. 21402 Lebuhr Perumahan Klebang 11 Kawasan Perusahaan International IGB 31200 Ipoh Perak	Industrial Land	Ipoh Logistics Centre	Freehold	Land - 9,864 Built-up - 1794	7 years	11 Jan 2007	3,540
11.	Kuching Lot 1215, Lorong Demak Indah 2A Demak Laut Industrial Estate Phase IIA, Jalan Bako 93050 Kuching Sarawak	Town Land	Kuching Logistics Centre	Leasehold 60 years expiring 07.02.2066	Land - 5,989 Built up - 1,025	6 years	01 Apr 2015	2,782
12.	Bandar Baru Bangi No. 19, Jalan P9A, Kawasan Perusahaan Seksyen 13 Bandar Baru Bangi Selangor	Industrial Land	In-house Workshop	Leasehold 99 years expiring 29.09.2086	Land - 465 Built-up - 195	24 years	22 May 1991	180

## Analysis Of Shareholdings

As At 31 July 2015

Authorised Capital	: RM200,000,000.00
Issued and Fully Paid-up Capital	: RM100,000,000.00
Class of Shares	: Ordinary Shares of RM1.00 each fully paid
Voting Rights	: One vote per ordinary share

### DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Holders	Total Holdings	%
Less than 100 shares	14	360	0.00
100 to 1,000 shares	282	232,200	0.23
1,001 to 10,000 shares	659	3,035,940	3.04
10,001 to 100,000 shares	197	5,827,900	5.83
100,001 to less than 5% of issued shares	50	42,883,964	42.88
5% and above issued shares	4	48,019,636	48.02
<b>Total</b>	<b>1206</b>	<b>100,000,000</b>	<b>100.00</b>

### LIST OF 30 LARGEST SHAREHOLDERS

Name of Shareholders	No. of shares	%
1 Yusen Logistics (Singapore) Pte Ltd	18,230,241	18.23
2 Yusen Logistics Co., Ltd	18,009,818	18.01
3 Nippon Yusen Kabushiki Kaisha	6,589,591	6.59
4 Yusen Logistics Co., Ltd	5,189,986	5.19
5 Nippon Yusen Kabushiki Kaisha	3,000,000	3.00
6 Yusen Logistics (Singapore) Pte Ltd	3,000,000	3.00
7 Yusen Logistics Co., Ltd	3,000,000	3.00
8 Yusen Logistics Co., Ltd	3,000,000	3.00
9 Yusen Logistics (Singapore) Pte Ltd	2,759,941	2.76
10 HSBC Nominees (Asing) Sdn Bhd		
KBL Euro PB For Halley SICAV - Halley Asian Prosperity	2,366,000	2.37
11 Hachiuma Steamship Co. Ltd	2,189,985	2.19
12 CIMSEC Nominees (Tempatan) Sdn Bhd		
CIMB For Real Fortune Portfolio Sdn Bhd (PB)	2,000,000	2.00
13 Real Fortune Portfolio Sdn Bhd	2,000,000	2.00
14 Real Fortune Portfolio Sdn Bhd	2,000,000	2.00
15 Real Fortune Portfolio Sdn Bhd	2,000,000	2.00
16 Real Fortune Portfolio Sdn Bhd	1,830,438	1.83
17 Maybank Nominees (Tempatan) Sdn Bhd		
Etiqua Insurance Berhad (Life Non-Par FD)	1,401,600	1.40
18 Citigroup Nominees (Tempatan) Sdn Bhd		
Universal Trustee (Malaysia) Berhad For CIMB-Principal Equity Fund	1,073,800	1.07
19 Maybank Nominees (Tempatan) Sdn Bhd		
Etiqua Insurance Berhad (Balance Fund)	1,051,400	1.05
20 HSBC Nominees (Tempatan) Sdn Bhd		
HSBC (M) Trustee Berhad For Pertubuhan Keselamatan Sosial (CIMB-P 6939-404)	975,300	0.98
21 AllianceGroup Nominees (Tempatan) Sdn Bhd		
Pledged Securities Account For Bakat Impian Sdn Bhd (8124505)	710,000	0.70
22 Gan Tee Kian	659,000	0.66
23 Maybank Nominees (Tempatan) Sdn Bhd		
Etiqua Insurance Berhad (Dana EKT Prima)	600,000	0.60
24 CIMB Group Nominees (Tempatan) Sdn Bhd		
CIMB-Principal Asset Management Berhad For Universiti Malaya (CAFM)	570,800	0.57

## LIST OF 30 LARGEST SHAREHOLDERS (CONT'D)

Name of Shareholders	No. of shares	%
25 CIMB Group Nominees (Tempatan) Sdn Bhd CIMB-Principal Asset Management Berhad For Lembaga Tabung Haji (CAFM)	414,900	0.41
26 Yeo Khee Huat	378,000	0.38
27 AMSEC Nominees (Tempatan) Sdn Bhd Nomura Asset Management Malaysia Sdn Bhd For Tenaga Nasional Berhad Retirement Benefit Trust Fund	323,600	0.32
28 Citigroup Nominees (Tempatan) Sdn Bhd Kumpulan Wang Simpanan Persaraan (Diperbadankan) (Nomura) SFS-DCC MY	300,000	0.30
29 Maybank Nominees (Tempatan) Sdn Bhd Etika Insurance Berhad (Prem Equity FD)	300,000	0.30
30 CIMSEC Nominees (Tempatan) Sdn Bhd CIMB Bank For Ong Yoong Nyock (M78046)	290,000	0.29
<b>Total</b>	<b>86,214,400</b>	<b>86.20</b>

## SUBSTANTIAL SHAREHOLDERS

The details of the substantial shareholders of our Company and their respective shareholdings in our Company as per the Register of Substantial Shareholders are as follows:

Name of Shareholders	Direct Interest	%	Indirect Interest	%
1 Yusen Logistics Co., Ltd.	29,199,804	29.20	23,990,182 <sup>1</sup>	23.99
2 Yusen Logistics (Singapore) Pte Ltd	23,990,182	23.99	-	-
3 Nippon Yusen Kabushiki Kaisha	9,589,591	9.59	55,379,971 <sup>2</sup>	55.38
4 Real Fortune Portfolio Sdn Bhd	9,830,438	9.83	-	-
5 Lee Check Poh	-	-	9,830,438 <sup>3</sup>	9.83

## DIRECTORS' SHAREHOLDINGS

In accordance with the Register of Directors' Shareholdings, the Directors' direct and indirect interests in share in the Company are as follows:

Name of Shareholders	Direct Interest	%	Indirect Interest	%
1 Lee Check Poh	-	-	9,830,438 <sup>3</sup>	9.83
2 Lim Jew Kiat	60,000	0.06	-	-
3 Tan Kim Yong	30,000	0.03	-	-
4 Kwong Hoi Meng	11,000	0.01	-	-
5 Raymond Cha Kar Siang	11,000	0.01	-	-
6 Raippan s/o Yagappan @ Raiappan Peter	11,000	0.01	-	-
7 Lee Wan Kai	10,000	0.01	-	-

1. Deemed interested by virtue of its equity interest in Yusen Logistics (Singapore) Pte Ltd pursuant to Section 6A of the Act.

2. Deemed interested by virtue of its subsidiary companies, Yusen Logistics Co Ltd, Yusen Logistics (Singapore) Pte Ltd and Hachiuma Steamship Co Ltd's equity interest in our Company pursuant to Section 6A of the Act.

3. Deemed interested by virtue of his equity interest in Real Fortune Portfolio Sdn Bhd pursuant to Section 6A of the Act.

## Subsidiary And Associated Companies

### SUBSIDIARY COMPANIES

			Group Effective Interest		
			%	%	
		Country	31.03.2014	31.03.2015	Principal Activities
1.	Baik Sepakat Sdn Bhd	Malaysia	100.00	100.00	Truck rental and insurance agency services
2.	Tunas Cergas Logistik Sdn Bhd	Malaysia	100.00	100.00	Truck, rental, in-house truck repair and maintenance and the provision of other related logistics services
3.	Emulsi Teknik Sdn Bhd	Malaysia	100.00	100.00	Truck rental and logistics services
4.	Trans-Asia Shipping Pte Ltd	Singapore	100.00	100.00	Customs broking, handling agency and freight forwarding services
5.	Maya Kekal Sdn Bhd	Malaysia	100.00	100.00	Trading
6.	Precious Fortunes Sdn Bhd	Malaysia	100.00	100.00	Warehouse rental
7.	TASCO Express Sdn Bhd	Malaysia	100.00	100.00	Dormant
8.	Titian Pelangi Sdn Bhd	Malaysia	-	100.00	Warehouse rental
9.	Omega Saujana Sdn Bhd	Malaysia	51.22	51.22	Freight forwarding services
10.	Piala Kristal (M) Sdn Bhd	Malaysia	51.22	51.22	Freight forwarding services

### ASSOCIATED COMPANY

		Group Effective Interest			
		%	%		
	Country	31.03.2014	31.03.2015		Principal Activities
1.	Agate Electro Supplies Sdn Bhd	Malaysia	50.00	50.00	Warehouse rental

# Notice Of Fortieth Annual General Meeting 113

**NOTICE IS HEREBY GIVEN THAT** the Fortieth Annual General Meeting of the Company will be held at Lot No. 1A, Persiaran Jubli Perak, Jalan 22/1, Seksyen 22, 40300 Shah Alam, Selangor Darul Ehsan on Tuesday, 15 September 2015 at 3.00 p.m. to transact the following businesses:-

## AGENDA

1. To receive the Audited Financial Statements for the financial year ended 31 March 2015 and the Reports of Directors and Auditors thereon.
2. To approve the payment of a single-tier final dividend of 5.00 sen in respect of the financial year ended 31 March 2015. **Ordinary Resolution 1**
3. To re-elect the following Directors who retire pursuant to Article 77 of the Company's Articles of Association:-
  - 3.1 Mr. Lim Jew Kiat **Ordinary Resolution 2**
  - 3.2 Mr. Tan Kim Yong **Ordinary Resolution 3**
  - 3.3 Mr. Raymond Cha Kar Siang **Ordinary Resolution 4**
4. To consider and if thought fit, to pass the following resolution in accordance with Section 129 of the Companies Act, 1965:- **Ordinary Resolution 5**

"THAT Mr. Raippan s/o Yagappan @ Raiappan Peter retiring in accordance with Section 129 of the Companies Act, 1965 be and is hereby appointed a director of the Company to hold office until the next Annual General Meeting."
5. To re-appoint Messrs Mazars as Auditors of the Company and authorise the Directors to determine their remuneration. **Ordinary Resolution 6**
6. As Special Business to consider and if thought fit, to pass the following Ordinary Resolutions, with or without modifications: -
 

**PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE** **Ordinary Resolution 7**

"THAT pursuant to Paragraph 10.09 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements, the Company and its subsidiaries be and are hereby authorised to enter into and give effect to the Recurrent Transactions with the Related Party as detailed in Section 2.3.2 of the Circular to Shareholders dated 24 August 2015 which are necessary for the Company's and its subsidiaries' day-to-day operations in the ordinary course of business on terms not more favourable to the said Related Party than those generally available to the public and not detrimental to minority shareholders of the Company.

AND THAT such approval shall continue to be in force until:-

  - (a) the conclusion of the next Annual General Meeting ("AGM") of the Company, at which time it will lapse, unless by a resolution passed at the AGM whereby the authority is renewed; or
  - (b) the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 143(1) of the Companies Act, 1965 ("Act") (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or
  - (c) revoked or varied by a resolution passed by the shareholders in a general meeting whichever is earlier.

## Notice Of Fortieth Annual General Meeting

"THAT pursuant to Paragraph 10.09 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements, the Company and its subsidiaries be and are hereby authorised to enter into and give effect to the Recurrent Transactions with the Related Party as detailed in Section 2.3.2 of the Circular to Shareholders dated 24 August 2015 which are necessary for the Company's and its subsidiaries' day-to-day operations in the ordinary course of business on terms not more favourable to the said Related Party than those generally available to the public and not detrimental to minority shareholders of the Company.

AND THAT such approval shall continue to be in force until:-

- (a) the conclusion of the next Annual General Meeting ("AGM") of the Company, at which time it will lapse, unless by a resolution passed at the AGM whereby the authority is renewed; or
- (b) the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 143(1) of the Companies Act, 1965 ("Act") (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or
- (c) revoked or varied by a resolution passed by the shareholders in a general meeting.

whichever is earlier.

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things as they may consider expedient or necessary to give effect to the Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a revenue or trading nature."

### **PROPOSED SHARE SPLIT INVOLVING THE SUBDIVISION OF EVERY ONE (1) EXISTING ORDINARY SHARE OF RM1.00 EACH IN TASCO BERHAD ("TASCO") INTO TWO (2) ORDINARY SHARES OF RM0.50 EACH IN TASCO**

*Ordinary Resolution 8*

"THAT subject to the approval of all relevant authorities being obtained, approval be and is hereby given to the Board to subdivide each of the ordinary share of RM1.00 each of the Company held by registered shareholders whose names appear in the Company's Record of Depositors as at the close of business on a date to be determined by the Board and announced later, into two (2) fully paid-up ordinary shares of RM0.50 each ("Subdivided Shares") AND THAT the authorised share capital of the Company which is RM200,000,000.00 divided into 200,000,000 ordinary shares of RM1.00 each be and is hereby altered by subdividing the 200,000,000 ordinary shares of RM1.00 each into 400,000,000 ordinary shares of RM0.50 each ("Proposed Share Split").

THAT the Subdivided Shares shall rank pari passu in all respects with each other.

AND THAT the Board be and is hereby authorised to do all acts and things as they may consider necessary or expedient in the best interest of the Company with full powers to assent to any condition, modification, variation and/or amendments as may be required, or imposed by the relevant authorities, and to take all steps and to enter into all such agreement, arrangement, undertaking, indemnities, transfer, assignment and guarantee with any party or persons and to carry out any other matters as may be required to implement, finalise and give full effect to the Proposed Share Split."



# Notice Of Fortieth Annual General Meeting 115

## AUTHORITY TO ISSUE SHARES

## Ordinary Resolution 9

"THAT subject always to the Companies Act, 1965 ("Act") and the approvals of the relevant governmental and/or regulatory authorities, the Directors be and are hereby authorised pursuant to Section 132D of the Act to issue shares in the Company at any time until the conclusion of the next Annual General Meeting upon such terms and conditions and for such purposes that the Directors may in their absolute discretion deem fit provided that the aggregate number of shares to be issued pursuant to this Resolution does not exceed 10% of the issued share capital of the Company for the time being."

7. To transact any other business of which due notice shall have been received.

## NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS ALSO HEREBY GIVEN THAT a single-tier final dividend of 5.00 sen in respect of the financial year ended 31 March 2015, if approved by the shareholders, will be paid on 14 October 2015 to shareholders whose names appear in the Record of Depositors of the Company at the close of business on 30 September 2015..

A Depositor shall qualify for entitlement only in respect of:-

- (a) shares transferred to the Depositor's Securities Account before 4.00 p.m. on 30 September 2015 in respect of transfers; and
- (b) shares bought on Bursa Malaysia Securities Berhad on a cum-entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

BY ORDER OF THE BOARD

**KANG SHEW MENG**  
**SEOW FEI SAN**  
**LOH LAI LING**  
 Secretaries

Petaling Jaya  
 Date: 24 August 2015

**Notes:**

1. Only depositors whose names appear in the Record of Depositors as at 8 September 2015 shall be regarded as members and entitled to attend, speak and vote at the Annual General Meeting,
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a Member of the Company and a Member may appoint any persons to be his proxy. The provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.
3. A Member shall be entitled to appoint not more than two (2) proxies to attend and vote at the Annual General Meeting. Where a Member appoints two (2) proxies, the appointment shall be invalid unless the Member specifies the proportions of his holding to be represented by each proxy. Where a Member of the Company is an authorised nominee as defined under the Central Depositors Act, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said Securities Account. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account (omnibus account), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
4. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing, or if the appointer is a corporation, either under its Common Seal or under the hand of its officer or attorney duly authorised.
5. The instrument appointing a proxy and the power of attorney or other authority (if any), under which it is signed or a notarially certified copy thereof, must be deposited at the Registered Office of the Company at 802, 8th Floor, Block C, Kelana Square, 17 Jalan SS7/26, 47301 Petaling Jaya, Selangor Darul Ehsan not less than forty eight (48) hours before the time for holding the Annual General Meeting or any adjournment thereof.
6. Explanatory Notes on Special Business:

**Ordinary Resolution 7****Proposed Renewal of Shareholders' Mandate for Recurrent Transactions**

The Ordinary Resolution 7 proposed under item 6, if passed, will allow the Company and its subsidiaries to enter into Recurrent Transactions pursuant to Paragraph 10.09 of the Listing Requirements. Further information on the Proposed Shareholders' Mandate for Recurrent Related Party Transactions is set out in Section 2.3.2 of the Circular to Shareholders dated 24 August 2015, which is despatched together with the Company's Annual Report 2015.

**Ordinary Resolution 8****Proposed Share Split involving the subdivision of every one (1) existing ordinary share of RM1.00 each in TASCO Berhad ("TASCO") into two (2) ordinary shares of RM0.50 each in TASCO**

The Proposed Ordinary Resolution 8, if passed, is expected to adjust the market price of TASCO Shares and will result in the Subdivided Shares being more affordable which will enable a wider group of investors to participate in the growth of the Company.

The Proposed Share Split is expected to enhance the marketability and trading liquidity of the ordinary shares of TASCO as a result of the increase in the number of shares in issue.

**Ordinary Resolution 9****Authority to Issue Shares**

At last year's Annual General Meeting, mandate was given to Directors to issue and allot at no more than 10% of the issued share capital of the Company. However, the mandate was not utilised and accordingly will lapse at the forthcoming Annual General Meeting. As such, the Board would like to seek for a renewal of the mandate.

The proposed Ordinary Resolution 9, if passed, will empower the Directors of the Company to issue and allot not more than 10% of the issued share capital of the Company subject to the approvals of all the relevant governmental and/or other regulatory bodies and for such purposes as the Directors consider would be in the interest of the Company.

The authority will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for purpose of funding future investment project(s), working capital and/or acquisitions.

This authorisation will, unless revoked or varied by the Company in a general meeting, expire at the next Annual General Meeting of the Company.

# Proxy Form

TASCO Berhad  
(Company No. 20218-T)  
(Incorporated in Malaysia)



I/We \_\_\_\_\_ NRIC/Co. No. \_\_\_\_\_  
(Please Use Block Capitals)

of \_\_\_\_\_  
(Full Address)

being a member/members of **TASCO BERHAD** hereby appoint \_\_\_\_\_

\_\_\_\_\_ (Full Name)

of \_\_\_\_\_ (Full Address)

or failing him/her, \_\_\_\_\_ (Full Name)

of \_\_\_\_\_ (Full Address)

as my/our proxy to vote for me/us on my/our behalf at the Fortieth Annual General Meeting of the Company to be held at Lot No. 1A, Persiaran Jubli Perak, Jalan 22/1, Section 22, 40300 Shah Alam, Selangor Darul Ehsan on Tuesday, 15 September 2015 at 3.00 p.m. and at any adjournment thereof.

The proxy is to vote on the Resolutions set out in the Notice of the Meeting as indicated with an "X" in the appropriate places. If no specific direction as to voting is given, the proxy will vote or abstain from voting at his discretion, as he will on any other matter arising at the Meeting.

	FOR	AGAINST
Ordinary Resolution 1		
Ordinary Resolution 2		
Ordinary Resolution 3		
Ordinary Resolution 4		
Ordinary Resolution 5		
Ordinary Resolution 6		
Ordinary Resolution 7		
Ordinary Resolution 8		
Ordinary Resolution 9		

Dated:

Number of shares held

Signature/Common Seal of Shareholder(s)

## Notes:-

- Only depositors whose names appear in the Record of Depositors as at 8 September 2015 shall be regarded as members and entitled to attend, speak and vote at the Annual General Meeting.
- A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a Member of the Company and a Member may appoint any persons to be his proxy. The provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.
- A Member shall be entitled to appoint not more than two (2) proxies to attend and vote at the Annual General Meeting. Where a Member appoints two (2) proxies, the appointment shall be invalid unless the Member specifies the proportions of his holding to be represented by each proxy. Where a Member of the Company is an authorised nominee as defined under the Central Depositors Act, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said Securities Account. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account (omnibus account), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing, or if the appointer is a corporation, either under its Common Seal or under the hand of its officer or attorney duly authorised.
- The instrument appointing a proxy and the power of attorney or other authority (if any), under which it is signed or a notarially certified copy thereof, must be deposited at the Registered Office of the Company at 802, 8th Floor, Block C, Kelana Square, 17 Jalan SS7/26, 47301 Petaling Jaya, Selangor Darul Ehsan not less than forty eight (48) hours before the time for holding the Annual General Meeting or any adjournment thereof.

Fold this flap for sealing

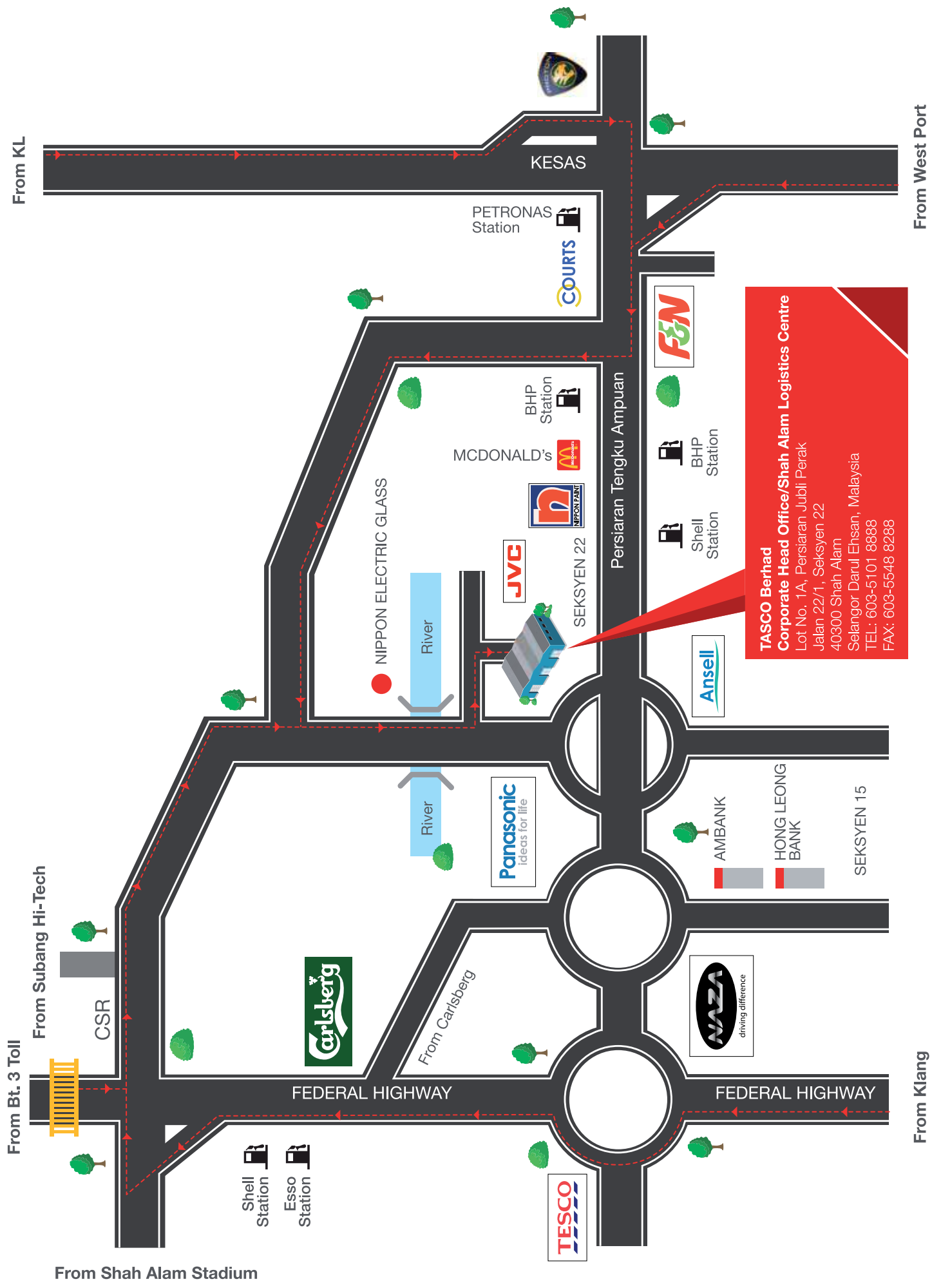
Then fold here

Affix  
Stamp

THE COMPANY SECRETARY  
**TASCO Berhad** (20218-T)

802, 8th FLOOR, BLOCK C,  
KELANA SQUARE,  
17 JALAN SS7/26,  
47301 PETALING JAYA,  
SELANGOR DARUL EHSAN.

First fold here



**TASCO Berhad**  
**Corporate Head Office/Shah Alam Logistics Centre**  
Lot No. 1A, Persiaran Jubli Perak  
Jalan 22/1, Seksyen 22  
40300 Shah Alam  
Selangor Darul Ehsan, Malaysia  
TEL: 603-5101 8888  
FAX: 603-5548 8288

## **TASCO Berhad**

Lot No. 1A, Persiaran Jubli Perak  
Jalan 22/1, Seksyen 22  
40300 Shah Alam  
Selangor Darul Ehsan, Malaysia

Tel : 603 5101 8888

Fax : 603 5548 8288

[www.tasco.com.my](http://www.tasco.com.my)